

CELSIUS GLOBAL FUNDS SICAV PLC

An umbrella fund with segregated liability between sub-funds

(an umbrella type open-ended investment company with variable share capital incorporated with limited liability under the laws of Malta with registered number)

PROSPECTUS

This Prospectus may not be distributed unless accompanied by, and must be read in conjunction with, the Supplement for the Shares of the Fund being offered.

27th July, 2012

IMPORTANT INFORMATION

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY OF THE SHARES YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

Authorisation

The Company is an investment company with variable share capital incorporated in terms of the Companies Act, Cap. 386 Laws of Malta on the 28th March 2006. The Company is licensed by the Malta Financial Services Authority (MFSA) in terms of Article 6 of the Investment Services Act, 1994 and qualifies as a 'Maltese UCITS' pursuant to the Undertakings for Collective Investment in Transferable Securities and Management Companies Regulations, 2004, Legal Notice 207 of 2004, as amended. This authorisation however, does not constitute a warranty by the MFSA as to the performance of the Company and the MFSA shall not be liable for the performance or default of the Company. Authorisation of the Company is not an endorsement or guarantee of the Company by the MFSA nor is the MFSA responsible for the contents of this Prospectus.

The Company is structured as an open-ended umbrella fund with segregated liability between sub funds. Shares representing interests in different Funds may be issued from time to time by the Directors. Shares of more than one Class may be issued in relation to a Fund. All Shares of each Class will rank *pari passu* save as provided for in the relevant Supplement. On the introduction of any new Fund or any new Class of Shares (for which prior MFSA approval is required), the Company will prepare and the Directors will issue a Supplement setting out the relevant details of each such Fund or new Share Class. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each Class of Shares) and will be invested in accordance with the investment objective and policy applicable to such Fund. Particulars relating to individual Funds and the Share Classes available therein are set out in the relevant Supplement.

The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

This Prospectus is an updated version of the Prospectus dated 24th May 2012.

Responsibility

The Directors (whose names appear under the heading "Management of the Company – Directors of the Company" below), accept responsibility for the information contained in this Prospectus and each relevant Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus (as complemented, modified or supplemented by the relevant Supplement), when read together with the relevant Supplement, is in accordance with the facts as at the date of the relevant Supplement and does not omit anything likely to affect the import of such information.

Listing on the Irish Stock Exchange

Application may be made to the Irish Stock Exchange for the listing of Shares of any Class issued and available for issue, to be admitted to the Official List and traded on the main securities market of the Irish Stock Exchange. This Prospectus together with the relevant Supplement comprises listing particulars for the purpose of the listing of such Shares on the Official List and trading on the main securities market of the Irish Stock Exchange. Notwithstanding any application to list such Shares, it is not anticipated that an active secondary market will develop in such Shares.

Neither the admission of Shares of any Class in the Company to the Official List and trading on the main securities market of the Irish Stock Exchange nor the approval of this Prospectus and any Supplement shall constitute a warranty or representation by the Irish Stock Exchange as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in this Prospectus or any Supplement or the suitability of the Company for

investment purposes.

As at the date of this Prospectus, the Company has no outstanding mortgages, charges, debentures or other borrowings, including bank overdrafts and liabilities made under acceptance credits, obligations made under finance leases, hire purchase commitments, guarantees or other contingent liabilities.

General

This Prospectus describes the Company and provides general information about offers of Shares in the Company. You must also refer to the relevant Supplement which is separate to this document. Each Supplement sets out the terms of the Shares and the Fund to which the Supplement relates as well as risk factors and other information specific to the relevant Shares.

You should not take any action in respect of any Shares unless you have received a copy of the relevant Supplement. Save as disclosed in the relevant Supplement, the information in the Supplement complements, supplements and modifies the information contained in this Prospectus with specific details and terms of the relevant Shares issued. Should there be any inconsistency between the contents of this Prospectus and any Supplement, the contents of the relevant Supplement will, to the extent of any such inconsistency, prevail. This Prospectus and any relevant Supplement should both be carefully read in their entirety before any investment decision with respect to Shares of any Class is made.

Distribution of this Prospectus and the relevant Supplement is not authorised in any jurisdiction after publication of the annual report and audited accounts of the Company unless accompanied by the most recent annual accounts available at the time. A copy of such report and accounts and, if published after such annual report, a copy of the then latest published semi-annual report and unaudited accounts together with this Prospectus form the prospectus for the issue of Shares in the Company.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Articles, copies of which are available as mentioned in this Prospectus.

This Prospectus and any relevant Supplement will be governed by and construed in accordance with Maltese law.

Selling Restrictions

Distribution of this Prospectus is not authorised unless accompanied by a copy of the Supplement for the relevant Fund (provided that you will only receive one copy of the Prospectus irrespective of the number of Supplements you may receive). This Prospectus does not constitute an offer or an offer to the public, an invitation to offer or a recommendation to enter into any transaction, to participate in any trading strategy or to invest in any Fund or any other financial instrument in any jurisdiction in which such offer or solicitation is not permitted by the laws and regulations of such jurisdiction or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is not permitted by the laws and regulations of such jurisdiction to make such offer.

Prospective subscribers for Shares should inform themselves as to the legal requirements of applying for Shares and of applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

The distribution of this Prospectus and the offering of the Shares may be authorised or restricted in certain jurisdictions and/or to certain investors. Accordingly it is the responsibility of any persons who come into possession of this Prospectus and of any persons wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdictions.

In particular the Shares have not been and will not be registered under the United States Securities Act of 1933 (as amended) or the securities laws of any state or political subdivision of the United States and may not, except in a transaction which does not violate U.S. securities laws, be directly or indirectly offered or sold in the United States or to any U.S. Person. The Company will not be registered under the United States Investment Company Act of 1940 as amended.

The Articles give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to repurchase Shares held by), or the transfer of Shares to, any U.S. Persons (unless permitted under certain

exceptions under the laws of the United States) or by any person who does not clear such money laundering checks as the Directors may determine or by any person who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached or any individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind.

This Prospectus and any Supplement may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as the English language document. To the extent that there is any inconsistency between the English language document and the document in another language, the English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

Unless otherwise specified in the relevant Supplement, by purchasing Shares in a Fund, each investor acknowledges that neither the Prospectus or Supplement nor any other offering material has been approved by or registered with the Securities and Exchange Board of India, any stock exchange in India or the Registrar of Companies in India, for distribution in India.

Unless otherwise specified in the relevant Supplement, by purchasing Shares in a Fund, each investor represents, warrants and undertakes that it is not a person resident in India as that term is defined under the Foreign Exchange Management Act, 1999 ("PRII") and it will not offer, sell or arrange the sale of the Shares or distribute or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any offering circular, term sheet, prospectus, form of application, other document or information or carry out any type of solicitation in connection with the Shares in India or to any PRII.

Unless otherwise specified in the relevant Supplement, the Shares may not be offered or sold in India or to a PRII.

The offering contemplated in these offering documents is not, and shall not under any circumstances be construed as a public offering in the jurisdiction of India. Such offering documents are intended for the exclusive use of the person to whom it is delivered and any distribution, reproduction or other use of all or any portion of such offering documents are prohibited. Neither this document nor any other offering document or material relating to the Shares, may be directly or indirectly, circulated to any PRII.

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities to which you might be (or become) subject under the laws of the countries of your incorporation, citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of Shares.

The value of and income from Shares in the Company may go up or down and you may not get back the amount you have invested in the Company. Shares constituting each Fund are described in a Supplement to this Prospectus for each such Fund, each of which is an integral part of this Prospectus and is incorporated herein by reference with respect to the relevant Fund. See the section of this Prospectus headed "Risk Factors" and the section of the relevant Supplement headed "Other Information - Risk Factors" for a discussion of certain risks that should be considered by you.

An investment in the Shares is only suitable for you if you (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this Prospectus are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

Marketing Rules

Any information given, or representations made, by any dealer, salesman or other person which are not contained in this Prospectus or the relevant Supplement or in any reports and accounts of the Company forming part of this Prospectus must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus or the relevant Supplement nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus or the relevant Supplement is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement. This Prospectus or the relevant Supplement may from time to time be updated and intending subscribers should enquire of the Administrator as to the issue of any later Prospectus or Supplement or as to the issue of any reports and accounts of the Company.

Repurchase Charge

A Repurchase Charge of up to 3% of the Repurchase Price of any Share Class of a Fund may be charged by the Company as described in "Share Dealings – Repurchase of Shares". The amount of Repurchase Charge (if any) will be set out in the relevant Supplement.

Definitions

Defined terms used in this Prospectus shall have the meanings attributed to them in the Definitions section below. In this Prospectus words importing the singular shall include the plural and vice versa, where the context so requires.

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DEFINITIONS

Account Holder means any investor who maintains an account with a Clearing System for the purpose of investing in the Shares;

Accounting Period means a period ending on 30 June of each year;

Administration Agreement means the administration agreement dated 17th April 2006 between the Company and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the License Conditions;

Administrator's Fees means the administrator's fees as set out in the section headed "Fees and Expenses";

Administrative Expenses means the administrative expenses as set out in the section headed "Fees and Expenses";

Administrator means State Street Fund Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the License Conditions as the administrator to the Company;

Affiliate means any person which in relation to the person concerned is (i) a holding company, (ii) a subsidiary of any such holding company; (iii) a subsidiary or (iv) controlled directly or indirectly by the person concerned and "control" of an entity for this purpose means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise and, in any event and without limitation of the foregoing, any entity owning more than 50% of the voting securities of a second entity shall be deemed to control that second entity;

Anti-Dilution Levy means a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), duties and charges and other dealing costs relating to the acquisition or disposal of Fund Assets in the event of receipt for processing of large subscription or repurchase requests (as determined at the discretion of the Directors) including subscriptions and/or repurchases which would be effected as a result of requests for exchange from one Fund into another Fund;

Application Form means the application form for Shares;

Approved Counterparty means for the purposes of a Fund, one or more entities selected by the Investment Manager as may be described in the relevant Supplement, provided always that such entity or entities, as the case may be, are, in relation to OTC derivatives, entities falling within a category permitted by the MFSA in terms of the License Conditions (each such entity being an "Approved Counterparty"). For the avoidance of all doubt, and to the extent permitted by applicable law and regulations, Barclays Bank PLC may be an Approved Counterparty;

Articles means the memorandum and articles of association of the Company as amended from time to time in accordance with the requirements of the Authority;

Associated Person means a person who is connected with a Director if, and only if, he or she is:

- (i) that Director's spouse, parent, brother, sister or child;
- (ii) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls; or
- (iii) a partner of that Director.

A company will be deemed to be connected with a Director if it is controlled by that Director;

Authority or MFSA means the Malta Financial Services Authority or any successor regulatory authority responsible for authorising and supervising the Company.

Banking Day means a day (other than a Saturday or Sunday) on which commercial banks are open and settle

payments in Malta;

Base Currency means, in relation to any Fund, such currency as is specified as such in the Supplement for the relevant Fund;

Business Day means, in relation to any Fund, each day as is specified as such in the Supplement for the relevant Fund;

Calculation Agent means the entity selected by the parties as calculation agent in the relevant FDI between a Fund and the relevant Approved Counterparty, it being understood that where Barclays Bank PLC is an Approved Counterparty if permitted under applicable law and regulations, the Calculation Agent in respect of such FDI will be Barclays Bank PLC;

CIS means an open-ended collective investment scheme within the meaning of Regulation 3(2) of the Regulations and which is prohibited from investing more than 10% of its assets in another such collective investment scheme;

Class(-es) means the Share Class or Share Classes relating to a Fund where specific features with respect to preliminary, exchange or repurchase charge, minimum subscription amount, dividend policy, investor eligibility criteria or other specific features may be applicable. The details applicable to each Class will be described in the relevant Supplement;

Clearing System means Clearstream, Luxembourg, Euroclear or any other Clearing System approved by the Directors;

Clearstream, Luxembourg means Clearstream Banking, société anonyme;

Companies Act means the Companies Act, Cap. 386 of the Laws of Malta, including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable share capital;

Collateral means assets delivered as defined under the relevant credit support annex for a Fund and which constitute acceptable collateral in terms of the License Conditions;

Company means Celsius Global Funds SICAV plc;

Connected Person means the persons set out in the section headed "Risk Factors – Potential Conflicts of Interest";

Custodian means HSBC Bank Malta plc or any successor thereto duly appointed with the prior approval of the MFSA as the custodian of the Company;

Custodian's Fees means the Custodian's fees defined as such in the section headed "Fees and Expenses";

Custodian Agreement means the custodian agreement dated 17th May 2006 between the Company and the Custodian as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the License Conditions;

Dealing Day means, in respect of each Fund, each Business Day on which subscriptions for, repurchases of and exchanges of relevant Shares can be made by the Company as specified in the Supplement for the relevant Fund provided that there shall be at least two Dealing Days in each Month (with at least one Dealing Day per fortnight of the relevant Month);

Dealing Deadline means, in relation to any application for subscription, repurchase or exchange of Shares of a Fund, the day and time specified in the Supplement for the relevant Fund by which such application must be received by the Administrator on behalf of the Company in order for the subscription, repurchase or exchange of Shares of the Fund to be made by the Company on the relevant Dealing Day;

Directive means Council Directive of 20 December 1985 (85/611/EEC) on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as amended from time to time;

Directors mean the directors of the Company, each a **Director**;

Directors' Fees means the Directors' fees set out in the section headed "Fees and Expenses";

Distributor means Barclays Bank PLC or any successor thereto duly appointed in accordance with the requirements of the License Conditions as the distributor to the Company;

Distribution Agreement means the distribution agreement dated the 17th April 2006 between the Company and the Distributor as amended, supplemented or otherwise modified from time to time;

EEA Member States means the member states of the European Economic Area, the current members being the EU Member States, Iceland, Liechtenstein and Norway;

EU Member States means the member states of the European Union, the current members being Austria, Belgium, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, the Netherlands and the United Kingdom;

Euro or **€** means the currency introduced at the start of the stage of the European economic and monetary union pursuant to the Treaty on the functioning of the European Union, as amended, regardless of whether such currency ceases at any time to be a lawful currency of one or more Member States;

Exchange Charge means the charge, if any, payable on the exchange of Shares as is specified in the Supplement for the relevant Fund;

Euroclear means Euroclear Bank S.A./N.V.;

Extraordinary Expenses means the extraordinary expenses defined as such in the section headed "Fees and Expenses";

FDI or Derivative Contract means a financial derivative instrument (including an OTC derivative) permitted by the Regulations and the License Conditions;

Fixed Fee Arrangement means the fixed fee arrangement between the Company and the Investment Manager as set out in the section headed "Fees and Expenses";

Fixed Fee(s) means the fees set out in the section headed "Fees and Expenses";

Foreign Person means a person who is neither resident nor ordinarily resident in Malta for tax purposes;

FSA means the UK Financial Services Authority and any successor authority;

Fund means a separate portfolio of assets which is invested in accordance with the investment objective and policies set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such portfolio shall be applied and charged and **Funds** means all or some of the Funds as the context requires or any other portfolios as may be established by the Company from time to time with the prior approval of the Authority;

Funds and Advisory means an asset management business of Barclays Bank PLC, United Kingdom;

Fund Assets means all Transferable Securities, FDIs or other financial instruments invested in by a Fund, as further described in the relevant Supplement;

Funded Swap means a swap where the Fund pays to an Approved Counterparty the full swap notional equal to the net proceeds of any issue of Shares in exchange for the performance or the payout of the Underlying;

Index means such index as specified in the Supplement for the relevant Fund;

Index Sponsor means Barclays Bank PLC or any other entity (which may be a division or an Affiliate of Barclays Bank PLC) selected by the Investment Manager or which sponsors an Index as further described in the relevant Supplement;

Initial Issue Date means the initial issue date of the Shares of a Fund as specified in the relevant Supplement;

Initial Issue Price means the price (excluding any Preliminary Charge) per Share at which Shares are initially

offered in a Fund during the Initial Offer Period as specified in the Supplement for the relevant Fund;

Initial Offer Period means the period during which Shares in a Fund are initially offered at the Initial Issue Price as specified in the Supplement for the relevant Fund;

Investment Account means (i) a separate temporary investment account or (ii) a separate disinvestment account as described in further detail under “Subscription for Shares” and “Repurchase of Shares”;

Investment Manager means, unless specifically stated in the Supplement for the relevant Fund, Barclays Bank PLC, acting through, Funds and Advisory, an asset management business of Barclays Bank PLC, United Kingdom or any successor thereto duly appointed in accordance with the requirements of the License Conditions;

Investment Management Agreement means the amended and restated investment management agreement dated 1st August 2007 between the Company and the Investment Manager as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the License Conditions;

Investment Management Fee means the investment management fee as further described in the section headed “Fees and Expenses”;

Investment Restrictions means the restrictions detailed under the heading “Investment Restrictions” under the section entitled “Funds”;

Irish Stock Exchange means The Irish Stock Exchange Limited;

Launch Date means the date on which the Company issues Shares relating to a Fund in exchange for the subscription proceeds;

License Conditions means the Standard Licence Conditions issued by the Authority from time to time as applicable to the Company as may be supplemented or amended by the Authority from time to time, through the imposition of specific conditions which may be imposed on the Company.

MFSA means the Malta Financial Services Authority or any successor regulatory authority with responsibility for authorising and supervising the Company;

Market Maker means the persons described in the section headed “Risk Factors – Potential Conflicts of Interest”;

Markets means the stock exchanges and regulated markets set out in Appendix I;

Minimum Additional Investment Amount means such minimum cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time require to be invested in any Fund by each Shareholder (after investing the Minimum Initial Investment Amount) and as such is specified in the Supplement for the relevant Fund;

Minimum Fund Size means such amount (if any) as the Directors may consider for each Fund and as set out in the Supplement for the relevant Fund;

Minimum Initial Investment Amount means such minimum initial cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time require to be invested by each Shareholder as its initial investment for Shares of each Class in a Fund either during the Initial Offer Period or on any subsequent Dealing Day and as such is specified in the Supplement for the relevant Fund;

Minimum Repurchase Amount means such minimum number or minimum value of Shares of any Class as the case may be (if any) which may be repurchased at any time by the Company and as such is specified in the Supplement for the relevant Fund;

Minimum Shareholding means such minimum number or minimum value of Shares of any Class as the case may be (if any) which must be held at any time by a Shareholder which shall be greater at all times than the Minimum Repurchase Amount and as such is specified in the Supplement for the relevant Share Class within a Fund;

Moody's means Moody's Investors Service or any successor thereto;

Month means a calendar month;

Net Asset Value means, in respect of the assets and liabilities of a Fund, a Class or the Shares representing interests in a Fund, the amount determined in accordance with the principles set out in the “Calculation of Net Asset Value/Valuation of Assets” section below as the Net Asset Value of the Fund, the Net Asset Value per Class or the Net Asset Value per Share;

OECD Member States means the member states of the Organisation for Economic Co-operation and Development, the current members being Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Japan, Korea (Republic), Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States;

OTC derivative means an FDI which is dealt in an “over-the-counter” market;

Other Administrative Expenses means the other administrative expenses as set out in the section headed “Fees and Expenses”;

Preliminary Charge means the charge, if any, payable to the Distributor on subscription for Shares as described under “Share Dealings – Subscription for Shares – Subscription Price” and specified in the relevant Supplement;

Promoter means Barclays Bank PLC, United Kingdom;

Prospectus means the prospectus in respect of the creation of Funds issued from time to time by the Company as amended, supplemented, consolidated or otherwise modified from time to time;

Regulations mean the Undertakings for Collective Investment in Transferable Securities and Management Companies Regulations, 2004, as amended, the Investment Services Act (Marketing of UCITS) Regulations, as may be amended, the Investment Services Act (UCITS Merger) Regulations, as may be amended and the Investment Services Act (UCITS Management Company Passport) Regulations, 2011 as may be amended;

Relevant Institutions means credit institutions authorised in an EEA Member State or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988, or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand;

Repurchase Charge means the charge, if any, to be paid out of the Repurchase Price to which Shares may be subject, as described under “Share Dealings - Repurchase of Shares” and specified in the relevant Supplement;

Repurchase Price means the price at which a Share are repurchased (before deduction of any Repurchase Charge or other charges, expenses or taxes), as described under “Share Dealings - Repurchase of Shares – Repurchase Price”;

Repurchase Proceeds means, in respect of a Share, the Repurchase Price less the Repurchase Charge and any charges, costs, expenses or taxes, as described under “Share Dealings – Repurchase of Shares”;

