

The Directors of Cerno Investment Funds ICAV (the “**ICAV**”) whose names appear in the section of the Prospectus entitled “THE ICAV” are the persons responsible for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

If you are in any doubt about the contents of this Supplement or the Prospectus you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

Cerno Future Fund

(an open-ended sub-fund of Cerno Investment Funds ICAV, an Irish collective asset-management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))

SUPPLEMENT

DATED: 31 October 2025

**Investment Manager
Cerno Capital Partners LLP**

This Supplement forms part of, and should be read in the context of and together with, the Prospectus dated 24 January 2024, as may be amended or updated from time to time (the “Prospectus”) in relation to the ICAV and contains information relating to the Cerno Global Leaders (Dublin) Fund (the “Fund”) which is a separate portfolio of the ICAV. As at the date of this Supplement, the other sub-fund of the ICAV is the Cerno Select (Dublin) Fund.

Investors’ attention is drawn to the difference between the nature of a deposit and the nature of an investment in the Fund and in particular to the risk that the value of the principal invested in the Fund may fluctuate.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. The Fund may invest in financial derivative instruments (“FDI”), and will use FDI for investment purposes and efficient portfolio management.

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DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein.

"Acceptable AIFs"	means an alternative investment fund(s) (" AIFs ") eligible for investment by a UCITS in accordance with the requirements of the Central Bank;
"Base Currency"	means for the purposes of this Supplement, the base currency shall be GBP;
"Dealing Day"	means every Business Day or such other Business Day(s) as the Directors may determine and notify to Shareholders in advance provided that there shall be at least one dealing day per fortnight;
"Dealing Deadline"	means 12:00 noon (Irish time) one (1) Business Day immediately prior to each Dealing Day or on an exceptional basis only, such later time as the Directors may from time to time approve and permit provided the exceptional circumstances under which the application was received are fully documented by the Directors and provider further that the Dealing Deadline shall not be later than the Valuation Point;
"Facilities Agent"	means Cerno Capital Partners LLP;
"Facilities Agent Agreement"	means the facilities agent agreement dated 29 June 2017 between the ICAV and the Facilities Agent;
"Investment Manager and Distributor" or "Investment Manager"	means Cerno Capital Partners LLP or such other person, firm or company as may be appointed in accordance with the requirements of the Central Bank to provide discretionary investment management or advisory services to the Fund;
"Investment Management and Distribution Agreement"	and means the investment management and distribution agreement dated 29 June 2017 between the ICAV, the Manager, and the Investment Manager;
"Valuation Point"	means 12:00pm in London, United Kingdom on each Dealing Day or such other time as the Directors may on an exceptional basis determine and notify in advance to Shareholders, provided that there shall always be a valuation point for every Dealing Day and that the valuation point shall always be after the Dealing Deadline.

INVESTMENT OBJECTIVES AND POLICIES

Investment Objective

The investment objective of the Fund is to achieve long-term growth (over 5 years) in value, net of fees.

Investment Policies

The Fund will have a long-term focus investing predominantly in a portfolio of equities of high potential, listed companies. A 'high potential' company is a business exposed to an identifiable structural growth trend, which may see demand growing rapidly over a prolonged period and these companies are positioned to benefit from this potential. These companies may be in new transformational industries or more mature industries where demand is increasing based on a significant change within the industry. These sectors have scope to be multi-billion-dollar industries, though often they may be early-stage opportunities in which the Investment Manager seeks to make investments.

The Fund may invest up to 100% of its Net Asset Value in equities.

The Fund may invest up to 10% of its Net Asset Value in the units and/or shares of collective investment schemes, including exchange-traded funds ("**ETFs**") and money market funds, established as UCITS or alternative investment funds eligible for investment by a UCITS in accordance with the requirements of the Central Bank (each a "**Regulated Fund**"). Up to 10% of the Net Asset Value of the Fund may be invested in any one single Regulated Fund. For the avoidance of doubt, open-ended ETFs are considered collective investment schemes for the purposes of the above restriction. The Fund will not invest in ETFs based in the U.S. The Fund will not invest in other sub-funds of the umbrella ICAV.

The Fund may also invest in deposits and cash. The Fund may reduce its allocation in deposits and cash to 0% of the Net Asset Value where doing so would offer the potential for growth and return for the Fund in light of the economic and market conditions. In order to gain exposure to equities, the Fund will also invest in financial derivative instruments ("**FDI**") listed or traded on a Recognised Market or traded over-the-counter ("**OTC**") funds while complying with the diversification requirements in the Regulations and the Central Bank UCITS Regulations.