Scheduled Maturity Date means, with respect to a Fund, the date indicated in the relevant Supplement on which the outstanding Shares will be repurchased and the Fund terminated, as more fully described under “Share Dealing - Repurchase of Shares”. Unless a Scheduled Maturity Date has been designated in the relevant Supplement, a Fund will not have a Scheduled Maturity Date;

Setting Up Costs means the costs as set out in the section headed “Fees and Expenses”;

Settlement Date means, in respect of receipt of monies for subscription for Shares or dispatch of monies for the repurchase of Shares, the date specified in the Supplement for the relevant Fund. In the case of repurchases this date will be no more than ten Banking Days after the relevant Dealing Deadline, or if later, the receipt of completed repurchase documentation;

Share Class(es) means all of the Shares issued by the Company as a particular Class of Shares relating to a Fund;

Shares means the participating shares in the Company representing interests in a Fund and where the context so permits or requires any Class of participating shares representing interests in a Fund;

Shareholder means a holder of Shares;

Standard & Poor's means Standard & Poor's Corporation or any successor thereto;

£, Sterling and Pound means the lawful currency of the United Kingdom;

Subscription Price means:

- a) during the Initial Offer Period for each Fund, the Initial Issue Price for Shares in the relevant Fund which shall be the amount set out in the Supplement for the relevant Fund; or
- b) on a Dealing Day after the Initial Offer Period, the issue price at which the Shares of any Fund will be issued which is calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day,

in each case, as described in further detail under "Share Dealings-Subscription for Shares-Subscription Price;

Sub-Custodian means State Street Custodial Services (Ireland) Limited or any successor thereto duly appointed with the prior approval of the MFSA in lieu of the Sub-Custodian of the Company;

Sub-Distributor means any sub-distributor appointed by the Distributor as a sub-distributor of the Shares in the Company;

Supplement means any supplement to the Prospectus issued on behalf of the Company in relation to a Fund as amended, supplemented or modified from time to time;

Transaction Fees means any fees and expenses incurred in buying and selling securities or other investments held by a Fund, e.g., brokerage costs and commissions and correspondence fees for transferring securities or investments or other interests, unless otherwise specified in the relevant Supplement;

Transferable Securities means:

- (i) shares in companies and other securities equivalent to shares in companies;
- (ii) bonds and other forms of securitised debt; and
- (iii) other negotiable securities which carry the right to acquire any such Transferable Securities by subscription or exchange, other than the techniques and instruments referred to in Article 21 of the Directive;

UCITS means an undertaking for collective investment in transferable securities within the meaning of the Regulations;

Underlying means the underlying as described in the relevant Supplement in respect of which the investment objective relate;

Unfunded Swap means a swap entered into with an Approved Counterparty where the Approved Counterparty will pay to the Fund the performance of an underlying asset (net of any costs), if positive, and the Fund will pay to the Approved Counterparty the absolute value of the performance of the underlying asset if negative. No upfront payment is made by the Fund;

United Kingdom and UK means the United Kingdom of Great Britain and Northern Ireland;

United States and U.S. means the United States of America (including the States, the District of Columbia and the Commonwealth of Puerto Rico), its territories, possessions and all other areas subject to its jurisdiction;

U.S. Dollars, Dollars and \$ means the lawful currency of the United States;

U.S. Person means

- (i) Any natural person resident in the United States;
- (ii) Any partnership or corporation organized 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 organized, incorporated, or (if an individual) resident in the United States; and
- (viii) Any partnership or corporation if:
 - A. Organized or incorporated under the laws of any foreign jurisdiction; and
 - B. Formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a)) who are not natural persons, estates or trusts.

The following are not "U.S. Persons":

- (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 organized, incorporated, or (if an individual) resident in the United States;
- (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 foreign 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 United States and customary practices and documentation of such country;
- (v) Any agency or branch of a U.S. person located outside the United States 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; and
- (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 organizations, their agencies, affiliates and pension plans.

Valuation Point means the time on any Business Day by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund provided that there shall be at least two Valuation Points in every Month (with at least one Valuation Point per fortnight of the relevant Month);

EXECUTIVE SUMMARY

This section is a brief overview of certain of the important information set out in this Prospectus. It is not a complete description of all of the important information to be considered in connection with an investment in the Shares of a Fund and should be read in conjunction with, and is subject to the full provisions set out in this Prospectus and the Supplement relating to the relevant Shares of the Fund.

Company

The Company is an investment company with variable capital incorporated in Malta on the 28th March 2006 in terms of the Companies Act, Cap 386 Laws of Malta. The Company is licensed by the MFSA in terms of Article 6 of the Investment Services Act, 1994 and qualifies as a 'Maltese UCITS' pursuant to the Undertaking for Collective Investment in Transferable Securities and Management Companies Regulations, 2004, Legal Notice 207 of 2004, as amended.

Funds

The Company is structured as an open-ended umbrella fund in that Shares representing interests in different Funds may be issued from time to time by the Directors. Shares of more than one Class may be issued in relation to a Fund. All Shares of each Class will rank *pari passu* save as provided for in the relevant Supplement. On the introduction of any new Fund (for which prior MFSA approval is required) or any new Share Class (which must be issued in accordance with the requirements of the License Conditions), the Company will prepare and the Directors will issue a Supplement setting out the relevant details of each such Fund or new Share Class. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each Share Class) and will be invested in accordance with the investment objective and policies applicable to such Fund. Particulars relating to individual Funds and the Share Classes available therein are set out in the relevant Supplement.

Investment Objective and Policies

The investment objective of a Fund shall be as set out in the Supplement. In general it will provide the investors with a return (either at the Scheduled Maturity Date or on each Dealing Day) linked to an Underlying (as is defined in the relevant Supplement) either through direct or indirect investment or a combination of the two.

There is no assurance that the investment objective of any Fund whose performance is linked to the Underlying will actually be achieved.

Share Classes

The Directors may decide to create within each Fund different Share Classes. All Share Classes relating to the same Fund will be commonly invested in accordance with such Fund's investment objective but may differ with regard to their fee structure, Minimum Initial Investment Amount, Minimal Additional Investment Amount, Minimum Shareholding, Minimum Repurchase Amount, dividend policy (including the dates and payments of any dividends), investor eligibility criteria or other particular feature(s) as the Directors will decide. A separate Net Asset Value per Share will be calculated for each issued Share Class in relation to each Fund. The different features of each Share Class available relating to a Fund are described in detail in the relevant Supplement.

The Company reserves the right to offer only one or several Share Classes for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice. The Company also reserves the right to adopt standards applicable to certain classes of investors or transactions in respect of the purchase of a particular Share Class.

Dividend Policy

The Directors decide the dividend policy and arrangements relating to each

Fund and details are set out where applicable in the relevant Supplement. Under the Articles, the Directors are entitled to declare dividends out of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund and/or (iii) the capital of the relevant Fund, provided that the amount of dividends so declared should be determined in conformity with any requirements imposed by the MFSA in terms of the Investment Services Act, 1994. **Where dividends will be paid out of the capital of the relevant Fund, this will be disclosed in the relevant Supplement.** The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them (to the extent permitted under the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund) *in specie* any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A Shareholder may require the Company instead of transferring any assets *in specie* to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Malta tax from any dividend payable to a Shareholder in any Fund who is or is deemed to be a taxable in Malta and pay such sum to the Malta tax authorities. Shareholders should note that the share capital of the Company relating to certain Funds will decrease over time as the Company on behalf of these Funds will make dividend payments out of the share capital of the Company relating to those Funds. Where Shares of a Fund are listed on the Irish Stock Exchange, dividends (if any) will be paid in accordance with Irish Stock Exchange policy, provided that any such distributions will in any event be effected in compliance with any requirements imposed by the MFSA in terms of the Investment Services Act, 1994.

Risk Factors

An investment in a Fund involves a number of risks, including a possible loss of the amount invested. Moreover, there can be no guarantee or assurance that a Fund will achieve its investment objective. A more detailed description of certain risk factors relevant to investors in the Funds is set out under “Risk Factors” and the section of the relevant Supplement headed “Other Information – Risk Factors”.

Subscription of Shares

Shares will be offered for subscription during the Initial Offer Period at the Initial Issue Price plus the Preliminary Charge (if applicable) as described in “Subscription for Shares”. Subsequent subscriptions will be made at the Net Asset Value per Share of the relevant Class plus the Preliminary Charge (if applicable) as described in “Subscription for Shares”.

Repurchase of Shares

Shares will be repurchased at the applicable Net Asset Value per Share of the relevant Class plus the Repurchase Charge (if applicable) as described in “Repurchase of Shares”.

Exchanges of Shares

Exchanges of Shares of any Class of any Fund may be made into Shares of another Class which are being offered at that time (such Class being of the same Fund or different Fund) to the extent authorised in the Supplement and as described under “Exchange of Shares”.

Dealing Fees

(a) Preliminary Charge

Shares may be subject to a Preliminary Charge which will be calculated on the Initial Issue Price or the Net Asset Value per Share as described under

“Share Dealings - Subscription for Shares – Subscription Price”.

(b) Repurchase Charge

Shares may be subject to a Repurchase Charge which will be calculated on the Net Asset Value per Share as described under “Share Dealings – Repurchase of Shares – Repurchase Price”.

(c) Exchange Charge

An Exchange Charge of up to 2% of the Repurchase Price of the Shares being exchanged may be charged by the Company on the exchange of Shares, as is specified in the Supplement for the relevant Fund.

Other Fees and Expenses

Information on fees and expenses for each Fund can be found under the heading “Fees and Expenses” of this Prospectus and the relevant Supplement.

Reports and Accounts

The Company’s year end is 30 June in each year. The annual report and audited accounts of the Company will be sent to the MFSA and the Irish Stock Exchange (where applicable) and made available to Shareholders within four Months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The next annual report will be published within four months of 30 June 2012. The Company will also prepare unaudited semi-annual reports which will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within two Months after 31 December in each year. The next semi-annual report will be published within two Months of 31 December 2012

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the Company’s year end or the end of such semi-annual period.

Listing

Application can be made to list certain Share Classes on the Irish Stock Exchange and/or any other stock exchange, as determined by the Directors.

FUNDS

The Company has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

Funds

The Company has adopted an “umbrella” structure to provide both institutional and individual investors with a choice of different Funds. Each Fund will be differentiated by its specific investment objective, policy, currency of denomination or other specific features as described in the relevant Supplement. A separate pool of assets is maintained for each Fund and is invested in accordance with each Fund's respective investment objective.

Share Classes

The Directors may decide to create within each Fund different Share Classes. All Share Classes relating to the same Fund will be commonly invested in accordance with such Fund's investment objective but may differ with regard to their fee structure, Minimum Initial Investment Amount, Minimal Additional Investment Amount, Minimum Shareholding, Minimum Repurchase Amount, dividend policy (including the dates and payments of any dividends), investor eligibility criteria or other particular feature(s) as the Directors will decide. A separate Net Asset Value per Share will be calculated for each issued Share Class in relation to each Fund. The different features of each Share Class available relating to a Fund are described in detail in the relevant Supplement.

The Company reserves the right to offer only one or several Share Classes for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice. The Company also reserves the right to adopt standards applicable to certain classes of investors or transactions in respect of the purchase of a particular Share Class.

Investment Objective and Policies

The Articles provide that the investment objective and policy for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policy for each Fund of the Company appear in the Supplement for the relevant Fund.

Any change in the investment objective or any material change to the investment policy of a Fund may only be made with the approval of an ordinary resolution of the Shareholders of the Fund. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policy of a Fund, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares repurchased prior to the implementation of such change.

Under the rules of the Irish Stock Exchange, in the absence of unforeseen circumstances, the investment objective and policy for each listed Fund must be adhered to for at least three years following the admission of the Shares of the relevant Fund to the Official List and traded on the main securities market of the Irish Stock Exchange. The rules also provide that any material change in the investment objective of each listed Fund or its policy during the said period may only be made with the approval of the Irish Stock Exchange and an ordinary resolution of the Shareholders of the relevant Fund.

The investment objective of each Fund shall be as set out in the relevant Supplement. Generally the investment objective is to provide the investors with a return (either at the Scheduled Maturity Date or on each Dealing Day) linked to an Underlying (as is defined in the relevant Supplement).

In order to achieve the investment objective, the Shareholders of a Fund will be exposed to the performance of the Underlying, either through direct or indirect investment (through, for example, FDIs, or Transferable Securities) in the Underlying or a combination of the two.

The return that a Shareholder will receive will be dependent on the performance of the Fund Assets and thus the return Shareholders receive may not wholly correspond to the performance of the Underlying. **There is no assurance that the investment objective of any Fund whose performance is linked to the Underlying will actually be achieved.**

Where the Underlying consists of an Index, there may be an Index Sponsor or other agents. The identity of

such Index Sponsor and/or agents will be specified in the relevant Supplement.

The Fund Asset will be managed by the Investment Manager.

Funds with a Scheduled Maturity Date will follow an investment policy that aims at providing investors with predefined distributions, if applicable, and a payout upon the Scheduled Maturity Date. The ability to provide investors with such a predefined payout is dependent upon a number of parameters, including market movements between the determination of the payout upon the structuring of the Fund and the Fund's Initial Issue Date. In order to mitigate these market movements which could affect the payout, the Fund may, in accordance with the Investment Restrictions, agree to take over pre-hedging arrangements (if any) into which Approved Counterparty may have entered into. The Fund will bear the costs and expenses relating to such pre-hedging arrangements.

Investment Restrictions

The investment restrictions applying to each Fund of the Company under the Regulations and License Conditions are set out below. These are, however, subject to the qualifications and exemptions contained in the Regulations and in the License Conditions. Any additional investment restrictions for other Funds will be formulated by the Directors at the time of the creation of such Fund.

The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders, in order to comply with the laws and regulations of the countries where Shareholders are placed.

1. *Permitted Investments*

Investments of a Fund are confined to:

- 1.1. Transferable Securities and Money Market Instruments which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU 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, as defined in the License Conditions other than those dealt on a regulated market.
- 1.4. Units of UCITS.
- 1.5. Units of non-UCITS as set out in the License Conditions;
- 1.6. Deposits with credit institutions as prescribed in the License Conditions.
- 1.7. Financial derivative instruments as set out in the License Conditions.

2. *Investment Limits*

- 2.1. A Fund may invest no more than 10% of its Net Asset Value in Transferable Securities and money market instruments other than those referred to in paragraph 1.
- 2.2. A Fund may invest no more than 10% of its Net Asset Value in recently issued Transferable Securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.2) within a year. This restriction will not apply in relation to investment by the Fund in certain U.S. securities known as Rule 144A securities provided that:
 - 2.2.1. the securities are issued with an undertaking to register with the U.S. Securities and Exchanges Commission within one year of issue; and
 - 2.2.2. the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.

- 2.3. A Fund may invest no more than 10% of its Net Asset Value 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. Subject to the prior approval of the MFSA, 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 an EU Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- 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 an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU 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 Fund may not invest more than 20% of its Net Asset Value in deposits made with the same credit institution.
- Deposits with any one credit institution, other than with Relevant Institutions held as ancillary liquidity, must not exceed 10% of the Net Asset Value of a Fund.
- This limit may be raised to 20% in the case of deposits made with the Custodian.
- 2.8. The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value.
- This limit is raised to 10% in the case of Relevant Institutions.
- 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 the Net Asset Value of a Fund:
- 2.9.1. investments in Transferable Securities or money market instruments;
- 2.9.2. deposits, and/or
- 2.9.3. risk exposures arising from OTC derivative 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 the Net Asset Value of a Fund.
- 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 the Net Asset Value of a Fund may be applied to investment in Transferable Securities and money market instruments within the same group.
- 2.12. A Fund may invest up to 100% of its Net Asset Value in different Transferable Securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international bodies of which one or more EU Member States are members or by Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States or any of the following:

OECD Member States, excluding those listed above (provided the relevant issues are investment grade)
 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
 Government of Brazil (provided the issues are of investment grade)
 Government of India (provided the issues are of investment grade)
 Government of Singapore (provided the issues are of investment grade)
 Straight-A Funding LLC

The Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its Net Asset Value.

3. *Investment in Collective Investment Schemes (CIS)*

- 3.1. A Fund may not invest more than 20% of its Net Asset Value in any one CIS.
- 3.2. Investment in non-UCITS may not, in aggregate, exceed 30% of the Net Asset Value of a Fund.
- 3.3. When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the management company of the Company or by any other company with which the management company of the 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 Fund's investment in the units of such other CIS.
- 3.4. Where a commission (including a rebated commission) is received by the Fund manager/investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

4. *Index Replicating UCITS*

- 4.1. A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the License Conditions and is recognised by the MFSA.
- 4.2. The limit in 4.1 may be raised to 35% of the Net Asset Value of the Fund, and applied to a single issuer, where this is justified by exceptional market conditions.

5. *General Provisions*

- 5.1. An investment company, 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 Fund may acquire no more than:
 - 5.2.1. 10% of the non-voting shares of any single issuing body;
 - 5.2.2. 10% of the debt securities of any single issuing body;
 - 5.2.3. 25% of the units of any single CIS;

5.2.4. 10% of the money market instruments of any single issuing body.

The limits laid down in 5.2.2, 5.2.3 and 5.2.4 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:

5.3.1. Transferable Securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;

5.3.2. Transferable Securities and money market instruments issued or guaranteed by a non-EU Member State;

5.3.3. Transferable Securities and money market instruments issued by public international bodies of which one or more EU Member States are members;

5.3.4. shares held by a Fund in the capital of a company incorporated in a non-EU 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 Fund 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-EU 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;

5.3.5. Shares held by an investment company 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. A Fund 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 Authority may allow a recently authorised Fund 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 its authorisation, provided it observes the principle of risk spreading.

5.6. If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

5.7. A Fund may not carry out uncovered sales of:

5.7.1. Transferable Securities;

5.7.2. money market instruments;

5.7.3. units of CIS; or

5.7.4. FDIs.

5.8. A Fund may hold ancillary liquid assets.

6. *Financial Derivative Instruments (FDIs)*

6.1. A Fund's global exposure (as prescribed in the License Conditions) relating to FDI must not exceed its Net Asset Value.

6.2. Position exposure to the Underlyings 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 License Conditions. (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 License Conditions.)

6.3. A Fund may invest in OTC derivatives provided that the counterparties to the OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the MFSA.

6.4. Investment in FDIs are subject to the conditions and limits laid down by the MFSA.

Master Feeder Funds

A Fund may be authorised as a master fund or as a feeder fund under the provisions of the Regulations.

Where a Fund is authorised as a master fund, it must be a Fund which:

- has, among its Shareholders, at least one feeder fund;
- is not itself a feeder fund; and
- does not hold any shares/units of a feeder fund.

Where a Fund is authorised as a feeder fund, it must invest a minimum of 85% of its Net Asset Value in the master fund and may invest up to 15% of its Net Asset Value in one or more of the following instruments:

- ancillary or liquid assets;
- FDI; and
- moveable and immoveable property which is essential for the pursuit of business.

Efficient Portfolio Management

The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities and/or other financial instruments in which it invests for efficient portfolio management purposes, a list of which (if any) shall be set out in the relevant Supplement.

Uncovered Sales

A Fund may not engage in uncovered sales at any time. The Company will apply rules (as detailed below) with respect to transactions with both listed and 'over-the-counter' FDIs so as to ensure that each Fund retains appropriate cover for all transactions entered into on its behalf. These rules will be applied to each Fund respectively.

Physically Settled Trades

When the relevant FDI provides for, either automatically or at the choice of the Fund's counterparty, physical delivery of the underlying financial instrument on maturity or exercise of the FDI, and provided that physical delivery of such underlying financial instrument is common practice, the Fund will hold such underlying financial instrument as cover in its investment portfolio.

In cases where the risks of the financial instrument underlying a FDI can be appropriately represented by another underlying financial instrument and such other underlying financial instrument is highly liquid (an "Alternative Financial Instrument"), the Fund may, in exceptional circumstances, hold such Alternative Financial Instruments as cover. In such circumstances, the Company shall ensure that such Alternative Financial Instruments can be used at any time to purchase the underlying financial instrument to be delivered and that the additional market risk which is associated with that type of transaction is adequately measured.

Cash-Settled Trades

Where the relevant FDI is cash-settled automatically or at the Company's discretion, a Fund may elect not to hold the specific financial instrument underlying the FDI as cover. In such circumstances, such Fund will consider the following categories as acceptable cover:

- (a) cash;
- (b) liquid debt instruments (e.g. government bonds rated AAA by Standard and Poor's Rating Group (a division of McGraw-Hill, Inc.), or any successor thereto ("S&P") or Aaa by Moody's Investors Service Inc., or any successor thereto ("Moody's")) with appropriate safeguards (in particular, haircuts);
- (c) other highly liquid assets as recognised by the relevant competent authorities, subject to appropriate

safeguards (e.g. haircuts where relevant).