The Investment Manager exercises a flexible global strategy in the selection of equity investments, not limited by geographical location or an investment style as listed above.

The Investment Manager may, at its discretion invest, directly or indirectly through the use of FDI, up to 10% of the Net Asset Value of the Fund in transferable securities in accordance with the aforementioned asset classes which are not listed, traded or dealt in on a Recognised Market.

The Fund may employ investment techniques and instruments for investment purposes and for efficient portfolio management of the assets of the Fund subject to the limits and conditions imposed by the Central Bank and, in particular, the Fund may, for the purpose of hedging (whether against currency, exchange or interest rate risks or otherwise), purchase or sell forward currency contracts and currency futures.

With respect to currency forwards, these may be used occasionally to partially hedge the currency exposure of the GBP share classes against currency impacts of the investments of the Fund's portfolio. Currency forwards will also be used in respect of the non-GBP share classes as described under the heading "Share Class Level Hedging".

Investment Strategy

The Investment Manager's strategy for the Fund is to invest in a portfolio of 'high potential' companies (as described above in the section entitled "Investment Policies") that can deliver superior value for shareholders over time. The objective of this strategy is to achieve long-term growth (over 5 years) in value by investing with high conviction, based on fundamental research on industries and companies with a 10+ year view.

The Investment Manager is agnostic on the domicile of listing, and benchmark weightings. The Investment Manager will look for similar characteristics across all investments in the Fund's portfolio.

For a company to be included in the Fund's strategy, a distinct set of investment principles must be satisfied by the candidate company to assist the Investment Manager to classify it as a 'high potential' company eligible for investment:

1. The company should sit at the nexus of structural growth or change in the relevant industry sector. The Investment Manager will carry out an initial screen which involves a top-down identification of sectors undergoing profound structural change caused by innovation, regulation, consumer behaviour shifts or geopolitics. The Investment Manager will use quantitative and qualitative methods to select companies that may capitalise on these changes, and will then seek to validate a target company's position within the overall market through company and ecosystem analysis. This analysis may be carried out using independent experts, direct communication with the company involved in the sector, or by using industry and financial research to assess a prospective investment.
2. The company's management should have integrity and a clear vision of the capacity of the relevant company to achieve an outcome of strong and defensible competitive positions as part of this structural growth or change in the relevant industry sector. The Investment Manager will primarily evaluate a company's management on a qualitative basis. The Investment Manager may review the management's guidance and delivery on historic milestones, and will seek to review past capital allocation decisions. The Investment Manager will look to understand management's incentive structures, and the engagement of founders in their companies. At a quantitative level, the Investment Manager will analyse the margin trajectory of the company to provide some validation of the strength of moat of the company. The Investment Manager's analysis of a company's management will remain dynamic and ongoing at all times.
3. The company's growth prospects should be on an identifiable multi-year trajectory, on the basis of current analysis and industry observations. The Investment Manager will seek to understand a company's earnings before interest, taxes, depreciation, and amortisation ("**EBITDA**") and cash flow. Consistent monitoring of guidance and delivery on company milestones by the Investment Manager will provide validation of management credibility.
4. The company must have robust balance sheets or clear access to financing to achieve growth and profitability.

While the Investment Manager is not limited by geographical location or an investment style as noted within the Investment Policy, the Investment Manager will look to focus on companies in industries deemed highly prospective at a given time. The Investment Manager will seek to allocate capital based on the maturity and risk profile of companies within these areas.

The Fund will invest in Regulated Funds primarily when such investment is consistent with the Fund's primary investment focus, for the purposes of gaining exposure to the types of instruments described in the investment policy or otherwise for liquidity management purposes.

Research process

At the weekly investment meeting of the Investment Manager, it will be considered whether an initial screen of a company is suggestive of characteristics adhering to their investment principles as outlined above. If so, further quantitative and qualitative analysis will take place by the Investment Manager.

The investment analysts assess to what extent a company is profiting from a sustainable competitive advantage, which may relate to one or more of the following:

1. Cost advantage including, for example, unique processes which are hard to replicate, scale that would require high capital investment by competitors to replicate, or from having a location advantage;
2. Intangible assets including those protected by patents and strong brand image;

3. High switching costs to competitors, whereby customers are discouraged from changing suppliers due to the time and cost such a change would involve and price is not the sole decision driver. This often occurs when extensive training of staff is necessary, for example.