In the context of the application of cover rules, the Company will consider as 'liquid' those instruments which can be converted into cash in no more than seven business days at a price closely corresponding to the current valuation of the financial instrument on its own market. The Company will ensure that the respective cash amount be at the relevant Fund's disposal at the maturity/expiry or exercise date of the FDI.

The level of cover will be calculated in line with the commitment approach, under which the Company will, in relation to each Fund, convert the positions of each FDI into equivalent positions in the asset underlying such FDIs.

The Company will require that the underlying financial instrument of FDIs, whether they provide for cash-settlement or physical delivery, as well as the financial instruments held for cover have to be compliant with the License Conditions and the individual investment policy of the Fund.

Borrowing and Lending Powers

The Company may only borrow, for the account of a Fund, up to 10% of the Net Asset Value of a Fund provided that such borrowing is for a period of up to one Month to cover a cash shortfall caused by mismatched settlement dates on purchase and sale transactions or on a temporary basis to finance repurchases. The assets of such Fund may be charged as security for any such borrowings. The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the above mentioned 10% limit provided that the offsetting deposit (a) is denominated in the Base Currency of the Fund and (b) equals or exceeds the value of the foreign currency loan outstanding.

The Company may not borrow for investment purposes.

Without prejudice to the powers of the Company to invest in Transferable Securities, the Company may not lend cash, or act as guarantor on behalf of third parties.

Any special borrowing restrictions relating to a Fund will be formulated by the Directors at the time of the creation of a Fund. There are no special borrowing restrictions currently in operation.

Charges and Expenses

When the Company on behalf of a Fund invests in the shares of other UCITS or collective investment undertakings or both and those other UCITS or collective investment undertakings are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company shall not charge subscription or repurchase fees on account of the investment by the Company on behalf of the Fund in the shares of such other UCITS or collective investment undertakings or both, as the case may be.

If the Company on behalf of a Fund invests a substantial proportion of its net assets in other UCITS or non-UCITS collective investment undertakings or both, the maximum level of the management fees that may be charged to the Fund by such UCITS or non-UCITS collective investment undertakings or both, as the case may be, will be set out in the relevant Supplement. Details of such fees will also be contained in the Company's annual report.

Dividend Policy

The Directors decide the dividend policy and arrangements relating to each Fund and details are set out where applicable in the relevant Supplement. Under the Articles, the Directors are entitled to declare dividends out of the relevant Fund being: (i) the accumulated revenue (consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments and other funds less realised and unrealised accumulated capital losses of the relevant Fund and/or (iii) the capital of the relevant Fund provided that the amount of dividends so declared should be determined in conformity with any requirements imposed by the MFSA in terms of the Investment Services Act, 1994. **Where dividends will be paid out of the capital of the relevant Fund, this will be disclosed in the relevant Supplement.** The Directors may satisfy any dividend due to Shareholders in whole or in part by distributing to them (to the extent permitted under prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund) *in specie* any of the assets of the relevant Fund, and in particular any

investments to which the relevant Fund is entitled. A Shareholder may require the Company instead of transferring any assets *in specie* to him, to arrange for a sale of the assets and for payment to the Shareholder of the net proceeds of same. The Company will be obliged and entitled to deduct an amount in respect of Malta tax from any dividend payable to a Shareholder, if applicable. Shareholders should note that the share capital of the Company relating to certain Funds will decrease over time as the Company on behalf of these Funds will make dividend payments out of the share capital of the Company relating to those Funds. Where Shares of a Fund are listed on the Irish Stock Exchange, dividends (if any) will be paid in accordance with Irish Stock Exchange policy, provided that any such distributions will in any event be effected in compliance with any requirements imposed by the MFSA in terms of the Investment Services Act, 1994..

Dividends not claimed within six years from their due date will lapse and revert to the relevant Fund.

Dividends payable to Shareholders will be paid by electronic transfer to the bank account designated by the Shareholder in which case the dividend will be paid at the expense of the payee and will be paid within four Months of the date the Directors declared the dividend.

The dividend policy for each Fund is set out in the Supplement for the relevant Fund.

RISK FACTORS

The discussion below is of general nature and is intended to describe various risk factors which may be associated with an investment in the Shares of a Fund to which the attention of investors is drawn. See also the section of the relevant Supplement headed “Important Information – Risk Factors” for a discussion of any additional risks particular to Shares of that Fund. However, these are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment. Investors should consult their own advisors before considering an investment in the Shares of a particular Fund. What factors will be of relevance to the Shares of a particular Fund will depend upon a number of interrelated matters including, but not limited to, the nature of the Shares, the Underlying (if applicable), the Fund Asset (if applicable) and the techniques used to link the Fund Asset to the Underlying (if applicable).

No investment should be made in the Shares of a particular Fund until careful consideration of all those factors has been made.

Introduction

The investments of the Company in securities are subject to normal market fluctuations and other risks inherent in investing in securities. **The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund can go down as well as up and an investor may not get back the amount he invests.** Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. **Due to the Preliminary Charge and Repurchase Charge which may be payable on the Shares, an investment in Shares should be viewed as medium to long term. An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

An investment in the Shares involves risks. These risks may include or relate to, among others, equity market, bond market, foreign exchange, interest rate, credit, market volatility and political risks and any combination of these and other risks. Some of these risk factors are briefly discussed below. Prospective investors should be experienced with respect to transactions in instruments such as the Shares, the Fund Asset (if applicable), the Underlying (if applicable) and the techniques used to link the Fund Asset to the Underlying (if applicable). Investors should understand the risks associated with an investment in the Shares and should only reach an investment decision after careful consideration with their legal, tax, accounting, financial and other advisors of (i) the suitability of an investment in the Shares in the light of their own particular financial, fiscal and other circumstances, (ii) the information set out in this Prospectus and the relevant Supplement, (iii) the nature of the Underlying (if applicable), (iv) the risks associated with the use by the Fund of derivative techniques (if applicable), (v) the nature of the Fund Asset (if applicable), and (vi) information set out in the relevant Supplement.

Investors in the Shares should recognise that the Shares may decline in value and should be prepared to sustain a total loss of their investment in the Shares. Even where the Shares contain some form of capital protection feature via the investment in the Fund Asset (such form of capital protection feature - if any - being described in the relevant Supplement), the protection feature may not be fully applicable to the initial investment made by an investor in the Shares, especially (i) when the purchase, sale or subscription of the Shares does not take place during the Initial Offer Period, (ii) when Shares are repurchased or sold before their Scheduled Maturity Date (if any) or (iii) when the Fund Asset or the techniques used to link the Fund Asset to the Underlying fail to deliver the expected returns. An investment in the Shares should only be made after assessing the direction, timing and magnitude of potential future changes in the value of the Underlying and the Fund Asset, as the return of any such investment will be dependent, *inter alia*, upon such changes.

Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Shares. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Shares.

While the provisions of the Companies Act (Investment Companies with variable Share Capital) Regulations provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims.

General Risk Factors

Valuation of the Underlying and the Fund Asset

Investors in the Shares should be aware that such an investment involves assessing the risk of an investment linked to the Underlying and, where applicable, the Fund Asset and the techniques used to link the Fund Asset to the Underlying. Investors should be experienced with respect to transactions involving the purchase of Shares the value of which derives from an Underlying possibly in combination with a Fund Asset. The value of the Underlying and the Fund Asset and the value of the techniques used to link them may vary over time and may increase or decrease by reference to a variety of factors which may include, amongst others, corporate actions, macro economic factors and speculation. Where the Underlying is a basket of securities or one or more indices, the changes in the value of any one security or index may be offset or intensified by fluctuations in the value of other securities or indices which comprise such constituents of the Underlying or by changes in the value of the Fund Asset itself.

Exchange Rates

Investors in the Shares should be aware that an investment in the Shares may involve exchange rate risks. For example (i) the Underlying may directly or indirectly provide exposure to a number of different currencies of emerging market or developed countries; (ii) the Underlying and/or the Fund Asset may be denominated in a currency other than the Base Currency; (iii) the Shares may be denominated in a currency other than the currency of the investor's home jurisdiction; and/or (iv) the Shares may be denominated in a currency other than the currency in which an investor wishes to receive his monies. Exchange rates between currencies are determined by factors of supply and demand in the international currency markets, which are influenced by macro economic factors (such as the economic development in the different currency areas, interest rates and international capital movements), speculation and central bank and government intervention (including the imposition of currency controls and restrictions). Fluctuations in exchange rates may affect the value of the Shares.

Interest Rate

Investors in the Shares should be aware that an investment in the Shares may involve interest rate risk in that there may be fluctuations in the currency of denomination of the Underlying and/or the Fund Asset (if applicable) and/or the Shares.

Interest rates are determined by factors of supply and demand in the international money markets which are influenced by macro economic factors, speculation and central bank and government intervention. Fluctuations in short term and/or long term interest rates may affect the value of the Shares. Fluctuations in interest rates of the currency in which the Shares are denominated and/or fluctuations in interest rates of the currency or currencies in which the Underlying and/or the Fund Asset are denominated may affect the value of the Shares.

Market Volatility

Market volatility reflects the degree of instability and expected instability of the performance of the Shares, the Underlying and/or the Fund Asset, and/or the techniques to link the Fund Asset to the Underlying, where applicable. The level of market volatility is not purely a measurement of the actual volatility, but is largely determined by the prices for instruments which offer investors protection against such market volatility. The prices of these instruments are determined by forces of supply and demand in the options and derivatives markets generally. These forces are, themselves, affected by factors such as actual market volatility, expected volatility, macro economic factors and speculation.

Credit Risk

Investors in the Shares should be aware that such an investment may involve credit risk. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share. Investors in any Fund whose performance is linked to an Underlying should be aware that the Fund Asset for any such Fund will generally include bonds or other debt instruments that involve credit risk. Moreover, where such Fund provides for a capital protection feature, the functioning of such feature will often be dependent on the due payment of the interest and principal amounts on the bonds or other debt

instruments in which the Fund is invested as the Fund Asset.

Credit Ratings

Credit ratings are assigned by rating agencies such as Standard & Poor's (S&P). It is important to understand the nature of credit ratings in order to understand the nature of the Securities. The level of a credit rating is an indication of the probability that (in the opinion of the rating agency) payments will be made on the relevant bond(s) or other obligation(s) to which the credit rating relates. Bonds with a rating of AAA, AA, A or BBB by S&P are called "investment grade" bonds and this indicates that the risk of a failure to repay amounts is limited. While credit ratings can be a useful tool for financial analysis, they are not a guarantee of quality or a guarantee of future performance in relation to the relevant obligations. Ratings assigned to securities by rating agencies may not fully reflect the true risks of an investment. Ratings may also be withdrawn, upgraded or downgraded at any time.

Liquidity Risk

Certain types of assets or securities may be difficult to buy or sell, particularly during adverse market conditions. This may affect the ability to obtain prices for the components of the Underlying and may therefore affect the value of the Underlying. This may in turn affect the Net Asset Value per Share.

Use of Derivatives

As a Fund whose performance is linked to an Underlying will often be invested in FDIs which give exposure to the Underlying, derivative techniques will be used to link the value of the Shares to the performance of the Underlying. While the prudent use of such derivatives can be beneficial, derivatives also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. The following is a general discussion of important risk factors and issues concerning the use of derivatives that investors should understand before investing in Shares of a Fund.

Market Risk

This is a general risk that applies to all investments meaning that the value of a particular derivative may change in a way which may be detrimental to a Fund's interests.

Legal Risk

The Company must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the Investment Restrictions, which might require a change in the investment policy and objectives followed by a Fund. The Fund Assets, the Underlying and the derivative techniques used to link the two may also be subject to changes in law or regulations and/or regulatory actions which may affect their value.

Control and Monitoring

Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the Underlying but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Counterparty Risk

The Company on behalf of a Fund may enter into transactions in over-the-counter markets, which will expose the Fund to the credit of its Approved Counterparties and their ability to satisfy the terms of such contracts. For example, the Company on behalf of the Fund may enter into repurchase agreements, forward contracts, options and swap arrangements or other derivative techniques, each of which expose a Fund to the risk that the Approved Counterparty may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and

expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to cover any losses incurred. FDIs such as swap contracts entered into by the Company on behalf of a Fund on the advice of the Investment Manager are subject to the credit risk of each Approved Counterparty (but as the risk exposure to such Approved Counterparty is collateralised to the extent required by the MFSA, the risk exposure to such Approved Counterparty is limited to 10% of the Net Asset Value of the Fund).

Additional risks associated with an Underlying linked to specific types of securities or assets

There are special risk considerations associated with an Underlying of which the performance is linked directly or indirectly to the following types of securities or assets. The degree of exposure to such factors will depend on the precise way in which the Underlying is linked to such assets.

- *Futures and Options*

There are special risk considerations associated with an Underlying of which the performance is linked to futures, options or other FDIs. Depending on the nature of the Underlyings, reference rates or other derivatives to which they relate and on the liquidity in the relevant contract, the prices of such instruments may be highly volatile and hence risky in nature.

- *Structured Finance Securities*

Structured finance securities include, without limitation, asset-backed securities and portfolio credit-linked notes.

Asset-backed securities are securities primarily serviced, or secured, by the cash flows of a pool of receivables (whether present or future) or other Underlyings, either fixed or revolving. Such Underlyings may include, without limitation, residential and commercial mortgages, leases, credit card receivables as well as consumer and corporate debt. Asset-backed securities can be structured in different ways, including “true sale” structures, where the Underlyings are transferred to a special purpose entity, which in turn issues the asset-backed securities, and “synthetic” structures, in which not the assets, but only the credit risks associated with them are transferred through the use of derivatives, to a special purpose entity, which issues the asset backed securities.

Portfolio credit-linked notes are securities in respect of which the payment of principal and interest is linked directly or indirectly to one or more managed or unmanaged portfolios of reference entities and/or assets (**reference credits**). Upon the occurrence of a credit-related trigger event (**credit event**) with respect to a reference credit (such as a bankruptcy or a payment default), a loss amount will be calculated (equal to, for example, the difference between the par value of an asset and its recovery value).

Asset-backed securities and portfolio credit-linked notes are usually issued in different tranches. Any losses realised in relation to the Underlyings or, as the case may be, calculated in relation to the reference credits are allocated first to the securities of the most junior tranche, until the principal of such securities is reduced to zero, then to the principal of the next lowest tranche, and so forth.

Accordingly, in the event that (a) in relation to asset-backed securities, the Underlyings do not perform and/or (b) in relation to portfolio credit-linked notes, any one of the specified credit events occurs with respect to one or more of the Underlyings or reference credits, this may affect the value of the relevant securities (which may be zero) and any amounts paid on such securities (which may be zero). This may in turn affect the Net Asset Value per Share. In addition the value of structured finance securities from time to time, and consequently the Net Asset Value per Share, may be adversely affected by macro economic factors such as adverse changes affecting the sector to which the Underlyings or reference credits belong (including industry sectors, services and real estate), economic downturns in the respective countries or globally, as well as circumstances related to the nature of the individual assets (for example, project finance loans are subject to risks connected to the respective project). The implications of such negative effects thus depend heavily on the geographic, sector-specific and type-related concentration of the Underlyings or reference credits. The degree to which any particular asset-backed security or portfolio credit linked note is affected by such events will depend on the tranche to which such security relates; junior tranches, even having received investment grade rating, can therefore be subject to substantial risks.

Exposure to structured finance securities may entail a higher liquidity risk than exposure to sovereign or

corporate bonds. In the absence of a liquid market for the respective structured finance securities, they may only be traded at a discount from face value and not at the fair value, which may in turn affect the Net Asset Value per Share.

- *Real Estate*

There are special risk considerations associated with an Underlying of which the performance is linked to securities of companies principally engaged in the real estate industry. These include: the cyclical nature of real estate values, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnation losses, environmental risks, regulatory limitations on rents, changes in neighbourhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of the Underlying and thus the Fund's investments.

- *Commodities*

Prices of commodities are influenced by, among other things, various macro economic factors such as changing supply and demand relationships, weather conditions and other natural phenomena, agricultural, trade, fiscal, monetary, and exchange control programmes and policies of governments (including government intervention in certain markets) and other unforeseeable events.

- *Emerging Market Assets*

Exposure to emerging markets assets generally entails greater risks than exposure to well-developed markets, including potentially significant legal economic and political risks.

Emerging markets are by definition "in transformation" and are therefore exposed to the risk of swift political change and economic downturn. In recent years, many emerging market countries have undergone significant political, economic and social change. In many cases, political concerns have resulted in significant economic and social tensions and in some cases both political and economic instability has occurred. Political or economic instability may have a negative impact on the prices of emerging market exchange rates, securities or other assets.

The prices of emerging market exchange rates, securities or other assets are often highly volatile. Movements in such prices are influenced by, among other things, interest rates, changing market supply and demand, external market forces (particularly in relation to major trading partners), trade, fiscal, monetary programmes, policies of governments, and international political and economic events and policies.

In emerging markets, the development of securities markets usually is at an early stage. This could lead to risks and practises (such as increased volatility) that are not common in more developed securities markets, which may negatively affect the value of securities listed on the exchanges of such countries. In addition, markets of emerging market countries are often characterised by illiquidity in the form of a low turnover of some or all of the listed securities.

It is important to note that, during times of global economic slowdown, emerging market exchange rates, securities and other assets are more likely than other forms of investment with lower risks to be sold during any "flight to quality", and their value may decrease accordingly.

Risks associated with the Underlying

Where the Underlying is a financial index, there is no assurance that the Underlying will continue to be calculated and, if relevant, published on the basis described in the relevant Supplement or that it will not be amended significantly. Any change to the Underlying may adversely affect the value of the Shares. The past performance of an Underlying is not necessarily a guide to its future performance.

Where the Underlying consists of an Index it will not be actively managed and the selection of the component indices, assets or securities will be made in accordance with the relevant Index composition rules and eligibility criteria and not by reference to any performance criteria or performance outlook. Accordingly, the composition of the Index is not designed to follow recommendations or research reports issued by the Index Sponsor, its affiliates or any other person. No Index Sponsor has any obligation to take the needs of the Company or the investors into consideration in determining, composing or calculating any Underlying.

Specific risks relating to Funds whose performance is linked to an Underlying

The following factors may adversely affect the value of the Shares of such Funds:

- the Fund must pay various expenses, such as fees, costs, taxes, commissions, charges and dividends (if applicable);
- the Company must comply with regulatory constraints, such as the Investment Restrictions, that may lead to a restructuring of a Fund's investments;
- the Fund may not always continuously be exposed to the Underlying;
- the Company may purchase Debt Securities the value of which will increase or decrease over time by reference to a variety of factors including, amongst others, corporate actions, macro economic factors and speculation;
- the Company will enter into FDIs with a maturity date which may be different from the Scheduled Maturity Date of the relevant Shares. There can be no assurance that any new Derivative Contracts entered into will have terms similar to those previously entered into; and
- the existence of a cash position held by the Fund.

Valuation and Other Risks

Investors should note that FDIs may be terminated early in accordance with their specific terms upon the occurrence of certain events, including but not limited to, disruption in any hedging (which for example may occur where the Approved Counterparty is unable, after using commercially reasonable efforts, to acquire, establish, re-establish, substitute, maintain, unwind or dispose of any transactions or assets it deems necessary to hedge the price risk of entering into and performing its obligations with respect to the relevant transaction, or to realize, recover or remit the proceeds of any such transactions or assets) in relation to the Approved Counterparty or the relevant Fund, or failure to pay, insolvency or the imposition of certain taxes on the payments due by either party. Upon such early termination, the relevant Fund (except in the case of Funded Swaps) or the Approved Counterparty may be liable to make a termination payment (regardless of which party may have caused such termination) based on the mark to market value of the derivative at the relevant time as determined by the Calculation Agent.

Other risks in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular over-the-counter derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Fund. Derivatives do not always perfectly or even highly correlate or replicate the value of the securities, rates or indices they are designed to replicate. Consequently, a Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, such Fund's investment objective.

Additional Risk Factors when investing in Shares listed on a Stock Exchange

Listing Procedure

The Company may apply for the listing of certain Classes of the Shares on the Irish Stock Exchange and/or any other stock exchange as determined by the Directors. There can be no certainty, however, that a listing on such stock exchange will be achieved.

Liquidity and Secondary Trading

Even if the Shares are listed on one or more stock exchanges, there can be no certainty that there will be liquidity in the Shares on one or more of the stock exchanges or that the market price at which the Shares may be traded on a stock exchange will be the same as the Net Asset Value per Share. There can be no guarantee that once the Shares are listed on a stock exchange they will remain listed or that the conditions of listing will not change.

Trading in Shares on a stock exchange may be halted due to market conditions or, because in the stock exchange's view, trading the Shares is inadvisable. In addition, trading in the Shares may be subject to a halt in trading caused by extraordinary market volatility pursuant to the stock exchange's rules. If trading on a stock exchange is halted, investors in Shares may not be able to sell their Shares until trading resumes. Although, where applicable, the Shares are listed on a stock exchange, it may be that the principal market for some Shares may be in the over-the-counter market. The existence of a liquid trading market for the Shares may in such case depend on whether broker-dealers will make a market in such Shares.

Although as a condition precedent to listing on certain stock exchanges one or more market makers, being financial institutions, might be appointed to offer prices for the Shares, there can be no assurance that a market will continually be made for any of the Shares or that such market will be or remain liquid. The price at which Shares may be sold will be adversely affected if trading markets for the Shares are limited or absent.

Variation of Net Asset Value per Share and Trading Prices on the Secondary Market

The Net Asset Value per Share will fluctuate with changes in the market value of the Underlying, the derivative techniques used and where applicable the Fund Asset and changes in the exchange rate between the Base Currency or, if different, the listing currency of a Share and any relevant foreign currency of such Underlying and/or Fund Asset. The market price of the Shares will fluctuate in accordance with the changes in the Net Asset Value per Share and the supply and demand on the stock exchange on which the Shares are listed. The Company cannot predict whether the Shares will trade below, at or above their Net Asset Value per Share. Price differences may be due, in large part, to the fact that supply and demand forces in the secondary market for the Shares will be closely related, but not identical to the same forces influencing the trading prices of the Underlying and where applicable the Fund Asset, individually or in the aggregate, at any point in time. Furthermore, the listing on multiple exchanges of the Shares may result in price differences between such exchanges because of fiscal, regulatory or other market factors.

A broker-dealer, in considering the price at which it would be able to sell the Shares (known as the offer price) on the secondary market, or to buy Shares (known as the bid price) may seek arbitrage opportunities through anomalies or variations in the pricing of the Shares on the secondary market compared to the relative Net Asset Value per Share. The broker-dealer seeking to arbitrage such anomalies or variations, will take account of the notional price at which it could (i) purchase (when Shares in the secondary market are being priced above the Net Asset Value per Share) the building blocks providing the (combined) return of the Underlying (and as the case may be the Fund Asset); or (ii) sell (when Shares in the secondary market are being priced below the Net Asset Value per Share) such building blocks generating the (combined) return of the Underlying (and as the case may be the Fund Asset) including in each case the associated transaction costs and any taxation.

Certain Hedging Considerations

Investors intending to purchase the Shares for the purpose of hedging their exposure to the Underlying should be aware of the risks of utilising the Shares in such manner. No assurance is or can be given that the value of the Shares will correlate with movements in the value of the Underlying. This risk is especially prevalent if the Fund's performance is linked to an Underlying, as the Fund will generally be investing in the Fund Asset and not in the Underlying. Furthermore, it may not be possible to liquidate the Shares at a price which directly reflects the value of the Underlying. Therefore, it is possible that investors could suffer substantial losses in the Shares notwithstanding losses suffered with respect to direct investments in or direct exposure to the Underlying. Investors in the Shares should be aware that hedging transactions, in order to limit the risks associated with the Shares, might not be successful.

Specific Restrictions in Connection with the Shares

Investors should note that there may be restrictions in connection with the subscription, holding and repurchase of and trading in the Shares. Such restrictions may have the effect of preventing the investor from freely subscribing, holding, trading and/or repurchasing the Shares. In addition to the features described below, such restrictions may also be caused by specific requirements such as the Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding.

Maximum Repurchase Amount

The Company will have the option to limit the number of Shares of any Fund repurchased on any Dealing Day (other than at the Scheduled Maturity Date, where applicable) to 5% of the total Net Asset Value of that Fund

on that Dealing Day and, in conjunction with such limitation, to pro rata limit the number of Shares repurchased by any Shareholder on such Dealing Day so that all Shareholders wishing to have Shares of that Fund repurchased on that Dealing Day realise the same proportion of such Shares. In the event the Company elects to limit the number of Shares repurchased on such date to 5% of the Net Asset Value of the Fund, a Shareholder may not be able to repurchase on such Dealing Day all the Shares that it desires to repurchase. Investors should review this Prospectus and the relevant Supplement to ascertain whether and how such provisions apply.

Repurchase Notice and Certifications

If the Shares are subject to provisions concerning delivery of a repurchase notice, as mentioned under “Share Dealings - Repurchase of Shares” of this Prospectus and/or in the relevant Supplement, and such notice is received by the Administrator after the Dealing Deadline, it will not be deemed to be duly delivered until the next following Dealing Day. Such delay may increase or decrease the Repurchase Price from what it would have been but for such late delivery of the repurchase notice. The failure to deliver any repurchase documentation required could result in the loss or inability to receive amounts or deliveries otherwise due under the Shares. Investors should review this Prospectus and the relevant Supplement to ascertain whether and how such provisions apply to the Shares.

Market Disruption Events & Settlement Disruption Events

A determination of a market disruption event or a settlement disruption event in connection with any Fund Asset or Underlying (as may be further described in any Supplement) may have an effect on the value of the Shares and, may delay the occurrence of a Scheduled Maturity Date and/or may delay settlement in respect of the Fund Asset, Underlying and/or the Shares.

Potential Conflicts of Interest

The Directors, the Investment Manager, the Custodian, the Administrator, the relevant Index Sponsor, the Distributor, the Sub-Distributors, any Shareholder, any market maker which has been appointed to offer prices for the Shares on any exchange on which the Classes to which the Shares belong are listed (for the purposes hereof, a **Market Maker**) and any of their respective subsidiaries, affiliates, associates, agents or delegates (for the purposes hereof, **Connected Persons** and each a **Connected Person**) may:

1. contract or enter into any financial, banking or other transactions or arrangements with one another or with the Company including, without limitation, investment by the Company in securities or investment issued by any Connected Persons in any company or body any of whose investments form part of the assets of the Company or be interested in any such contracts or transactions or investment by the Company in any CIS managed by a Connected Person;
2. invest in and deal with Shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and
3. deal as agent or principal in the sale or purchase of securities and other investments to or from the Company through or with any Connected Person.

Any assets of the Company in the form of cash or securities may be deposited with any Connected Person. Any assets of the Company in the form of cash may be invested in certificates of deposit or banking investments issued by any Connected Person. Banking or similar transactions may also be undertaken with or through a Connected Person.

An Approved Counterparty is also likely to act as Calculation Agent under an FDI. In such circumstances, Shareholders should note that there may be potential conflicts of interest in the performance of the function of Calculation Agent by such entity. In circumstances, where an Approved Counterparty acts as Calculation Agent, such Approved Counterparty will use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced. In addition, and to the extent that Barclays Bank PLC acts as an Approved Counterparty and Calculation Agent if permitted under applicable law and regulations, the operational risks arising from any such potential lack of independence are in part reduced by the fact that different departments within Barclays Bank PLC will be responsible for the different roles.

In addition, in many cases the Approved Counterparty may be required to provide valuations of such FDIs. These valuations may form the basis upon which the value of certain assets of the Company is calculated. The

Directors acknowledge that Barclays Bank PLC or the relevant Affiliates may have a potential conflict of interest by virtue of acting as the Approved Counterparty and/or providing such valuations. However, the Directors believe that such conflicts can be adequately managed, and expect that Barclays Bank PLC or one of its Affiliates will be suitable and competent to provide such valuations and will do so at no further cost to the Company which would be the case if the services of a third party were engaged to provide valuations.

Barclays Bank PLC or one of its Affiliates acts as the Distributor and may also act as the Index Sponsor, the Market Maker and/or the sub-custodian to the Company all in accordance with the relevant agreements which are in place. The Directors acknowledge that, by virtue of the functions which Barclays Bank PLC and/or its Affiliate will perform in connection with the Company, potential conflicts of interest are likely to arise. In such circumstances, each of Barclays Bank PLC and the Affiliate has undertaken to use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced. The Directors believe that Barclays Bank PLC and/or the Affiliate are suitable and competent to perform such functions.

Further information in respect of the management of conflicts of interest is set out under the heading "Conflicts of Interest" on page 41.

Taxation

Investors in the Shares should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Fund, capital gains within the Fund, whether or not realised, income received or accrued or deemed received within the Fund etc., and this will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder.

Investors should be aware of the fact that they might have to pay taxes on income or deemed income received by or accrued within a Fund. Taxes might be calculated based on income received and/or deemed to be received and/or accrued in the Fund in relation to the Fund Asset, whereas the performance of the Fund, and subsequently the return investors receive after redemption of the Shares, might partially or fully depend on the performance of the Underlying. This can have the effect that the investor has to pay taxes for income or/and a performance which he does not, or does not fully, receive.

Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

Change of Law

The Company must comply with regulatory constraints, such as a change in the laws affecting the Investment Restrictions, which might require a change in the investment policy and objectives followed by a Fund.

Political Factors

The performance of the Shares or the possibility to purchase, sell, or repurchase may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements.

Liability for Fees and Expenses

The fees and expenses relating to a Fund will be paid by the Company out of the assets of the relevant Fund as set out in the relevant Supplement. However, to the extent that:

- (a) the arrangements, including any Fixed Fee Arrangement, for funding the payment by the Company of the fees and expenses do not generate the necessary funds to discharge all of the Company's liabilities in respect of the Fund; or
- (b) the Company incurs any fees, expenses or other liabilities which are not budgeted for by the Company and accordingly fall outside the scope of the arrangements referred to in (a) above,

the Company will pay such fees, expenses or liabilities from the Funds' assets. The Company's liability in

respect of such amounts will be borne by the relevant Fund as more fully described under “Cross Liability between Classes” below.

Cross Liability between Classes

Allocation of shortfalls among Classes of a Fund

The right of holders of any Share Class to participate in the assets of the Company is limited to the assets (if any) of the relevant Fund and all the assets comprising a Fund will be available to meet all of the liabilities of the Fund, regardless of the different amounts stated to be payable on the separate Classes (as set out in the relevant Supplement).

For example, if (i) on a winding-up of the Company or (ii) as at the Scheduled Maturity Date (if any), the amounts received by the Company under the relevant Fund Asset (after payment of all fees, expenses and other liabilities which are to be borne by the relevant Fund) are insufficient to pay the full Repurchase Proceeds payable in respect of all Share Classes of the relevant Fund, each Share Class of the Fund will rank *pari passu* with each other Share Class of the relevant Fund, and the proceeds of the relevant Fund will be distributed equally amongst each Shareholder of that Fund *pro rata* to the amount paid up on the Shares held by each Shareholder. The relevant Shareholders will have no further right of payment in respect of their Shares or any claim against any other Fund or any other assets of the Company.

This may mean that the overall return (taking account of any dividends already paid) to Shareholders who hold Shares paying dividends quarterly or more frequently may be higher than the overall return to Shareholders who hold Shares paying dividends annually and that the overall return to Shareholders who hold Shares paying dividends may be higher than the overall return to Shareholders who hold Shares paying no dividends.

In practice, cross liability between Classes is only likely to arise where the aggregate amounts payable in respect of any Class exceed the assets of the Fund notionally allocated to that Class, that is, those amounts (if any) received by the Company under the relevant Fund Asset (after payment of all fees, expenses and other liabilities which are to be borne by such Fund) that are intended to fund payments in respect of such Class or are otherwise attributable to that Class. Such a situation could arise if, for example, there is a default by an Approved Counterparty in respect of the relevant Fund Asset or in the circumstances described under “Liability for Fees and Expenses” above. In these circumstances, the remaining assets of the Fund notionally allocated to any other Class of the same Fund may be available to meet such payments and may accordingly not be available to meet any amounts that otherwise would have been payable on such other Class.

Consequences of winding-up proceedings

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including Approved Counterparties) to terminate contracts with the Company (including Fund Assets) and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Company being dissolved at a time and its assets (including the assets of all Funds) being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Company's liabilities, before any surplus is distributed to the shareholders of the Company. In the event of proceedings being commenced, the Company may not be able to pay, in full or at all, the amounts anticipated by the Supplement in respect of any Class or Funds.

Nominee Arrangements

Where a Sub-Distributor and/or a nominee service provider is used by an investor to invest in the Shares of any Class or such investor holds interests in Shares of any Class through accounts with a Clearing System (such as Euroclear or Clearstream, Luxembourg), such investor will only receive payments in respect of Repurchase Proceeds and/or any dividends attributable to the Shares on the basis of the arrangements entered into by the investor with the Sub-Distributor, nominee service provider or Clearing System, as the case may be. Furthermore, any such investor will not appear on the Register of the Company, will have no direct right of recourse against the Company and must look exclusively to the Sub-Distributor, nominee service provider or Clearing System for all payments attributable to the relevant Shares. The Company and the Directors will recognise as Shareholders only those persons who are at any time shown on the Register for the purposes of: (i) the payment of dividends and other payments due to be made to Shareholders (as applicable); (ii) the circulation of documents to Shareholders; (iii) the attendance and voting by Shareholders at any meetings of

Shareholders; and (iv) all other rights of Shareholders attributable to the Shares. None of the Company, the Directors, the Investment Manager, the Administrator, the Custodian or any other person will be responsible for the acts or omissions of the Sub-Distributor, nominee service provider or Clearing System, nor make any representation or warranty, express or implied, as to the services provided by the Distributor, nominee service provider or Clearing System.

Global Considerations

There is a risk of market disruptions caused by (without limitation) unexpected political, economic, geographic, military and terrorist events on a global basis causing significant disruptions in global markets. The impact of any such potential events is unclear, but could have a material effect on general economic conditions and market liquidity and accordingly could cause dramatic losses for the relevant Fund.

Handling of mail

Mail addressed to the Company and received at its registered office will be forwarded unopened to the Investment Manager and Administrator/others to be dealt with. None of the Company, its directors or officers or other service providers will bear any responsibility for any delay howsoever caused in mail reaching the Investment Manager or Administrator. In particular the Directors will not receive, open or deal directly with mail addressed to the Company.

MANAGEMENT OF THE COMPANY

Directors of the Company

The Directors of the Company are described below:-

Paul Stephen Hopkins

Mr. Hopkins is currently Head of Funds and Advisory in Asia, having held several positions within the Barclays Group from 2000, including Chief Operating Officer for Barclays Investment Services between 2004 and 2006. Prior to Barclays, he has held many roles within the asset management industry focused on portfolio management and markets. He was a founder and investment manager for a global macro hedge fund between 1998 and 2000. Mr Hopkins headed the FX and Fixed Income desks for Paribas Asset Management from 1993 to 1998. He spent 9 years working for National Bank of Kuwait Investment Manager as a portfolio manager and currency overlay specialist until 1992. Mr Hopkins is currently a member of the boards for Barclays Funds and Advisory Japan Limited (BFAJL) and Celsius Investments Australia Limited.

Lino Spiteri

Mr. Spiteri was Minister of Finance between 1996-97 (resigned); Minister of Trade & Economic Planning (1983-87); Minister of Finance (1981-83); main Opposition spokesman on Finance and Economics (1987-96); chairman (1995-96) and member (1997-98), Public Accounts Committee. He graduated Diploma in Social Studies (Distinction), BA (Politics & Economics) (First Class) and MA from Oxford University.. He has acted as Deputy Governor and Chairman of the Central Bank of Malta (1974-81), Research Officer, Malta Chamber of Commerce (1968-70) and Head of Publications, Union Press and Editor, Malta News (1966-68). He was also a member (1992-96) and chairman (1997-98) of the Malta-EU Joint Parliamentary Committee. Mr. Spiteri is a financial consultant with a number of private companies.

Francis J. Vassallo

Mr. Vassallo has occupied several senior positions with Chase Manhattan Bank New York and worldwide and was General Manager of Chase Private Bank Switzerland until Sept 1993. He was appointed Governor of the Central Bank of Malta from 1993 to 1997. Mr Vassallo is the Chairman or board member of various companies in Malta including two banks. He also acts as the Chairman of the Asset-Liability Committee of one of them. Mr Vassallo is the President of the consultancy firm Francis J. Vassallo & Associates. He is a member of the Institute of Directors, London and a Fellow of the Chartered Institute of Bankers.

No Director has:

- (i) any unspent convictions in relation to indictable offences; or
- (ii) been bankrupt or the subject of an involuntary arrangement, or has had a receiver appointed to any asset of such Director; or
- (iii) been a director of any company which, while he was a director with an executive function or within 12 Months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
- (iv) been a partner of any partnership, which while he was a partner or within 12 Months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
- (v) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
- (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of

the affairs of any company.

Save for the information disclosed herein, if any Shares are listed, no further information is required to be given in respect of the Directors pursuant to the listing requirements of the Irish Stock Exchange.

For the purposes of this Prospectus, the address of all the Directors is the registered office of the Company.

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles. The Directors have delegated the day to day investment management, administration and distribution of the Shares of the Company to the Investment Manager, the Administrator and the Distributor respectively and the custody of the assets of each Fund to the Custodian. Consequently, all Directors of the Company in relation to the Company are non-executive.

Company Secretary

The first company secretary appointed by the directors is International Trust Limited, a limited liability company incorporated and registered in Malta and bearing company registration number C 19428. The principal business of International Trust Limited is acting as Corporate Trustee, particularly in the setting up and management of companies for foreign beneficiaries, and it is regulated by the MFSA. Doctor of Laws Simon Tortell, a director of International Trust Limited, who is also a partner with the Legal Advisors to the Company, shall be the individual responsible for the carrying out of the functions of Secretary.

It is the duty of the directors of a company to take all reasonable steps to ensure that the company secretary is an individual who appears to them to have the requisite knowledge and experience to discharge the functions of company secretary.

The company secretary shall be responsible for keeping the minute book of general meetings of the company, the minute book of meetings of the board of directors and such other registers and records as the company secretary may be required to keep by the board of directors. The company secretary shall also ensure that proper notices are given of all meetings and that all returns and other documents of the company are prepared and delivered in accordance with the requirements of the Companies Act.

The directors of the company are empowered to remove the company secretary and appoint another individual in his stead within fourteen days from the date of his removal.

Investment Managers

The Company has, unless specifically stated in the Supplement for the relevant Fund, appointed Barclays Bank PLC, acting through Funds and Advisory to provide certain investment related services to the Company. Funds and Advisory is an asset management business of Barclays Bank PLC, United Kingdom. Barclays Bank PLC is regulated by the FSA and at present manages other collective investment schemes also.

Details of any sub-investment manager appointed by an Investment Manager will be provided to Shareholders on request and will be disclosed in the periodic reports issued by the Company.

Promoter

The Promoter of the Company is Barclays Bank PLC, which is authorised and regulated by the UK Financial Services Authority and a Member of the London Stock Exchange). Barclays Bank PLC has its registered office at 5 The North Colonnade, Canary Wharf, London E14 4BB, United Kingdom.

Custodian

The Company has appointed HSBC Bank Malta plc to act as custodian of the assets of each Fund and to provide trustee services to each Fund. The Custodian is duly licensed to provide custodial services by the MFSA and has its registered office at 233, Republic Street, Valletta, Malta.

The main activity of the Custodian is the business of banking, and the custodian is duly licensed by the MFSA. The Custodian also provides custodian services to collective investment schemes, and is regulated by the MFSA.

Under the terms of the Custodian Agreement, the Custodian may, however, appoint any person or persons to be the sub-custodian of the assets of the Company. The liability of the Custodian shall not be affected by the

fact that it has entrusted to a third party some or all of the assets in its safekeeping. In order to discharge its responsibilities, the Custodian must exercise care and diligence in choosing and appointing a third party as a safekeeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned. The Custodian must maintain an appropriate level of supervision over the third party and make appropriate enquiries from time to time to confirm that the obligations of the third party continue to be competently discharged. This does not purport to be a legal interpretation of the Regulations.

As the Company may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Company which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risk in circumstances whereby the Custodian will have no liability. Potential investors are referred to the “Risk Factors” section.

The Custodian Agreement specifies the conditions to be followed with respect to the replacement of the Custodian with another custodian and contains provisions to ensure the protection of Shareholders in the event of any such replacement.

Administrator

The Company has appointed State Street Fund Services (Ireland) Limited to act as administrator of each Fund.