There is also continued assessment of a company's growth prospects where consideration is paid to (i) key risks faced; (ii) management of the company; (iii) balance sheet and financing options; (iv) delivery of proof points of the envisioned growth journey of the business.

The Fund is actively managed in reference to the MSCI World NR (GBP) (the "**Index**") as the Fund's performance is compared to the Index in marketing materials for performance comparison purposes only and not as a benchmark. The Fund exercises a flexible strategy in the selection of investments with a global focus, not limited or constrained by investment style or the Index.

Financial Derivative Instruments

The Investment Manager may employ the investment techniques and FDIs (which may be exchange-traded or OTC) listed below for investment purposes in order to gain exposure to the asset classes set out under the heading "Investment Policies" above, and for efficient portfolio management purposes including the taking of short positions on certain stocks as further detailed below. The FDI listed below are provided for in the Fund's Risk Management Process.

A description of the types of financial derivative instruments which may be used for investment purposes and efficient portfolio management is set out in Appendix I of the Prospectus and set forth within the table below.

FDI	Specific Use	Where used for hedging purposes: risk being hedged	EPM?	How FDI will help achieve investment objectives?
Forward Currency Contracts	To hedge certain risks of investment positions	Currency Risk	No	Provides exposure to currencies and hedge foreign currency exposure and prevent NAV fluctuations caused by currency movements) which helps the Fund achieve its objective of long term growth.
Currency futures	For hedging purposes	Currency Risk	No	Provides exposure to currencies and manages the Fund's exposure to currency risk and assists in creating investment opportunities which helps the Fund achieve its objective.

The Fund does not currently use repurchase/reverse repurchase agreements and securities lending for efficient portfolio management purposes. It may do so in the future subject to the Central Bank's requirements and full details will be provided in an updated Supplement.

Hedging Transactions

Investment Level Hedging

Where appropriate foreign exchange forwards are available on a timely basis and on acceptable terms, the Investment Manager may seek to hedge against currency fluctuations in portfolio investments for all Classes at its discretion. There can be no assurance that such hedging transactions will be effective so far as the Shareholders of the relevant Classes are concerned.

Further details are included in the Prospectus under the heading "Foreign Exchange Risk".

Share Class Level Hedging

In the case of non-GBP denominated Classes, the relevant Class may seek to hedge against currency risk arising from those Shares being designated in a currency other than the Base Currency. The non-GBP denominated Classes which engaged in share class hedging are outlined in the "Subscriptions"

section of this Supplement. There can be no assurance that such hedging transactions will be effective so far as the Shareholders of the relevant Classes are concerned.

Further details are included in the Prospectus under the heading "Share Currency Designation Risk".

Leverage

The Fund's global exposure will be calculated using the commitment approach and leverage will not exceed 100% of its net assets at any time. Simple leverage is calculated as being global exposure divided by the Fund's Net Asset Value. The Investment Manager will measure global exposure and leverage daily.

Profile of a Typical Investor

The Fund is suitable for investors who are willing to tolerate medium volatility and who are seeking a portfolio which has a more than 5 year horizon.

BORROWING

The Directors are empowered to borrow monies from time to time to facilitate redemption payments or for other temporary purposes, with borrowings permissible up to a maximum of 10% of Net Asset Value of the Fund.

INVESTMENT RESTRICTIONS

The general investment restrictions are set out under the heading "Investment Restrictions" in the Prospectus.

RISK FACTORS

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus. These investment risks are not purported to be exhaustive and potential investors should review the Prospectus and this Supplement carefully and consult with their professional advisers before making an application for Shares. There can be no assurance that the Fund will achieve its investment objective.

Equities Risk

As the Fund invests in equities it runs the risk that the market prices of those investments will decline. The market prices of equities may decline for reasons that directly relate to the issuing company, such as poor management performance or reduced demand for its goods or services. They also may decline due to factors that affect a particular industry, such as a decline in demand, labour or raw material shortages, or increased production costs. In addition, market prices may decline as a result of general market conditions not specifically related to a company or industry, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. Equities generally have significant price volatility and the market prices of equities can decline in a rapid or unpredictable manner. If the Fund purchases equities at a discount from their value as determined by the Investment Manager, the Fund runs the risk that the market prices of these investments will not appreciate or will decline for a variety of reasons, one of which may be the Investment Manager's overestimation of the value of those investments. The market prices of equities trading at high multiples of current earnings often are more sensitive to changes in future earnings expectations than the market prices of equities trading at lower multiples.