The Administrator is responsible for performing the day to day administration of the Fund including the registrar and transfer agency function and for providing fund accounting for the Fund, including the calculation of the Net Asset Value of the Fund and the Net Asset Value per Share.

The Administrator is a private limited company. It was incorporated in Ireland on 23 March 1992 and is ultimately owned by State Street Corporation. The authorised share capital of the Administrator is £5,000,000 with an issued and paid up share capital of £350,000.

Distributor

The Company has appointed Barclays Bank PLC as distributor of the Shares of the Company. Please see the “Promoter” section above for further information in relation to the Distributor.

Conflicts of Interest

Subject to the provisions of this section, each Connected Person may contract or enter into any financial, banking or other transaction with one another or with the Company. This includes, without limitation, investment by the Company in securities of any Connected Person or investment by any Connected Persons in any company or bodies any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In addition, any Connected Person may invest in and deal in Shares relating to any Fund or any property of the kind included in the property of any Fund for their respective individual accounts or for the account of someone else.

Any cash of the Company may be deposited, subject to the provisions of the License Conditions with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments (including foreign exchange and stocklending transactions) to or from the relevant Fund. There will be no obligation on the part of any Connected Person to account to the relevant Fund or to Shareholders of that Fund for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, are consistent with the best interests of the Shareholders of that Fund and:

- (i) a certified valuation of such transaction by a person approved by the Custodian (or in the case of any such transaction entered into by the Custodian, the Directors) as independent and competent has been obtained; or
- (ii) such transaction has been executed on best terms reasonably available on an organised investment exchange under its rules; or
- (iii) where (i) and (ii) are not reasonably practicable, such transaction has been executed on terms which

the Custodian is (or in the case of any such transaction entered into by the Custodian, the Directors are) satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm's length and are consistent with the best interests of the Shareholders.

An Investment Manager may also, in the course of its business, have potential conflicts of interest with the Company in circumstances other than those referred to above. The Investment Manager will, however, have regard in such event to its obligations under the relevant Investment Management Agreement and, in particular, to its obligations to act in the best interests of the Company so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will ensure that such conflicts are resolved fairly as between the Company, the relevant Funds and other clients. The Investment Manager will ensure that investment opportunities are allocated on a fair and equitable basis between the Company and its other clients. In the event that a conflict of interest does arise the directors of the Investment Manager will endeavour to ensure that such conflicts are resolved fairly.

As the fees of an Investment Manager are based on the Net Asset Value of a Fund, if the Net Asset Value of the Fund increases so do the fees payable to the Investment Manager and accordingly there is a conflict of interest for the Investment Manager in cases where the Investment Manager is responsible for determining the valuation price of a Fund's investments.

Commissions and other arrangements

An Investment Manager may effect transactions through the agency of another person with whom the Investment Manager has an arrangement under which that party will, from time to time, provide or procure for the Investment Manager goods, services or other benefits such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc. Under such arrangements, no direct payment is made for such services or benefits, but instead pursuant to an agreement, the Investment Manager undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees salaries or direct money payments. In such case, the Investment Manager shall ensure that such arrangements shall assist in the provision of investment services to the relevant Fund and the broker/counterparty to the arrangement has agreed to provide best execution to the relevant Fund. Details of any such soft commission arrangements will be disclosed in the periodic reports of the relevant Funds.

Barclays Bank PLC or one of its Affiliates is likely to be the Approved Counterparty to the Derivative Contracts entered into by the Company. Barclays Bank PLC or one of its Affiliates which is such Approved Counterparty may also receive fees from third parties for holding securities or funds for the purpose of hedging the obligations under the Derivative Contracts. Barclays Capital may also enter fee sharing arrangements with third parties as part of its business and trading activities.

SHARE DEALINGS

SUBSCRIPTION FOR SHARES

Subscription of Shares

Under the Articles, the Directors are given authority to effect the issue of Shares and to create new Share Classes (in accordance with the requirements of the Authority) and have absolute discretion to accept or reject in whole or in part any application for Shares. If an application is rejected, the Administrator at the risk of the applicant will return application monies or the balance thereof by electronic transfer to the account from which it was paid at the cost and risk of the applicant. For the avoidance of doubt, no interest will be payable on such amount before its return to the applicant.

The Directors may in their discretion decide, prior to the Initial Issue Date, to cancel the initial offering of Shares of any Class of a Fund. The Directors may also decide to cancel the offering of a new Share Class of a Fund. In such case, applicants having made an application for subscription will be duly informed and any subscription monies already paid will be returned in the manner set out in the preceding paragraph.

If at the end of the offer period applicable to a Fund, the subscriptions received with respect to the said Fund are inferior to the Minimum Fund Size applicable to such Fund, the Fund will return the proceeds (including any preliminary charges) received from investors who have made an application for subscription.

Fractions of Shares up to two decimal places may be issued. Subscription monies representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund and accordingly available to Shareholders of the Fund on a pro rata basis based on each Shareholder's holding of Shares.

The Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company, the relevant Fund, the Administrator, the Custodian and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

Direct Subscriptions via the Company

Applications for the initial subscription of Shares should be submitted in writing or by facsimile to the Company care of the Administrator provided that an original Application Form (and original copies of the supporting documentation in relation to money laundering prevention checks) shall be submitted and received promptly in the case of an initial application for Shares. Subsequent subscriptions for Shares in a Fund may be made by contacting the Administrator by telephone, by facsimile, in writing or by such other means as the Directors (with the consent of the Administrator) may prescribe from time to time (where such means are in accordance with the requirements of the Authority). A Shareholder who places an order by telephone is deemed to have consented to the recording of such telephone order and must provide the following information:

- the Shareholder's name and account number and the address and/or fax number to which the contract note is to be sent;
- the Fund name and Share Class being subscribed for;
- the amount of cash or Shares to be invested;
- a statement as to how settlement will be made; and
- confirmation that the application has been made in compliance with the terms and conditions of this Prospectus and the relevant Supplement.

This information will be confirmed to the Shareholder over a recorded telephone line.

Telephone requests will only be processed provided that the Shareholder's name and account number, and the

name, address and/or fax number to which the contract note is to be sent corresponds to that listed as the Shareholder of record registered with the Administrator. Should the Shareholder designate that the contract note be sent to a name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator before the order will be processed.

Anti-Money Laundering Provisions for Direct Subscriptions via the Company

The Criminal Code, Cap. 9, the Prevention of Money Laundering Act, Cap. 373, and the Prevention of Money Laundering and Funding of Terrorism Regulations, 2008 (the Money-Laundering rules) which are aimed towards the prevention of money laundering, require detailed verification of each applicant's identity. As part of the Company's responsibility for the prevention of money-laundering, the Directors, the Administrator and any other persons responsible must implement all of the procedures prescribed by law.

In certain circumstances the Administrator will be required to apply enhanced customer due diligence to certain investor types. Accordingly, the Administrator reserves the right to request, at the time of subscription and at any time whilst the investor holds Shares, including at the time of redemption of such Shares, such information as may be necessary to verify the identity of that Shareholder and any beneficial owner on whose behalf such Shares are held.

In the majority of cases, the Administrator's customer due diligence will require an individual to produce a copy of a passport or identification card duly certified by a public authority such as a notary public the police or the ambassador in his/her country of residence, together with evidence of his/her address such as a utility bill or bank statement. Similarly, for corporate applicants the Administrator will require this may require a certified copy of its certificate of incorporation (and any change of name), a certified copy of its memorandum and articles of association (or equivalent), and names, occupations, dates of birth and residential and business addresses of all directors and certain beneficial owners together with certified copies of utility bills and passports.

Typically the Administrator will require customer due diligence documentation prior to the investor's first subscription for Shares, however as a result of regulatory changes or in relation to a redemption or otherwise the Administrator may require continuing due diligence to be carried out and accordingly the Administrator reserves the right to request any information at any time as may be necessary to verify the identity of applicant Shareholder or any beneficial owner of Shares.

In the event of delay or failure by the investor to produce any information required for verification purposes, subscription monies or redemption monies will be held in a non-interest bearing account until all requested documentation has been received and is in order and in the event of failure to produce the required information in a form acceptable to the Administrator the application for or redemption of Shares may be refused and the subscription monies returned to the bank account from which they were remitted or the redemption monies retained for the account of the Fund. In addition, in the event that an investor has failed to comply with the Administrator's anti-money laundering procedures, any dividend payable by the Company to such investor will be automatically reinvested, notwithstanding any election to the contrary made by such investor.

Each applicant acknowledges and agrees that the Company, the Directors and the Administrator shall be held harmless against any loss arising as a result of a refusal to process such applicant's subscription application or any delay in the payment of redemption proceeds if such information and documentation as has been requested by the Administrator has not been provided by such applicant.

If any person subject to the Money-Laundering rules referred to above who is resident in Malta has a suspicion that a payment to the Company (by way of subscription or otherwise) contains the proceeds of criminal conduct, that person is required to report such suspicion, pursuant to the provisions of the above-mentioned laws to the Financial Intelligence Analysis Unit ("FIAU"). The Money-Laundering rules also provide that such person is in violation of the law if, in the course of his trade, profession, business or employment, he knows or suspects that another person is engaged in money laundering and he does not report to the reporting authority in Malta as soon as reasonably practical. This includes knowledge or suspicion of activities outside Malta if such activities would have constituted money laundering if carried on within Malta. The Regulations also contain provisions for the reporting of information indicating that a person has or may have been engaged in money laundering.

In accordance with applicable requirements in Malta, the Fund has delegated certain of its money laundering compliance functions, including acting as the money laundering reporting officer, to Dr. Adrian Cutajar, who is also the Compliance Officer of the Company.

Subscriptions via the Distributor, a Sub-Distributor or Clearing System

Initial or subsequent subscriptions for Shares can also be made indirectly, that is through a Sub-Distributor or a Clearing System, if so specified in the relevant Supplement of a Fund, subscriptions may also be made via the Distributor. Such subscriptions will be transmitted onward to the Company, care of the Administrator (the Distributor (if so specified in the relevant Supplement), Sub-Distributor or Clearing System must ensure that subscriptions are received by the Administrator by the relevant Dealing Deadline). In such case, the Administrator may, in its discretion, waive the above mentioned identification requirements in the following circumstances or in such other circumstances which are regarded as sufficient under current Maltese money laundering rules:

- (a) if and when a subscription is made via the Distributor, a Sub-Distributor or a Clearing System which is supervised by a regulatory authority which imposes a client identification obligation equivalent to that required under Irish law for the prevention of money laundering and to which the Distributor (if so specified in the relevant Supplement), the Sub-Distributor or the Clearing System is subject;
- (b) if and when a subscription is made via the Distributor (if so specified in the relevant Supplement), a Sub-Distributor or a Clearing System whose parent is supervised by a regulatory authority imposing a client identification obligation equivalent to that required under Irish law for the prevention of money laundering and where the law applicable to the parent or the group policy imposes an equivalent obligation on its subsidiaries or branches.

The regulatory authorities of those countries, which have ratified the recommendations of the Financial Action Task Force (FATF), are generally deemed to impose on the professionals of the financial sector subject to their supervision a client identification obligation equivalent to that required under Maltese law.

The Distributor (if so specified in the relevant Supplement), a Sub-Distributor or a Clearing System may provide a nominee service for investors purchasing Shares through them. Such investors may, at their discretion, elect to make use of such service pursuant to which the nominee will hold Shares in its name for and on behalf of the investors and who, in order to empower the nominee to vote at any general meeting of Shareholders, shall provide the nominee with specific or general voting instructions to that effect. Notwithstanding the above, the investors retain the ability to invest directly in the Company, without using such nominee services.

Shares may be issued to and registered in the name of a Clearing System (or its nominee) nominated by or on behalf of an investor, by the Distributor (if so specified in the relevant Supplement), the relevant Sub-Distributor or third party nominee service provider, as the case may be, that is recognised and accepted by the Company. Accountholders may incur fees normally payable in respect of the maintenance and operation of accounts in such Clearing System (or nominee).

Deferral of Subscriptions

The Directors may, in their sole and absolute discretion, determine that in certain circumstances, it is detrimental for existing Shareholders to accept an application for Shares in cash or in specie, representing more than 5% of the Net Asset Value of a Fund. In such case, the Directors may postpone the application and, in consultation with the relevant investor, either require such investor to stagger the proposed application over an agreed period of time, or establish an Investment Account outside the structure of the Company in which to invest the investor's subscription monies. Such Investment Account will be used to acquire the Shares over a pre-agreed time schedule. The investor shall be liable for any transaction costs or reasonable expenses incurred in connection with the acquisition of such Shares. Any applicable Preliminary Charge will be deducted from the subscription monies before the investment of the subscription monies commences.

Processing of Direct Subscriptions to the Company

Issuances of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement. Applications received after the Dealing Deadline for the relevant Dealing Day shall, unless the Administrator shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day, be deemed to have been received by the next Dealing Deadline. Applications will be irrevocable unless the Directors, or their delegate, otherwise agree. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Custodian, agree to designate additional Dealing Days and Valuation Points for the purchase of Shares relating to any Fund which will be open to all Shareholders.

Processing of Subscriptions via the Distributor, a Sub-Distributor or a Clearing System

Different subscription procedures and dealing deadlines may apply if applications for Shares are made via the Distributor, a Sub-Distributor or a Clearing System as the case may be although the ultimate deadlines with the Administrator referred to in the preceding paragraph remain unaffected. Full payment instructions for subscribing via the Distributor, a Sub-Distributor or a Clearing System may be obtained through the Distributor, the relevant Sub-Distributor or a Clearing System as the case may be.

None of the Distributor, a Sub-Distributor or a Clearing System is permitted to withhold subscription orders to benefit itself by a price change.

Investors should note that they may be unable to purchase Shares via the Distributor, a Sub-Distributor or a Clearing System on days that any such Distributor, Sub-Distributor or Clearing System is not open for business.

In circumstances in which the subscription proceeds are not received in a timely manner, the relevant allotment of Shares may be cancelled and the applicant may be required to compensate the Company for any costs and expenses thereby created.

Any investor who invests through the Distributor, a Sub-Distributor or a Clearing System should also read the section headed "Nominee Arrangements" on page 37.

Minimum Initial and Additional Investment Amount and Minimum Shareholding Requirements

The Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding of Shares of each Class of a Fund may vary and is set out in the Supplement for the relevant Fund. The Directors reserve the right from time to time to waive any requirements relating to the Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding as and when they determine at their reasonable discretion.

The Company may, at any time, repurchase all Shares from Shareholders whose holding is less than the Minimum Shareholding. In such case the Shareholder concerned will receive prior notice so as to be able to increase his holding above such amounts during such period to be determined by the Directors (and set out in the notice) following the receipt of such notice.

Subscription Price

During the Initial Offer Period for each Fund, the Initial Issue Price for Shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund.

The issue price at which Shares of any Fund will be issued on a Dealing Day after the Initial Offer Period is calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day.

A Preliminary Charge of up to 4% of the Initial Issue Price or the Net Asset Value per Share, as appropriate may be charged by the Company for payment to the Distributor on the issue of Shares, out of which the Distributor may, for example, pay commission to Sub-Distributors and other financial intermediaries. The amount of the Preliminary Charge, if any, will be set out in the relevant Supplement.

Payment for Shares

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of denomination of the relevant Class of the Shares. The Administrator may, at its discretion, accept payment in other currencies, but such payments will be converted into the currency of denomination of the relevant Class of the Shares at the then prevailing exchange rate available to the Administrator and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription moneys. This may result in a delay in processing the application.

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Administrator, be cancelled, or, alternatively, the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund.

In Specie Issues

The Directors may in their absolute discretion, provided that they are satisfied that no material prejudice would result to any existing Shareholder and subject to the provisions of the Companies Act (and the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund), allot Shares of any Fund against the vesting in the Custodian on behalf of the relevant Fund of investments, the nature of which would qualify as suitable investments of the relevant Fund in accordance with the investment objective, policy and restrictions of the Fund. The number of Shares to be issued in this way shall be the number which would, on the day the investments are vested in the Custodian on behalf of the relevant Fund, have been issued for cash (together with the relevant Preliminary Charge) against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described below under the heading "Calculation of Net Asset Value/ Valuation of Assets."

Limitations on Subscriptions

Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "Suspension of Calculation of Net Asset Value" below. Applicants subscribing for Shares directly to the Company or the Administrator will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension. Applicants subscribing for Shares via the Distributor, a Sub-Distributor or applicants seeking to become Accountholders through a Clearing System as the case may be have to contact directly the Distributor, the Sub-Distributor or the relevant Clearing System for arrangements regarding application to be made or pending during such suspension period. Applications made or pending during such suspension period via the Distributor, a Sub-Distributor or a Clearing System as the case may be, unless withdrawn, will be considered as at the next Dealing Day following the end of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for U.S. Persons (unless permitted under certain exceptions under the laws of the United States).

Anti-Dilution Levy

In calculating the Net Asset Value per Share, the Directors may, where there are net subscriptions, adjust the Net Asset Value per Share by adding an Anti-Dilution Levy of up to 1% the Net Asset Value per Share (will be described in the relevant Supplement) for retention as part of the assets of the relevant Fund, further details of which will be set out in the relevant Supplement. This Anti-Dilution Levy will cover dealing costs and preserve the value of the assets of the relevant Fund.

REPURCHASE OF SHARES

Procedure for Direct Repurchase

If so specified in the relevant Supplement of the Fund, requests for the repurchase of Shares should be made to the Company, care of the Administrator in writing, by facsimile, by telephone or by such other means as the Directors may (with the consent of the Administrator) prescribe from time to time (where such means are in accordance with the requirements of the Authority) and must in the case of requests in writing or by facsimile quote the relevant account number, the relevant Fund(s), Class of Share and any other information which the Administrator reasonably requires, and be signed by or on behalf of the Shareholder before payment of Repurchase Proceeds can be made. Repurchase requests made by facsimile must be followed by subsequent confirmation in writing. A request by telephone may only be made if designated by the Shareholder on the account application. When making a redemption request by telephone, the Shareholder must also provide the following information:

- the Shareholder's name and the account number and the address and/or fax number to which the contract note is to be sent;
- the Share Class being repurchased; and
- confirmation that the repurchase request has been made in compliance with the terms and conditions of this Prospectus and the relevant Supplement.

This information will be confirmed to the Shareholder over a recorded telephone line.

Repurchase requests received by fax or telephone or such other means approved by the Directors in accordance with the requirements of the Authority (with the consent of the Administrator) will only be processed provided that the Shareholder's name and account number, and the name, address and/or fax number or applicable details to which the contract note is to be sent corresponds to that listed as the Shareholder of record registered with the Administrator. Should the Shareholder designate that the contract note be sent to the name and/or address which differs from that registered with the Administrator, written confirmation of this change must be submitted by the Shareholder and received by the Administrator (and the Administrator must have made the amendments to the Shareholder's registration details) before the order will be processed.

Processing of Direct Repurchases to the Company

Requests received on or prior to the relevant Dealing Deadline will, subject as mentioned in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Repurchase requests received after the Dealing Deadline shall, unless the Directors shall otherwise agree and provided they are received before the relevant Valuation Point, be treated as having been received by the following Dealing Deadline.

In no event shall Redemption Proceeds be paid until the original Application Form has been received from the investor and all of the necessary anti-money laundering checks have been carried out.

A repurchase request will not be capable of withdrawal after acceptance by the Administrator. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Custodian, agree to designate additional Dealing Days and Valuation Points for the repurchase of Shares relating to any Fund which will be open to all Shareholders.

Repurchase Procedure with the Distributor, a Sub-Distributor or a Clearing System

The repurchase procedures, dealing deadlines and settlement periods may be different if applications for repurchase are made to the Distributor, a Sub-Distributor or through a Clearing System, although the ultimate Dealing Deadlines, Settlement Dates and procedures referred to above and in the relevant Supplement will remain unaffected. Applicants for repurchases may obtain information on the repurchase procedure directly from the relevant Sub-Distributor or the relevant Clearing System or if so specified in the relevant Supplement, via the Distributor as the case may be and should also refer to the relevant Supplement.

Any investor who invests through the Distributor, a Sub-Distributor or a Clearing System should also read the section headed "Nominee Arrangements" on page 36.

Repurchase Size

An applicant may request the repurchase of all or part of its Shares of any Class of a Fund.

The Minimum Repurchase Amount may vary according to the Fund or the Class of Share.

For Funds having a Scheduled Maturity Date, all Shares for which no repurchase request has been made in respect of this Scheduled Maturity Date, will be compulsorily repurchased on such Scheduled Maturity Date at the Net Asset Value per Share calculated on the Scheduled Maturity Date. A Fund will have no Scheduled Maturity Date unless otherwise determined in the relevant Supplement. Funds for which no Scheduled Maturity Date has been designated may be closed in accordance with the procedures laid down in the Articles and Shares will be repurchased at the Net Asset Value per Share (taking into account actual realisation prices of investments and realisation expenses) calculated on the Dealing Day at which such decision shall take effect.