Trade Policies Risk

The future of global free trade is uncertain. The U.S. government has indicated it may alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with non-U.S. countries. Global trade disruption, significant introductions of trade barriers (including tariffs) and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect the financial performance of the Fund. For example, certain members of the U.S. government have made public statements indicating a desire to make significant changes to U.S. trade policy and the U.S. government

has, under previous presidential administrations, taken certain actions that have impacted trade between the U.S. and the People's Republic of China (the "**PRC**"), including imposing tariffs on certain goods imported into the United States. It remains unclear what additional actions, if any, the governments of the United States and the PRC will take in respect of their bilateral trade and what the timing may be of any such actions. The actions taken to date, as well as any future tariffs, new regulations or other burdens on international trade, may cause escalating responses through the use of local regulations, tariffs or other requirements on exports and imports. If any new legislation and/or regulations are implemented, or if existing trade agreements are renegotiated, or if the United States or the PRC impose additional burdens on international trade that adversely affect the ability of companies in the United States and the PRC to import and export goods, it may lead to a decline in demand for the services of the companies in which the Fund invests. In addition, new legislative or regulatory changes or additional burdens focused on particular industries may make it time-consuming and expensive, and, ultimately, impracticable, for companies to alter their business operations to adapt to or comply with such changes, and such operational changes, if implemented, could have an adverse effect on the business and financial condition of the companies in which the Fund invests.

SUBSCRIPTIONS

Subscription of Shares

The Fund is offering seven Classes of Shares as set out in the table below.

Class	Currency	Distributing/ Accumulating	Hedged/ Non- Hedged	Initial offer Price per Share	Minimum Initial Investment and Holding	Subsequent Investment
Class A (Accumulating)	GBP	Accumulating	Non- Hedged	GBP 10	GBP 5,000	GBP 1,000
Class A (Distributing)	GBP	Distributing	Non- Hedged	Issued at Net Asset Value per share	GBP 5,000	GBP 1,000
Class B	USD	Accumulating	Non- Hedged	USD 10	USD 5,000	USD 1,000
Class C	EUR	Accumulating	Non- Hedged	EUR 10	EUR 5,000	EUR 1,000
Class M	GBP	Accumulating	Non- Hedged	GBP 10	GBP10,000,000	GBP 1,000
Class R (Distributing)	USD	Distributing	Non- Hedged	USD 10	USD10,000,000	USD 1,000
Class S (Distributing)	USD	Distributing	Hedged	USD 10	USD10,000,000	USD 1,000

The Directors are given authorisation to effect the issue of Shares of any Class and to create new Classes of Shares on such terms as they may from time to time determine in accordance with the Central Bank's requirements.

It should be noted that the details for each Share Class set out in the table above include the minimum initial and subsequent subscription amounts. These amounts may be reduced or waived in a particular Class for all Shareholders in that Class at the discretion of the Directors or the Investment Manager provided the Directors have delegated authority to the Investment Manager. No partial redemption requests may be received for an amount of less than the minimum residual holding amounts set out above and any partial redemption which does not satisfy this requirement shall be treated as a request by the Shareholder to redeem all of its Shares in the relevant Class.

Initial Offer Period

The Initial Offer Period for the Class A (Accumulating), Class A (Distributing) Class B, Class C, Class M, Class R (Distributing) and Class S (Distributing) Shares has now closed.

Subsequent Dealing

The Classes of Shares shall be issued at the Net Asset Value per Share calculated at the Valuation Point and adding thereto such sum as the Directors in their absolute discretion may from time to time determine as an appropriate provision for Duties and Charges provided in the Prospectus under the heading "Subscriptions".

Subscription Procedure

In order to receive Shares at the Net Asset Value on a particular Dealing Day, the Application Form and supporting anti-money laundering documentation must be initially sent electronically by fax or a scanned copy sent by email to a specific valid fax number or email address stated on the Application Form, or by any other electronic method as deemed appropriate by the Administrator and must be received by the Administrator no later than the Dealing Deadline with cleared subscription monies to follow within four

(4) Business Days from the Dealing Deadline or such other time as the Directors may from time to time permit. Applications received late, or funds which are not cleared by this time will be held over until the following Dealing Day. Confirmation from the Administrator that the supporting AML documentation has been received and is to their satisfaction must also be received prior to the Application being accepted for any given Dealing Day. The ICAV and the Administrator shall not be held liable in this regard. The Administrator's contact details and further details in relation to the procedure for subscription requests are set out in the Application Form.