The Administrator may decline to effect a repurchase request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Share Class of that Fund. Any repurchase request having such an effect may be treated by the Company or the Administrator as a request to repurchase the Shareholder's entire holding of that Share Class.

The Administrator will not accept repurchase requests, which are incomplete, until all the necessary information is obtained.

Repurchase Price

The Repurchase Price at which Shares will be repurchased on a Dealing Day is the Net Asset Value per Share of the relevant Class on the relevant Dealing Day, less any applicable Repurchase Charge. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any Share Class in a Fund

is set out in the Articles as described in this Prospectus under the heading “Calculation of Net Asset Value/Valuation of Assets” below.

When a repurchase request has been submitted by an investor who is or is deemed to be subject to Malta tax, the Company shall deduct from the Repurchase Proceeds an amount which is equal to the tax payable by the Company to the Irish Revenue Commissioners in respect of the relevant transaction.

Payment of Repurchase Proceeds

The amount due on repurchase of Shares will be paid by electronic transfer to the relevant Shareholder's account of record on the original Application Form in the currency of denomination of the relevant Share Class of the relevant Fund (or in such other currency as the Directors shall determine) by the Settlement Date. Payment of Repurchase Proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate. The Repurchase Proceeds of the Shares will only be paid on receipt by the Administrator of a repurchase request together with such other documentation that the Administrator may reasonably require.

Limitations on Repurchases

The Company may not repurchase Shares of any Fund during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under “Suspension of Calculation of Net Asset Value” below. Applicants for repurchases of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension. Applicants repurchasing Shares via the Distributor, a Sub-Distributor or a Clearing System as the case may be have to contact directly the Distributor, the Sub-Distributor or the relevant Clearing System for arrangements regarding repurchases to be made or pending during such suspension period. Applications made or pending during such suspension period via the Distributor, a Sub-Distributor or a Clearing System as the case may be, unless withdrawn, will be considered as at the next Dealing Day following the end of such suspension.

The Directors are entitled to limit the number of Shares in a Fund repurchased on any Dealing Day to Shares representing 10% of the total Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares of that Fund repurchased on that Dealing Day realise the same proportion of such Shares. Shares not repurchased, but which would otherwise have been repurchased, will be carried forward for repurchase on the next Dealing Day and will be dealt with in priority (on a rateable basis) to repurchase requests received subsequently. If requests for repurchase are so carried forward, the Administrator will inform the Shareholders affected.

The Articles contain special provisions where a repurchase request received from a Shareholder would result in Shares representing more than 5% of the Net Asset Value of any Fund being repurchased by the Company on any Dealing Day. In such a case, the Company may satisfy the repurchase request by a distribution of investments of the relevant Fund in specie provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund and complies with the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund. Where the Shareholder requesting such repurchase receives notice of the Company's intention to elect to satisfy the repurchase request by such a distribution of assets that Shareholder may require the Company, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

The Articles provide that the Company cannot effect a repurchase of Shares, if after payment of any amount in connection with such repurchase, the Net Asset Value of the issued share capital of the Company would be equal to or less than Euro 300,000 or its foreign currency equivalent. This will not apply to a repurchase request accepted by the Directors in contemplation of the dissolution of the Company.

Mandatory Repurchases

The Company may compulsorily repurchase all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified in the relevant Supplement.

The Company reserves the right to repurchase any Shares which are or become owned, directly or indirectly, by a U.S. Person (unless pursuant to an exemption under U.S. securities laws), by any individual under the age of 18 (or such other age as the Directors think fit) or if the holding of the Shares by any person is 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 such Shares or might result in the Company incurring any liability to taxation or suffering other pecuniary legal or material administrative disadvantages which the Company might not otherwise have incurred, suffered or breached.

Where persons liable to Malta tax acquire and hold Shares, the Company shall, where necessary for the collection of Malta tax, repurchase and cancel Shares held by a person who is or is deemed to be a liable to Malta tax on the occurrence of a chargeable event for taxation purposes, and to pay the proceeds thereof to the Commissioner of Inland Revenue.

Anti-Dilution Levy

In calculating the Repurchase Price of Shares, the Directors may, where there are net repurchases, adjust the Repurchase Price by deducting an Anti-Dilution Levy of up to 1% of the Net Asset Value per Share (will be described in the relevant Supplement) for retention as part of the assets of the relevant Fund, further details of which will be set out in the relevant Supplement. This Anti-Dilution Levy will cover dealing costs and preserve the value of the assets of the relevant Fund.

EXCHANGE OF SHARES

Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class of any Fund (the **Original Class**) for Shares of another Class which are being offered at that time (the **New Class**) (such Class being of the same Fund or different Fund) provided that all the criteria for applying for Shares in the New Class have been met and by giving notice to the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The Administrator may however at its discretion agree to accept requests for exchange received after the relevant Dealing Deadline provided they are received prior to the relevant Valuation Point. The general provisions and procedures relating to the issue and repurchase of Shares will apply equally to exchanges, save in relation to charges payable, details of which are set out below and in the relevant Supplement.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to, or exceeds, the Minimum Initial Investment Amount for the relevant New Class specified in the Supplement for the relevant Fund. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Shareholding for the Original Class.

The number of Shares of the New Class to be issued will be calculated in accordance with the following formula:

$$S = \frac{[R \times (RP \times ER)] - F}{SP}$$

where:

R	=	the number of Shares of the Original Class to be exchanged;
S	=	the number of Shares of the New Class to be issued;
RP	=	the Repurchase Price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;
ER	=	in the case of an exchange of Shares designated in the same Base Currency, the value of ER is 1. In any other case, the value of ER is the currency conversion factor determined by the Directors at the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Shares Classes after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;
SP	=	the subscription price per Share of the New Class as at the Valuation Point for the applicable Dealing Day; and
F	=	the Exchange Charge (if any) payable on the exchange of Shares.

Where there is an exchange of Shares, Shares of the New Class will be allotted and issued in respect of and in proportion to the Shares of the Original Class in the proportion S to R.

An Exchange Charge of up to 2% of the Repurchase Price of the Shares being exchanged may be charged by the Company on the exchange of Shares.

The exchange procedures and the dealing deadlines may be different if applications for exchange are made to the Distributor, a Sub-Distributor or through a Clearing System, although the ultimate Dealing Deadlines and procedures referred to above and in the relevant Supplement will remain unaffected. Applicants for exchange may obtain information on the exchange procedure directly from the Distributor, the relevant Sub-Distributor or the relevant Clearing System as the case may be and should also refer to the relevant Supplement.

Any investor who invests through the Distributor, a Sub-Distributor or a Clearing System should read this section in conjunction with the section headed "Nominee Arrangements" on page 36.

Limitations on Exchange

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under "Suspension of Calculation of Net Asset Value" below. Applicants for exchange of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension. Applicants exchanging Shares via the Distributor, a Sub-Distributor or a Clearing System as the case may be have to contact directly the Distributor, the Sub-Distributor or a Clearing System for arrangements regarding exchanges to be made or pending during such suspension period. Applications made or pending during such suspension period via the Distributor, a Sub-Distributor or a Clearing System as the case may be, unless withdrawn, will be considered as at the next Dealing Day following the end of such suspension.

CALCULATION OF NET ASSET VALUE/VALUATION OF ASSETS

The Net Asset Value of a Fund shall be expressed in the currency in which the Shares are designated or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case, and shall be calculated by ascertaining the value of the assets of the Fund and deducting from such value the liabilities of the Fund (excluding Shareholders equity) as at the Valuation Point for such Dealing Day.

The Net Asset Value per Share of a Fund will be calculated by dividing the Net Asset Value of the Fund by the number of Shares in the Fund then in issue or deemed to be in issue as at the Valuation Point for such Dealing Day and rounding the result mathematically to two decimal places or such other number of decimal places as may be determined by the Directors from time to time.

In the event the Shares of any Fund are further divided into Classes, the Net Asset Value per Class shall be determined by notionally allocating the Net Asset Value of the Fund amongst the Classes making such adjustments for subscriptions, repurchases, fees, dividends accumulation or distribution of income and the expenses, liabilities or assets attributable to each such Class (including the gains/losses on and costs of financial instruments employed for currency hedging between the currencies in which the assets of the Fund are designated and the designated currency of the Class, which gains/losses and costs shall accrue solely to that Class) and any other factor differentiating the Classes as appropriate. The Net Asset Value of the Fund, as allocated between each Class, shall be divided by the number of Shares of the relevant Class which are in issue or deemed to be in issue and rounding the result mathematically to two decimal places as determined by the Directors or such other number of decimal places as may be determined by the Directors from time to time.

The Articles provide for the method of valuation of the assets and liabilities of each Fund and of the Net Asset Value of each Fund.

The assets and liabilities of a Fund will be valued as follows:-

- (a) Assets listed or traded on a stock exchange or over-the-counter market (other than those referred to at (e) and (g) below) for which market quotations are readily available shall be valued at the last quoted official close of business price on the principal exchange or market for such investment as at the Valuation Point for the relevant Dealing Day provided that the value of any investment listed on a stock exchange but acquired or traded at a premium or at a discount outside the relevant stock exchange may with the approval of the Custodian be valued taking into account the level of premium or discount as at the date of valuation of the investment. Such premiums or discounts thereon above shall be provided by an independent broker or market maker or if such premiums/discounts are unavailable, by

the Investment Manager. However, the Directors in agreement with the Investment Manager may adjust the value of investments traded on an over-the-counter market if it considers such adjustment is required to reflect the fair value thereof in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant.

If for specific assets the official close of business prices do not, in the opinion of the Administrator, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the Administrator, (being approved by the Custodian as a competent person for such purpose) in consultation with the Investment Manager with a view to establishing the probable realisation value for such assets as at the Valuation Point for the relevant Dealing Day.

- (b) If the assets are listed or traded on several stock exchanges or over-the-counter markets, the official close of business prices on the stock exchange or over-the-counter market which, in the opinion of the Administrator, constitutes the main market for such assets, will be used.
- (c) In the event that any of the investments as at the Valuation Point for the relevant Dealing Day are not listed or traded on any stock exchange or over-the-counter market, such securities shall be valued at their probable realisation value determined by the Administrator (being approved by the Custodian as a competent person for such purpose) with care and in good faith in consultation with the Investment Manager. Such probable realisation value will be determined:
 - (i) by using the original purchase price;
 - (ii) where there have been subsequent trades with substantial volumes, by using the last traded price provided the Administrator in consultation with the Investment Manager considers such trades to be at arm's length;
 - (iii) where the Administrator in consultation with the Investment Manager believes the investment has suffered a diminution in value, by using the original purchase price which shall be discounted to reflect such a diminution;
 - (iv) if the Administrator in consultation with the Investment Manager believes a mid-quotation from a broker is reliable, by using such a mid-quotation or, if unavailable, a bid quotation.

Alternatively, the Administrator in consultation with the Investment Manager may use such probable realisation value estimated with care and in good faith and as may be recommended by a competent professional appointed by the Directors and approved for such purpose by the Custodian. Due to the nature of such unquoted securities and the difficulty in obtaining a valuation from other sources, such competent professional may be related to the Investment Manager.

- (d) Cash and other liquid assets will be valued at their face value with interest accrued, where applicable.
- (e) Units or shares in open-ended collective investment schemes will be valued at the latest available net asset value as at the Valuation Point for the relevant Dealing Day; units or shares in closed-ended collective investment schemes will, if listed or traded on a stock exchange or regulated market, be valued at the official close of business price on the principal exchange or market for such investment as at the Valuation Point for the relevant Dealing Day or, if unavailable at the probable realisation value, as estimated with care and in good faith and as may be recommended by a competent professional appointed by the Administrator or the Investment Manager and approved for the purpose by the Custodian.
- (f) Any value expressed otherwise than in the Base Currency of the relevant Fund (whether of an investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) which the Administrator deems appropriate in the circumstances.
- (g) Exchange traded derivative instruments will be valued at the settlement price for such instruments on such market as at the Valuation Point for the relevant Dealing Day; if such price is not available such value shall be the probable realisation value estimated with care and in good faith by the Administrator approved for such purpose by the Custodian. Over-the-counter derivative instruments will be valued at the latest valuation for such instruments as at the Valuation Point for the relevant Dealing Day as provided by the counterparty on a daily basis and verified on a weekly basis by a competent person (being independent from the counterparty), approved for such purpose by the Custodian. Forward

foreign exchange contracts shall be valued as at the Valuation Point for the relevant Dealing Day by reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken, or, if unavailable, they shall be valued at the settlement price as at the Valuation Point for the relevant Dealing Day as provided by the counterparty on a daily basis and verified on a weekly basis by a competent person (being independent from the counterparty), approved for such purpose by the Custodian.

Notwithstanding the provisions of paragraphs (a) to (g) above:-

- (i) The Administrator may, at its discretion in relation to any particular Fund which is a money market type Fund, value any investment with a known residual maturity of fifteen Months or less by using the amortised cost method of valuation whereby the investment is valued at its acquisition cost adjusted for amortisation of premium or accretion of discount on the investment. The Administrator or its delegate shall review or cause a review to take place of deviations between the amortised method of valuation and the market value of investments, in accordance with the requirements of the Authority.
- (ii) The Administrator may value floating rate instruments by using the amortised cost method of valuation where such floating rate instruments:
 - have an annual or shorter reset date; and
 - are determined by the Administrator to have a market value that approximates the amortised cost valuation; and
 - have a residual value of two years or less or, in the case of investment grade instruments, up to five years provided that procedures are adopted for instruments having a residual maturity of between two and five years to ensure that the valuation produced does not vary significantly from the true market value.
- (iii) The Administrator may, at its discretion, in relation to any particular Fund which is not a money market type fund but which invests in money market type instruments, value bonds, interest rate swaps, commercial paper, floating rate notes or similar instruments on the basis of amortised cost provided that each such security being valued using the amortised cost basis of valuation shall have a residual maturity not exceeding 6 Months.
- (h) 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 in paragraphs (a) to (g) above, or if such valuation is not representative of the security's fair market value, the value shall be estimated by the Administrator or its delegate with care and in good faith, or by a competent person approved for the purpose by the Custodian, using an alternative method approved by the Custodian.

If in any case a particular value is not ascertainable as provided above or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Directors in their absolute discretion shall determine, such method of valuation to be approved by the Custodian.

SUSPENSION OF CALCULATION OF NET ASSET VALUE

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the subscription, repurchase and exchange of Shares and the payment of Repurchase Proceeds during:

- (i) any period when any of the Markets on which a substantial portion of the investments of the relevant Fund, from time to time, are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
- (iii) any breakdown in the means of communication normally employed in determining the price of a

substantial portion of the investments of the relevant Fund, or when, for any other reason the current prices on any Market of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or

- (iv) any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- (v) any period when the Directors are unable to repatriate funds required for the purpose of making payments due on the repurchase of Shares in the relevant Fund; or
- (vi) any period when the Directors consider it to be in the best interest of the relevant Fund; or
- (vii) following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the relevant Fund is to be considered.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Shareholders who have requested subscriptions or repurchases of Shares of any Class or exchanges of Shares of one Class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitation referred to above, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified on the same Business Day to the Authority and, in relation to applicable Shares, as requested by the Irish Stock Exchange and the competent authorities in the jurisdictions in which the Shares are marketed. Details of any such suspension will also be notified to all Shareholders and will be published in a newspaper circulating in an appropriate jurisdiction, or such other publications as the Directors may determine if, in the opinion of the Directors, it is likely to exceed 14 days.

NOTIFICATION OF PRICES

The issue price and Repurchase Price of each Share Class of each Fund will be available from the Administrator, will be notified without delay, if the relevant Shares are listed on the Irish Stock Exchange, to the Irish Stock Exchange and may be published on each Business Day in one or more financial newspapers in such countries where the Funds are distributed to the public. Such prices will usually be the prices applicable to the previous Dealing Day's trades and are therefore only indicative.

The Initial Issue Price and Repurchase Price of each Share Class of each Fund may be available on the following website (which will be kept up to date) www.barclays.com/fundsadvisory. Access may be restricted and is not available to all jurisdictions. Such website is not an invitation to subscribe for purchase, convert, sell or redeem Shares.

FORM OF SHARES, SHARE CERTIFICATES AND TRANSFER OF SHARES

Shares entered on the register of the Company will be in non-certificated form and share certificates will not be issued. Contract notes providing details of the trade will normally be issued within four Banking Days of the relevant Dealing Day. Confirmation of ownership evidencing entry in the register will normally be issued on a monthly basis upon receipt of all original documentation required by the Administrator.

If so specified in the relevant Supplement of a Fund, the transfer of interests in Shares registered in the name of a Clearing System may be arranged by the Accountholder directly with the relevant Clearing System. Accountholders who wish to transfer their interests in Shares out of a Clearing System must also apply directly to the relevant Clearing System. Transfers made by the Accountholders within any Clearing System may be made between Accountholders on the books of the Clearing System and will not be registered on the register as the relevant Clearing System (or its nominee) will remain the registered Shareholder. The transfer of Shares by a Shareholder shall be effected by an instrument in writing in common form or in any other form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor. Transferees will be required to complete an Application Form and provide any other documentation reasonably required by the Administrator. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to (i) a U.S. Person (unless permitted under certain exemptions under the laws

of the United States); or (ii) any person who does not clear such money laundering checks as the Directors may determine; or (iii) any person who appears to be 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 such Shares; or (iv) any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstances appearing to the Directors to be related) which, in the opinion of the Directors might result in the Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached; or (v) any individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind; or (vi) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Initial Investment Amount; or (vii) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding; or (viii) any person where in respect of such transfer any payment of taxation remains outstanding; or (ix) is any other circumstances prohibited by the Articles as described herein. Registration of any transfer may be refused by the Directors if, following the transfer, either transferor or transferee would hold Shares having a value less than the Minimum Shareholding for that Share Class specified in the Supplement for the relevant Fund.

If the transferor is, or is deemed to be, or is acting on behalf of a person liable to pay Malta tax, the Company is entitled to repurchase and cancel a sufficient portion of the transferor's Shares as will enable the Company to pay the tax payable in respect of the transfer to the Commissioner of Inland Revenue in Malta.

FEES AND EXPENSES

Fees and Expenses Payable by the Company

The Company will pay out of the assets of each Fund the fees and expenses payable to the Investment Manager, Distributor, extraordinary expenses and, if applicable, the Fixed Fee in accordance with the Fixed Fee Arrangement to the Investment Manager as described below.

Investment Management Fee

In accordance with and subject to the terms of the Investment Management Agreement, the annual Investment Management Fee will be a percentage of the Net Asset Value of each Fund or Share Class or the Initial Issue Price (as will be indicated in the Supplement). Investment Management Fees are payable periodically at a rate which is within a range specified in the relevant Supplement of each Fund. The Investment Management Fee will be calculated upon each Dealing Day. Fees payable to the Distributor will be payable out of the Investment Management Fee in accordance with the Distribution Agreement.

Extraordinary Expenses

The Company shall be liable for Extraordinary Expenses. This means expenses (including, without limitation) relating to litigation costs and any tax, levy, duty or similar charge imposed on the Company or its assets that would otherwise not qualify as ordinary expenses. Extraordinary Expenses are accounted for on a cash basis and are paid when incurred or invoiced on the basis of the Net Asset Value of each Fund to which they are attributable. Extraordinary Expenses are allocated across each Shares Class.

Fixed Fees

Fixed Fees means the fees payable by the Company for each Fund in respect of the ordinary fees, expenses and costs incurred by that Fund that include Transaction Fees and Administrative Expenses (which means the Administrator's Fees, the Custodian's Fees, the Setting Up Costs and Other Administrative Expenses) as further described below:

- ***Administrator's Fees***

The Administrator's Fees which are normally due under the Administration Agreement. According to the Administration Agreement, the Company shall pay to the Administrator a fee for its services as central administration agent, domiciliary agent, registrar and transfer agent.

- ***Custodian's Fees***

The Custodian's Fees, which are normally due under the Custodian Agreement. According to the Custodian Agreement, the Company pays to the Custodian a fee for its services as custodian of the assets of each Fund of the Company (which will also include the fees and expenses of sub-custodians which will be at normal commercial rates). The fee will be calculated on the basis of a percentage of the net assets of each Fund under the custody of the Custodian.

- ***Directors Fees***

Directors will receive an annual fee that is consistent with market rates. Directors that are associated with Barclays Capital will waive their right to receive such fees.

- ***Other Administrative Expenses***

Other Administrative Expenses shall mean the costs and expenses other than the Administrator's Fee, Custodian Fee, Setting Up Costs and Transaction Fees in respect of the Fund, including but not limited to organisation and registration costs, licence fees payable to licence holders of an index, expenses for legal and auditing services, stamp duties, all taxes and VAT, company secretarial fees, any costs incurred in respect of meetings of Shareholders, investment transaction charges, costs incurred in respect of the distribution of income to Shareholders, the fees and expenses of any paying agent or representative appointed in compliance with the requirements of another jurisdiction, any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company, cost of any proposed listings and maintaining such listings, all reasonable out-of-pocket expenses of the Board of Directors, foreign registration and passporting fees and fees relating to the maintenance of such registrations and passporting including translation costs and local legal costs and other expenses due to supervisory authorities in various jurisdictions and local representatives' remunerations in foreign

jurisdictions, insurance, interest, the costs of printing and distributing this Prospectus and any Key Investor Information Document and any costs incurred as a result of periodic updates of this Prospectus or the relevant Supplement, reports, accounts and any explanatory memoranda, any necessary translation fees, any fees in respect of circulating details of the Net Asset Value and such other information which is required to be published in the different jurisdictions, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) or, to the extent permitted by applicable laws and regulations, marketing and distributions costs may also be paid out of the assets of the Company.

- ***Setting Up Costs***

Setting Up Costs means all costs relating to establishing the Company and new Funds.

- ***Transaction Fees***

Transaction Fees means, in respect of a Fund, any costs, fees and expenses in respect of buying and selling any of the Fund Assets, including, but not limited to, trading and administrative costs of entering into FDIs, transactional charges, collateral costs, brokerage charges, commissions, bid-offer spreads and licensing fees.

Fixed Fee Arrangement

The Company may in respect of each Fund (as specified in the relevant Supplement) enter into an arrangement with the Investment Manager, where the Investment Manager will in exchange for a Fixed Fee Payment (as defined in the relevant Supplement), finances the payment of the Fixed Fees described above. Where applicable, the Fixed Fee Payment is calculated on the average daily Net Asset Value per Fund or per Share Class or the Initial Issue Price (as will be indicated in the Supplement) and is payable periodically.

As the Fixed Fee is determined in advance on an annual basis by the Company and the Investment Manager, investors should note that the amount paid to the Investment Manager may at the end of the year be greater than if the Company would have directly paid these expenses. Conversely, the expenses the Company would have had to pay might be greater than the Fixed Fee and the effective amount paid by the Company to the Investment Manager would be less. The Fixed Fee will be determined and is intended to represent the expected costs to be incurred, on an arm's length basis by the Company and the Investment Manager and will be disclosed in the relevant Supplement.

The Fixed Fee covers payments provided these do not exceed an annual threshold (as described in the relevant Supplement) and the Company may be liable to pay for any amount that exceeds this threshold. The Company will pay this amount out of the relevant Fund's assets to which the specific costs are attributed.

TAXATION

General

The following statements on taxation are with regard to the law and practice in force in the relevant jurisdiction at the date of this document and do not constitute legal or tax advice to Shareholders or prospective Shareholders. 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 in the Company is made will endure indefinitely as the basis for, and rates of, taxation can fluctuate.

Prospective Shareholders should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding and repurchase of, Shares in the places of their citizenship, residence and domicile.

Malta

The investment income provisions relating to collective investment schemes distinguish between "prescribed" and "non-prescribed" funds. This classification determines the tax treatment of the income of the collective investment schemes in relation to such funds and of the capital gains or dividends derived by the investors from their investments in such funds.

A fund of a Malta based scheme is classified by the Commissioner of Inland Revenue as a prescribed fund if the value of the assets situated in Malta is at least 85% of the value of the total assets.

The term "situated in Malta" means the jurisdiction where the issuer of securities is resident for tax purposes. Thus securities issued by a UK resident company are deemed to be situated in the UK not in Malta, even if held by a custodian in Malta. Similarly considered are issues of Government bonds or stock in the country of the issuing Government, even if held by the custodian in Malta, and immovable property in the *situs*, not in the place where the deeds of title are held.

The Commissioner will base the classification on values declared by the collective investment schemes themselves. All Malta based schemes must for this purpose make a declaration to the Commissioner with respect to the value of the assets allocated to each of their existing funds. This is a simple declaration stating whether or not the value of the assets situated in Malta is at least 85% of the total value of the assets of that fund.

Investment income derived by prescribed funds is subject to a final withholding tax. The withholding tax rate is 15% in the case of bank interest and 10% in the case of other investment income.

No tax is withheld on investment income paid to non-prescribed funds.

In the case of investments made in non-prescribed funds by investors who are resident in Malta, withholding tax is payable by the investors either when they dispose of their investment or when they receive a dividend. This tax qualifies, subject to certain conditions, for the 15% rate under the final withholding tax system.

In accordance with the provisions of Articles 33 to 42 of the Income Tax Act a "payor" is obliged to deduct tax from a payment to a "recipient" of "investment income", defined as follows:

"payor" is the person who is liable to make, or if different, who makes a payment of investment income and includes an authorised financial intermediary acting for the payee;

"authorised financial intermediary" is a person holding an investment services licence issued under the Investment Services Act who is registered with the Commissioner and who satisfies such other conditions as may be prescribed;

"recipient" is a person (individual or other, including a collective investment scheme) who is resident in Malta for tax purposes during the year in which investment income is payable to him.

Income received by a collective investment scheme is only considered as investment income if such income is to be allocated to a prescribed fund of such scheme and to the extent that such income is not paid by another collective investment scheme. Consequently, the investment income received by a collective investment scheme and subject to withholding tax in Malta is the following:

- 1) interest paid by a bank licensed in Malta on bank deposits;
- 2) interest, premiums or discounts paid by:
 - i. the Government of Malta or an agency thereof, or
 - ii. a corporation or authority established by law, or
 - iii. a company or other legal entity in respect of a public issue;
 - iv. a company or other legal entity resident in Malta, in respect of a private issue
- 3) capital gains arising on the redemption of securities not being shares in a collective investment fund, investment in a linked long-term contract of insurance nor shares in a company;
- 4) interest payable by a bank authorized under foreign legislation, where the interest is paid by an authorised financial intermediary

Payers are to remit such withheld tax to the Commissioner of Inland Revenue not later than the 14th of the month following that in which the investment income was paid.

Other types of income and gains derived by a collective investment scheme remain exempt from tax in terms of article 12(1)(s) of the Income Tax Act.

Banks and other companies and entities that pay investment income to collective investment schemes need to establish whether that income falls to be allocated to a prescribed fund or not. Collective investment schemes are for this purpose required to inform the payor of their status as classified by the Commissioner. In any instance where a payment of investment income is payable to a fund and the collective investment scheme has not notified the payor of the status of that fund as a prescribed or a non-prescribed fund, the payor must assume that the payment is subject to withholding tax at the above-mentioned rates.

Such payors must remit the tax to the Commissioner of Inland Revenue not later than 14 days from the end of the month during which it is withheld in terms of the normal rules that apply to investment income.

Except as indicated below, when securities in non-prescribed funds of a Malta based scheme are redeemed, liquidated or cancelled, withholding tax at 15% becomes due on any capital gains arising on that disposal, provided that the recipient of the gains is not a Collective Investment Scheme.

The 15% withholding tax is not applicable on capital gains:

1. (a) arising on the disposal of units or shares in a prescribed fund;
- (b) arising on the disposal of units or shares in a non-prescribed fund of an overseas based scheme and where the payment is not made by an authorised financial intermediary;

Provided that in both the above mentioned cases, such disposal is by way of a redemption, liquidation or cancellation. Thus, when securities in a non-prescribed fund are transferred to third parties (and not redeemed, liquidated or cancelled) the transferor must declare the gains in his tax return and pay tax at the normal rates. The capital gains on the eventual redemption will, however, be calculated without reference to that intermediate transfer, and purchasers should take this rule into account in deciding on the price they are prepared to pay for the securities;

2. derived by non-residents.

Switching units from one fund to another within the same collective investment scheme does not give rise to capital gains. Therefore, in such cases, the investment income provisions cannot be applied.

Dividends paid by a Malta based scheme that is a distributor scheme (whether in relation to units in a prescribed or non-prescribed fund) are governed by the rules laid down in article 67A of the Income Tax Act. Profits that do not suffer tax in the hands of the scheme are allocated to an 'untaxed account' of such scheme. In the particular case of investment income arising to the scheme in relation to a non-prescribed fund, the

scheme would not have suffered any withholding tax on such income and thus, profits arising therefrom are allocated to its untaxed account. Profits distributed to individuals resident in Malta out of this account are subject to withholding tax at 15% under the normal provisions of the Income Tax Act.

Finally, Maltese law does not impose withholding tax on investments. Neither are collective investment schemes subject to Value Added Tax or Stamp Duty.

EU Savings Directive

On 3 June 2003 the Council of the European Union (ECOFIN) adopted Directive (2003/48/EC), regarding the taxation of savings income in the form of interest payments, hereinafter referred to as the Savings Directive. Malta implemented the directive through The European Directives Regulations (SL 123/74 of the Laws of Malta), hereinafter referred to as the Regulations.

The Regulations establish that paying agents are required to report to their tax authorities interest payments made to relevant beneficial owners and residual entities.

A paying agent is defined as an economic operator established in Malta who, in the course of a business or profession, makes interest payments or secures the payment of interest to individuals (relevant beneficial owners) or residual entities. The paying agent is always the last link in the payment chain before the beneficial owner or residual entity and is the person that actively initiates a payment directly to a beneficial owner or residual entity, or, if different, initiates a payment in accordance with his or its instructions.

The provisions of the Savings Directive therefore impose obligations on a number of economic operators such as banks, custodians, certain financial institutions and financial dealers, businesses and stockbrokers. Such obligations may also apply to those who hold or administer money debts and investments in collective investment funds on behalf of individuals or residual entities in a professional capacity such as accountants, lawyers, trustees or nominee companies.

A residual entity is defined as an entity established in Malta (essentially a body of persons or an organisation but not an individual) which is not –

- (a) a legal person (e.g. a company or other corporate body);
- (b) taxed under the general arrangements for business taxation (e.g. a partnership);
- (c) a UCITS or an Article 4(3) UCITS (see below).

The beneficial owner is an individual who either receives an interest payment or is an individual for whom an interest payment is secured. This means that the beneficial owner is the individual who has either received the payment directly from the paying agent, or is the individual on whose behalf the paying agent receives or secures the payment in accordance with the individual's instructions.

The Savings Directive specifies those exceptions where an individual who receives an interest payment, or for whom an interest payment is secured, is not a beneficial owner. An individual who receives payment on behalf of a UCITS who provides satisfactory evidence consisting in a written statement on headed paper from the relevant authority that he receives interest on behalf of a UCITS, will not be considered a beneficial owner. Moreover, a residual entity is defined as an entity established in Malta (essentially a body of persons or an organization, but not an individual) which is not, inter alia, a UCITS.

For the purposes of the Savings Directive, an interest payment means broadly any income which is, contains or is derived from interest. Interest accumulated or rolled-up in some way in the disposal proceeds of certain savings instruments also constitutes an interest payment. Capital gains are not an interest payment. However, capital gains and other types of income may constitute an interest payment if they are included in a payment where it is not possible to isolate the amount of interest in a larger payment.

The Regulations further explain that interest and money debts consist in all interest earned on debts derived from the lending of money (whether or not the relevant debt claim is secured by mortgage and whether or not it carries a right to participate in the debtor's profit). This includes interest on bank accounts as well as interest on all types of debt securities (such as government securities, corporate bonds and debentures). For the purposes of the Savings Directive, the term interest also includes premiums and discounts derived from money debts, and prizes (including premium bond prizes) attributable to money debts.

An interest payment does not however include other types of income (e.g. pensions, rents, trading profits or employment income), even where they are derived from investments that have been made. Similarly, income (including any interest) which does not arise from a money debt, fails to qualify as interest. Payments which are

not an interest payment include dividends from preference shares, annuities, payouts from insurance policies and dividends on ordinary shares in a company unless the company is a collective investment fund.

If a company is a collective investment fund, the interest element included in distributions paid by them also constitutes interest payment for the purposes of the Savings Directive. Such interest element would include premiums, discounts and other income treated as interest on a money debt for the purposes of the Savings Directive. It does not include interest on Article 15 securities, namely a security first issued before 1 March, 2001, or for which the prospectus was first approved by the appropriate regulatory authority before that date, and no further issue was made on or after 1 March 2002.

For the purposes of the above, a collective investment fund is an investment which is –

- (a) a UCITS;
- (b) a Article 4(3) UCITS, namely a residual entity which has been given a certificate by the specified territory in which it is established allowing it to be treated as a UCITS; or
- (c) a UCITS established outside the EU.

Therefore, distributions and other payments derived from investment funds established in Malta constitute interest payments for the purposes of the Savings Directive if they are made by UCITS (or Article 4(3) UCITS), if the criteria below are fulfilled. For the purposes of the Savings Directive, a distribution by a collective investment fund contains interest payment if the fund has invested assets:

- a) in money debts – excluding Article 15 securities; or
- b) directly or indirectly (via other collective investment funds or residual entities) in money debts, excluding Article 15 securities.

However, where income is realized at sale or redemption of fund units, an interest payment only arises if the fund has invested more than 40% (25% from 1st January, 2011) of its assets directly or indirectly (via other collective investment funds or residual entities) in money debts – excluding Article 15 securities. All of the income accumulated by a fund would be regarded as an interest payment if the test is passed. The interest payment is not simply the part of the accumulated income which would be considered to be interest payment under the other headings, whether as interest paid, accrued or capitalised interest or interest payment in distributions from other funds, but the total amount paid for the relevant sale or redemption.

EU Member States including Malta, have applied the respective provisions as from 1 July 2005. The obligation of the paying agent to inform the competent authority of payments made is however not binding insofar as three EU Member States namely Austria, Belgium and Luxembourg. Such States may opt instead to withhold tax from interest payments, the rate of which increases progressively throughout the 10-year derogation period. Other particular measures may be applied by certain third countries as well as dependent and associated territories of EU Member States.

On 15 September 2008, the European Commission issued a report for the Council of the European Union on the operation of the Directive, which included the Commission's advice on the need for changes to the Directive. On 13 November 2008, the European Commission published a more detailed proposal for amendments to the Directive, which included a number of suggested changes. If any of those proposed changes are made in relation to the Directive, they may amend or broaden the scope of the requirements described above.

United Kingdom

General

The following summary of the anticipated tax treatment in the United Kingdom, which applies only to persons holding Shares as an investment, does not constitute legal or tax advice and is based on taxation law and practice at the date of this Prospectus. Prospectus investors should consult their own professional advisors on the implications of making an investment in, and holding or disposing of, Shares under the laws of the countries in which they are liable to taxation. Levels and bases of, and reliefs from, taxation are subject to change.

The Company

The Directors intend to conduct the affairs of the Company in such a manner as to minimise, so far as they consider reasonably practicable, taxation suffered by the Company. This will include conducting the affairs of the Company so that it does not become resident in the United Kingdom for taxation purposes. Provided that the Company is not resident in the United Kingdom, and does not carry on a trade in the United Kingdom (whether or not through a branch or agency situated therein), the Company will not be subject to United

Kingdom income tax or corporation tax other than on United Kingdom source income to the extent that income tax is deducted at source.

Dividends, interest and other income as well as capital gains received by the Company may be subject to withholding or similar taxes imposed by the country in which such dividends, interest, other income or capital gains originate.

Shareholders

Each Fund is an offshore fund for the purposes of United Kingdom taxation. If it is considered that a Fund or a share class qualifies as a **distributing fund** for United Kingdom tax purposes, it is intended that the Company on behalf of the Fund will make application for certification as a distributing fund each year. Such certification is, however, granted retrospectively and there can be no guarantee that certification will be obtained or that, once obtained, it will continue to be available for future periods of account of the Fund.

If the Company on behalf of a Fund does not obtain certification as a distributing fund throughout the period during which Shares in relation to that Fund are held, gains (including any foreign exchange gains arising from the translation of Euro amounts in respect of Shares into Sterling) arising on the disposal of those Shares (for example, by way of transfer or repurchase including switching between classes of Shares) will comprise income rather than capital gains for the purposes of United Kingdom taxation.

Corporate investors

Under the rules for the taxation of corporate and government debt contained in the Finance Act 1996 (the **Loan Relationship Rules**), if any Fund fails to satisfy the **non-Qualifying Investments Test**, i.e. it has more than 60% by market value of its investments in Qualifying Investments (see below), holders of Shares issued in relation to such Fund who are within the charge to corporation tax in the United Kingdom will be subject to tax as income on all profits and gains arising from and fluctuations in the value (calculated at the end of each accounting period of the investor and at the date of disposal of the interest) of the Shares, in accordance with, in relation to accounting periods of the holder beginning prior to 1 January 2005, an “authorised mark to market basis of accounting” and, in subsequent accounting periods, “a basis of fair value accounting” (in each case as such terms are defined under the Loan Relationship Rules). These rules will apply to such investors if the 60% limit is exceeded at any time during the investor’s accounting period, even if the investor was not holding Shares at that time.

Qualifying Investments include:

- (i) money placed at interest (other than cash awaiting investment);
- (ii) securities;
- (iii) shares in a building society;
- (iv) (broadly) interests in other investment funds which fail to satisfy the non-Qualifying Investments test;
- (v) certain derivative contracts whose subject matter consists wholly of any one or more of the matters referred to in (i) to (iv); and
- (vi) contracts for differences whose underlying subject matter consists wholly of interest rates or creditworthiness or both.

Whether or not UK authorised unit trusts, investment trusts and open ended investment companies are subject to tax under the provisions described above will depend upon the application of special rules contained in paragraphs 1A to 2B of Schedule 10 to the Finance Act 1996.

Investors – UK Insurance Companies – material interests

Investors who are life insurance companies within the charge to United Kingdom taxation holding their Shares in the Company for the purposes of their long-term business (other than their pensions business) may be deemed to dispose of and immediately reacquire their Shares at the end of each accounting period. Such Shareholders should seek their own professional advice as to the tax consequences of the deemed disposal.

Income from the Company

According to their personal circumstances Shareholders resident in the United Kingdom for tax purposes will be liable to income tax or corporation tax in respect of dividend or other income distributions of the Company. This will be the case whether or not distributions are re-invested. Where investments of the Company are distributed in specie to Shareholders other than by way of dividend, such distributions may represent a part-disposal of Shares for United Kingdom tax purposes.

Anti-avoidance

The attention of individuals ordinarily resident in the United Kingdom is drawn to the provisions of Section 739 to 745 of the Income and Corporation Taxes Act 1988 (the **Taxes Act**). These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled abroad and may render them liable to taxation in respect of undistributed income and profits of the Company on an annual basis.

The Taxes Act also contains provisions which subject certain United Kingdom resident companies to corporation tax on profits of companies not so resident in which they have an interest. The provisions affect United Kingdom resident companies which are deemed to be interested in at least 25% of the profits of a non-resident company which is controlled by residents of the United Kingdom and which does not distribute substantially all of its income and is resident in a low tax jurisdiction. The legislation is not directed towards the taxation of capital gains.

It is anticipated that the shareholdings in the Company will be such as to ensure that the Company would not be a close company if resident in the United Kingdom. If, however, the Company were to be such that it would be close if resident in the United Kingdom, gains accruing to it may be apportioned to certain United Kingdom resident Shareholders who may thereby become chargeable to capital gains tax or corporation tax on chargeable gains on the gains apportioned to them.

Other Jurisdictions

The tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. **Therefore the Directors strongly recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares.** It is the Director's intention to manage the affairs of the Company so that it does not become resident outside of Ireland for tax purposes.

GENERAL INFORMATION

Reports and Accounts

The Company's year end is 30 June in each year. The annual report and audited accounts of the Company will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within four Months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The next annual report will be published within four Months of 30 June 2012. The Company will also prepare unaudited semi-annual reports which will, if Shares of a Fund are listed on the Irish Stock Exchange, be sent to the Irish Stock Exchange and made available to Shareholders within two Months after 30 December in each year. The next semi-annual report will be published within two Months of 31 December 2012.

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the Company's year end or the end of such semi-annual period.

The Directors may send such reports and accounts electronically to Shareholders in accordance with the requirements of the Authority.

Incorporation and Share Capital

The Company was incorporated and registered in Malta under the Companies Act as an open-ended umbrella investment company with variable capital and with segregated liability between sub funds on the 28th March 2006 with registered number SV 43.

At the date hereof, the authorised share capital of the Company is 1,000,000,000,000 Shares of no par value initially designated as unclassified shares. The issued share capital of the Company is €300,002 represented by 300,002 shares (the **subscriber shares**) issued for the purposes of the incorporation of the Company at an issue price of €1 per Share which are fully paid up and which are beneficially owned by the Barclays Bank PLC.

The unclassified shares are available for issue as Shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the Shares in the Company.

Subject to the exceptions set out under "Transfer of Shares" below and any further restrictions as set out in the Supplement of the relevant Fund, the Shares issued by the Company are freely transferable.

Limited Recourse

The right of holders of any Shares to participate in the assets of the Company is limited to the assets (if any) of the Fund relating to such Shares. If the realised net assets of any Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the Supplement and the Articles, the relevant Shareholders will have no further right of payment in respect of such Shares or any claim against any other Fund or any other assets of the Company. Each Shareholder's right to any return of capital or income on the Shares is subject to this Prospectus, the relevant Supplement and the Articles generally.

If a Fund has two or more Share Classes, the claims of the holders of such Classes to the assets of the relevant Fund will, subject to the terms of the relevant Fund, rank *pari passu* with each other, and, on a winding-up of the Company, the holders of each such Class will participate in the assets (if any) comprised in such Fund *pro rata* to the amount paid up on the Shares of each such Class. Each separate Class relating to one Fund will have recourse only to the assets comprised within the relevant Fund. Consequently, if on any Scheduled Maturity Date or on the winding-up of the Company, the assets of a Fund (after payment of all fees, expenses and other liabilities (other than amounts owing to Shareholders) which are to be borne by such Fund) are insufficient to pay the full Repurchase Proceeds payable in respect of all Shares Classes relating to the relevant Fund, the proceeds of the relevant Fund will be distributed equally amongst each Shareholder of the relevant Fund *pro rata* to the amount paid up on the Shares held by each Shareholder. See "Risk Factors – Cross Liability between Classes".

Memorandum and Articles of Association

Clause 3 of the Memorandum of Association provides that the sole object of the Company is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk spreading in accordance with the Undertakings for Collective Investment in Transferable Securities and Management Companies Regulations, 2004 (Legal Notice 207 of 2004) as may be amended, supplemented or consolidated from time to time..

The Articles contain provisions to the following effect:

1. **Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company;
2. **Variation of rights.** The rights attached to any Class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up but such consent or sanction will not be required in the case of a variation, amendment or abrogation of the rights attached to any Shares of any Class if, in the view of the Directors, such variation, amendment or abrogation does not materially prejudice the interests of the relevant Shareholders or any of them. Any such variation, amendment or abrogation will be set out in a supplement to (or restatement of) the relevant Supplement originally issued in connection with the relevant Shares, a copy of which will be sent to the relevant Shareholders entered on the Register on the date of issue of such document and will be binding on the relevant Shareholders. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the Class in question and the quorum at an adjourned meeting shall be two persons holding or representing by proxy 20% of the issued Shares of the Class in question or his proxy;
3. **Voting Rights.** Subject to any rights or restrictions for the time being attached to any Class or Classes of Shares, on a show of hands every holder who is present in person or by proxy shall have one vote and the holder(s) of subscriber shares present in person or by proxy shall have one vote in respect of all the subscriber shares in issue and on a poll every holder present in person or by proxy shall have one vote for every Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share;
4. **Alteration of Share Capital.** The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe.

The Company may also by ordinary resolution:

- (i) consolidate and divide all or any of its share capital into Shares of larger amount;
 - (ii) subdivide its Shares, or any of them, into Shares of smaller amount or value;
 - (iii) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled; or
 - (iv) redenominate the currency of any Share Class;
5. **Directors' Interests.** Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established;

The nature of a Director's interest must be declared by him at the meeting of the Directors at which the

question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested;

A Director shall not vote at a meeting of the Directors or of any committee established by the Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material (other than an interest arising by virtue of his interest in Shares or debentures or other securities or otherwise in or through the Company) or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote;

6. ***Borrowing Powers.*** The Directors may exercise all of the powers of the Company to borrow or raise money and to mortgage, or charge its undertaking, property and assets (both present and future) and uncalled capital or any part thereof and to issue securities, whether outright or as collateral security for any debt, liability or obligation of the Company provided that all such borrowings shall be within the limits and conditions laid down by the Authority;
7. ***Delegation to Committee.*** The Directors may delegate any of their powers to any committee whether or not consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of Directors so far as they are capable of applying. Any such delegation will be in accordance with the License Conditions;
8. ***Retirement of Directors.*** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age;
9. ***Directors' Remuneration.*** Unless and until otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who is appointed as an executive director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any Share Class of the Company or otherwise in connection with the discharge of their duties;
10. ***Transfer of Shares.*** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a Share to (i) a U.S. Person (unless permitted under certain exceptions under the laws of the United States) or; (ii) any person who does not clear such money laundering checks as the Directors may determine; or (iii) any person who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares; or (iv) any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company incurring any liability to taxation or suffering any other pecuniary legal or material administrative disadvantages or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached; or (v) an individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind; or (vi) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Initial Investment Amount; or (vii) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Shareholding; or (viii) any person where in respect of such transfer any payment of taxation remains outstanding.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the

certificate for the Shares to which it relates (if issued), is in respect of one class of Share only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint;

11. **Right of Repurchase.** Shareholders have the right to request the Company to repurchase their Shares in accordance with the provisions of the Articles;
12. **Dividends.** The Articles permit the Directors to declare such dividends on any Share Class as appear to the Directors to be justified by the profits of the relevant Fund and / or the capital of the relevant Fund. The Directors may satisfy any dividend due to holders of Shares in whole or in part by distributing to them (to the extent permitted under the prevailing laws and regulations in the country of domicile of the Shareholders of the relevant Fund) in specie any of the assets of the relevant Fund and, in particular, any investments to which the relevant Fund is entitled. A holder may require the Directors instead of transferring any assets in specie to him, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund;
13. **Funds.** The Directors are required to establish a separate portfolio of assets for each Fund created by the Company from time to time, to which the following shall apply:-
 - (i) for each Fund the Company shall keep separate books and records in which all transactions relating to the relevant Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each Class of the Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
 - (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
 - (iii) no Shares will be issued on terms that entitle the Shareholders of any Fund to participate in the assets of the Company other than the assets (if any) of the Fund relating to such Shares. If the proceeds of the assets of the relevant Fund are not sufficient to fund the full repurchase proceeds payable to each Shareholder for the relevant Fund, the proceeds of the relevant Fund will, subject to the terms for the relevant Fund, be distributed equally among each Shareholder of the relevant Fund *pro rata* to the amount paid up on the Shares held by each Shareholder. If the realised net assets of any Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the terms of the relevant Fund, the relevant Shareholders of that Fund will have no further right of payment in respect of such Shares or any claim against the Company, any other Fund or any assets of the Company in respect of any shortfall;
 - (iv) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund; and
 - (v) in the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of the Companies Act (Investment Companies with Variable Share Capital) Regulations shall apply.
14. **Fund Exchanges.** Subject to the provisions of the Articles, a Shareholder holding Shares in any Class of a Fund on any Dealing Day shall have the right from time to time to exchange all or any of such Shares for Shares of another Class (such Class being either an existing Class or a Class agreed by the Directors to be brought into existence with effect from that Dealing Day);
15. **Termination of Funds**

Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Custodian in any of the following events:-

- i. if at any time the Net Asset Value of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund;
- ii. if any Fund shall cease to be authorised or otherwise officially approved;

- iii. if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund;
- iv. if there is a change in material aspects of the business, in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the investments of the Fund; or
- v. if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions and the best interests of the Shareholders.

The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Fund pursuant to this section 15 or otherwise.

16. *Winding up.* The Articles contain provisions to the following effect:

- (i) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Acts and section 17 below, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund;
- (ii) The assets available for distribution amongst the Shareholders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Share Class shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Share Class in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid thereon out of the assets of the Company not attributable to other Share Classes. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to each Share Class ; and thirdly, any balance then remaining and not attributable to any of the Share Classes shall be apportioned pro-rata as between the Share Classes based on the Net Asset Value attributable to each Share Class as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Share Class held by them;
- (iii) A Fund may be wound up pursuant to section 214 of the Companies Act, and in such event the provisions reflected in this paragraph 16 shall apply mutatis mutandis in respect of that Fund;
- (iv) If the Company shall be wound up (whether the liquidation is voluntary, or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the Companies Act, divide among the holders of Shares of any Class or Classes of a Fund in specie the whole or any part of the assets of the Company relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between all the holders of Shares of the Company or the holders of different Share Classes in a Fund. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may require the liquidator instead of transferring any asset in specie to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.

17. *Segregation of Liability*

- (i) Pursuant to Section 3 of Legal Notice 356 of 2002, the assets and liabilities of each Individual Fund comprised in the Company shall constitute a patrimony separate from that of each other Fund of the Company so that the assets of one Fund shall be available exclusively for the creditors and holders of shares in that Fund.
- (ii) The assets allocated to a Fund shall be applied solely in respect of the Shares of such Fund and no Shareholder relating to such Fund shall have any claim or right to any asset allocated to any other Fund.

- (iii) Any asset or sum recovered by the Company by any means whatsoever or wheresoever shall, after the deduction or payment of any costs of recovery, be applied to the Fund affected. 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 hereof cannot otherwise be restored to that Fund, the Directors with the consent of the Custodian, 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.
- (iv) 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 Irish courts as it would have been if the Fund were a separate legal person.
- (v) In any proceedings brought by any Shareholder of a particular Fund, any liability of the Company to such Shareholder in respect of such proceeding can only be settled out of the assets of the Fund corresponding to such Shares without recourse in respect of such liability or any allocation of such liability to any other Fund of the Company.
- (vi) Nothing in this section shall prevent the application of any enactment or rule of law which would require the application of the assets of any Fund in discharge of some or all of the liabilities of any other Fund on the grounds of fraud or misrepresentation.

18. Share Qualification. The Articles do not contain a share qualification for Directors.

Litigation and Arbitration

Since incorporation the Company has not been involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

Directors' Interests

1. There are no service contracts in existence between the Company and any of its Directors, nor are any such contracts proposed.
2. At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as provided in 4 below no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.
3. At the date of this Prospectus neither the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital.
4. Paul Stephen Hopkins is both a Director of the Company and an employee of Funds and Advisory.

Material Contracts

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the Company and are or may be material.

1. **The Custodian Agreement** dated 17th May 2006 between the Company and the Custodian. The Custodian Agreement provides that the appointment of the Custodian will continue unless terminated by either party giving to the other party 90 days' written notice, although in certain circumstances the Custodian Agreement may be terminated forthwith by notice in writing by either party to the other. Any successor custodian must be acceptable to the Company and must be an entity approved by the Authority. In addition, the appointment of the successor custodian must be approved by the Authority. If no successor is appointed at the end of the 90 day notice period or such other periods as may be agreed between the parties from the giving of such notice, the Custodian may require the Company to be wound up. In such case, the Directors shall apply in writing to the Authority for revocation of the Company's authorisation and the Custodian shall remain as the Custodian, notwithstanding the

expiration of the notice period, until such time as the Authority has revoked the Company's authorisation. The Custodian Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Custodian which are restricted to exclude matters arising as a result of the Custodian's unjustifiable failure to perform its obligations, or the improper performance of them (which shall include negligence, bad faith, fraud, wilful default or recklessness on the part of the Custodian).

The **Custodian Agreement** also contemplates the appointment of a sub-custodian, but the Custodian's responsibility is not affected by the appointment of a sub-custodian.

The Custodian Agreement contains limited recourse provisions under which the recourse against the Company of the Custodian in respect of any claims arising under or in relation to the Custodian Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Custodian will have no recourse to any other assets of the Company. If following the realisation of the relevant Fund and the application of such realisation proceeds in payment of all claims of the Custodian relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund, such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Custodian will have no further right of payment in respect thereof and (c) the Custodian will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

2. **The Administration Agreement** dated 17th April 2006 between the Company and the Administrator. The Administration Agreement provides that the appointment of the Administrator will be for an initial period of six months and will thereafter continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Administration Agreement may be terminated forthwith by notice in writing by either party to the other. The Administration Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Administrator which are restricted to exclude matters arising by reason of the negligence, fraud, bad faith, wilful default or recklessness of the Administrator, its directors, officers or employees in the performance of its or their obligations and duties.

The Administration Agreement contains limited recourse provisions under which the recourse against the Company of the Administrator in respect of any claims arising under or in relation to the Administration Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Administrator will have no recourse to any other assets of the Company. If following the realisation of the relevant Fund and the application of such realisation proceeds in payment of all claims of the Administrator relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund, such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Administrator will have no further right of payment in respect thereof and (c) the Administrator will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

3. **The Investment Management Agreement** dated 17th April 2006 between the Company and the Investment Manager. The Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by either party giving to the other not less than 90 days' written notice (provided that the Company may not other than as outlined below terminate the appointment of the Investment Manager for three years from the date of authorisation of the Company by the Authority) although in certain circumstances the Investment Management Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Investment Manager which are restricted to exclude matters resulting from the fraud, wilful default or negligence of the Investment Manager in the performance or non-performance of its obligations and duties.

The Investment Management Agreement contains limited recourse provisions under which the recourse against the Company of the Investment Manager in respect of any claims arising under or in relation to the Investment Management Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Investment Manager will have no recourse to any other assets of the Company. If following the realisation of the relevant Fund and the application of such realisation proceeds in payment of all claims of the Investment Manager relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which

have recourse to the relevant Fund(s), such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Investment Manager will have no further right of payment in respect thereof and (c) the Investment Manager will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

4. **The Distribution Agreement** dated 17th April 2006 between the Company and the Distributor. The Distribution Agreement provides that the appointment of the Distributor will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Distribution Agreement may be terminated forthwith by notice in writing by either party to the other; the Distribution Agreement contains certain indemnities payable out of the assets of the relevant Fund in favour of the Distributor which are restricted to exclude matters resulting from the wilful misfeasance, bad faith, fraud, wilful default or negligence of the Distributor in the performance or non-performance of its obligations and duties.

The Distribution Agreement contains limited recourse provisions under which the recourse against the Company of the Distributor in respect of any claims arising under or in relation to the Distribution Agreement is expressed to be limited to the Fund established in respect of the Shares to which such claims relate, and the Distributor will have no recourse to any other assets of the Company. If following the realisation of the relevant Fund and the application of such realisation proceeds in payment of all claims of the Distributor relating to the relevant Fund and all other liabilities (if any) of the Company ranking *pari passu* with or senior to such claims which have recourse to the relevant Fund(s), such claims are not paid in full, (a) the amount outstanding in respect of such claims will be automatically extinguished, (b) the Distributor will have no further right of payment in respect thereof and (c) the Distributor will not be able to petition for the winding-up of the Company as a consequence of any such shortfall.

Please refer to each Supplement for details of other relevant material contracts (if any) in respect of a Fund.

Miscellaneous

Save as disclosed under the "Incorporation and Share Capital" section above, no share or loan capital of the Company has been issued or agreed to be issued, is under option or otherwise. As of the date of this Prospectus, the Company does not have any loan capital (including term loans) outstanding or created but unissued or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptance or acceptance credits, hire purchase or finance lease commitments, guarantee or other contingent liabilities which are material in nature.

Save as may result from the entry by the Company into the agreements listed under "Material Contracts" above or any other fees, commissions or expenses discharged, no amount or benefit has been paid or given or is intended to be paid or given to any promoter of the Company.

Save as disclosed under the "Conflicts of Interest" section above, no commissions, discounts, brokerages or other special terms have been paid or granted or are payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or loan capital of the Company.

Documents for Inspection

Copies of the following documents will be available on www.barclays.com/fundsadvisory¹ may be obtained from the Company and inspected at the registered office of the Company during usual business hours during a Business Day at the address shown in the Directory section below:

1. the Articles;
2. the Prospectus (as amended and supplemented), the Supplements, the simplified prospectus and the key investor information document (if appropriate);
3. the annual and semi-annual reports relating to the Company most recently prepared by the Administrator;
4. details of notices sent to Shareholders;

¹ Access to such website may be restricted, is not available to all jurisdictions and is subject to acceptance of such website's terms and conditions.

5. the material contracts referred to above;
6. the Regulations;
7. the License Conditions; and
8. a list of any directorships or partnerships, past or present, held by the Directors in the last five years.

Copies of the Articles (and, after publication thereof, the periodic reports and accounts) may be obtained from the Administrator free of charge.

APPENDIX I

MARKETS

Subject to the provisions of the License Conditions and with the exception of permitted investments in unlisted securities (as may be set out in the Supplement of the relevant Fund), the Company will only invest in securities listed or traded on the following stock exchanges and regulated markets which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) or otherwise as permitted by the Regulations:

1 (a) any stock exchange which is:

- located in an EEA Member State; or
- located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America; or

(b) any stock exchange included in the following list:-

Argentina	-	Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, Rosario and La Plata Stock Exchange;
Bahrain	-	Bahrain Stock Exchange;
Bangladesh	-	Chittangong Stock Exchange and Dhaka Stock Exchange;
Bolivia	-	Bolsa Boliviana De Valores;
Botswana	-	Botswana Stock Exchange;
Brazil	-	Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
Bulgaria	-	Sofia Stock Exchange;
Channel Islands (Guernsey, Jersey & Isle of Man)	-	Channel Islands Stock Exchange;
Chile	-	Santiago Stock Exchange and Valparaiso Stock Exchange;
China	-	Shanghai Stock Exchange, Fujian Stock Exchange, Hainan Stock Exchange and Shenzhen Stock Exchange;
Colombia	-	Bolsa de Valores de Colombia ;
Ecuador	-	Quito Stock Exchange and Guayaquil Stock Exchange;
Egypt	-	Egyptian Stock Exchange;
Ghana	-	Ghana Stock Exchange;
India	-	Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabad Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;
Indonesia	-	Indonesian Stock Exchange;
Jordan	-	Amman Stock Exchange;
Kazakhstan	-	Kazakhstan Stock Exchange;
Kenya	-	Nairobi Stock Exchange;
Korea	-	Korea Exchange (KRX);
Kuwait	-	Kuwait Stock Exchange;
Lebanon	-	Beirut Stock Exchange;
Malaysia	-	Kuala Lumpur Stock Exchange;

Malta	-	Malta Stock Exchange
Mauritius	-	Stock Exchange of Mauritius;
Mexico	-	Bolsa Mexicana de Valores;
Morocco	-	Casablanca Stock Exchange;
Namibia	-	Namibian Stock Exchange;
Nigeria	-	The Nigerian Stock Exchange ;
Oman	-	Muscat Securities Market;
Pakistan	-	Lahore Stock Exchange and Karachi Stock Exchange;
Palestine	-	Palestine Stock Exchange;
Peru	-	Bolsa de Valores de Lima;
Philippines	-	Philippines Stock Exchange;
Qatar	-	Doha Stock Exchange;
Romania	-	Bucharest Stock Exchange;
Russia	-	RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
Saudi Arabia	-	Riyadh Stock Exchange;
Singapore	-	The Stock Exchange of Singapore;
South Africa	-	Johannesburg Stock Exchange;
Swaziland	-	Swaziland Stock Exchange;
Sri Lanka	-	Colombo Stock Exchange;
Taiwan	-	Taiwan Stock Exchange Corporation;
Thailand	-	The Stock Exchange of Thailand;
Turkey	-	Istanbul Stock Exchange;
Ukraine	-	Ukrainian Stock Exchange;
Uruguay	-	Montevideo Stock Exchange;
Venezuela	-	Caracas Stock Exchange and Maracaibo Stock Exchange;
Zambia	-	Lusaka Stock Exchange;

(c) any of the following:

The market organised by the International Securities Market Association;

The (i) market conducted by banks and other institutions regulated by the FSA and subject to the Inter-Professional Conduct provisions of the FSA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FSA and the Bank of England;

The market in U.S. government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the U.S. Securities and Exchange Commission;

The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the U.S. Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

KOSDAQ;

NASDAQ;

Catalist;

TAISDAQ/Gretai Market;

The Chicago Mercantile Exchange - CME Group ;

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

The French market for Titres de Creance Negotiable (over-the-counter market in negotiable debt instruments);

- 2 In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland or the United States, (iii) the Channel Islands Stock Exchange, or (iv) listed at (c) above.

The stock exchanges and regulated markets described above are set out herein in accordance with the requirements of the Authority which does not issue a list of approved markets.

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