Each applicant for Shares acknowledges that subscription payments received by the Administrator into the investor Collection Account operated by the Administrator (further details in relation to which are disclosed in the Prospectus) will not receive interest prior to the transfer of subscription monies to the Fund.

Subscriptions for Classes of Shares must be in the currency of denomination unless the Directors otherwise agree to accept subscriptions in any freely convertible currency approved by the Directors, in which case such subscriptions will be converted into the relevant currency at the prevailing exchange rate available to the Administrator and the cost (and associated risk) of conversion will be borne by the Shareholder and deducted from the subscription monies. Any credit interest accruing on subscription monies received prior to the deadline for receipt thereof shall be credited to the account of the Fund.

Subscriptions for the Classes of Shares should be made by electronic transfer as outlined in the Application Form.

REDEMPTIONS, TRANSFER AND EXCHANGE OF SHARES

Redemption of Shares

Shareholders may request the Fund to redeem their Shares on and with effect from any Dealing Day at the Net Asset Value per Share less any applicable Duties and Charges as provided for in the Prospectus under the heading "Redemption and Transfers of Shares" calculated at the Valuation Point on the relevant Dealing Day subject to such adjustments, if any, as may be specified including, without limitation, any adjustment required for exchange fees as described under "Switching between Share Classes" below, provided that no redemption charge will apply to a redemption of Shares unless it is part of a switch between Share Classes as detailed below.

Further details in relation to the redemption of Shares applicable to the Fund are set out in the Prospectus under the heading "Redemption of Shares".

Redemption Procedure

Redemption requests should be made on the Redemption Form (available from the Administrator) which should initially be sent electronically by fax or a scanned copy sent by email to a specific valid fax number or email address stated on the Redemption Form to the Administrator or by any other electronic method as deemed appropriate by the Administrator, no later than the Dealing Deadline. The Administrator's contact details and further details in relation to the procedure for redemption requests are set out in the Application Form. Subject to the foregoing, and to the receipt of all anti-money laundering documentation and completion of all anti-money laundering checks, redemption proceeds will be paid by electronic transfer to the Shareholder's account specified in the Application Form within four (4) Business Days from the Dealing Deadline.

The Administrator will not remit redemption proceeds if an investor is not considered to be compliant with all the necessary anti money laundering legislation and regulations. Nor will the Administrator remit any payment to a third party bank account. In addition, redemption orders can be processed on receipt of electronic instructions only where payment is made to the account of record.

Transfer of Shares

Details of the procedure for the transfer of Shares are set out in the Prospectus under the heading "Transfers of Shares".

Switching between Share Classes

A Share exchange may be effected by way of a redemption of Shares of one Class within the Fund to another Class within the Fund or to a Class within another Fund and a simultaneous subscription at the most recent NAV per Share for the relevant Shares of the other Class within the Fund or Class within another Fund. The general provisions and procedures relating to redemptions and subscriptions for Shares as set out above will apply and further details are set out under the heading "Switching" in the Prospectus.

Redemption proceeds will be converted into the other currency at the rate of exchange available to the Administrator and the cost of conversion will be deducted from the amount applied in subscribing for Shares of the other class.

A switching fee ("**Switching Fee**") will apply as detailed below under the heading "Fees and Expenses".

DIVIDEND POLICY

There will be no dividend distributions in respect of the Class A (Accumulating), Class B, Class C and Class M Shares. Accordingly, any net investment income and net gains attributable to each Share Class will be accumulated daily in the respective Net Asset Value per Share of each respective Share Class.

It is the current intention of the Directors to declare dividends semi-annually in respect of the Class A (Distributing), Class R and Class S Shares of the Fund (the “**Distribution Classes**”) on the last Business Day for the period ending 30 June and 31 December of each year (or at a time and frequency to be determined at the discretion of the Directors following prior notification to the Shareholders) (the “**Dividend Date**”).

Dividends, at the sole discretion of the Directors, may be paid out of net income and realised and unrealised gains net of realised and unrealised losses if any on the Dividend Date and with respect to the period from the prior Dividend Date. Cash payments will be made by electronic transfer to the account of the Shareholder specified in the Application Form or, in the case of joint holders, to the name of the first Shareholder appearing on the register, on 30 April (for 31 December Dividend Date) and 31 August (for 30 June Dividend Date).

If the dividend policy of a Class should change, full details will be provided in an updated Supplement and Shareholders will be notified in advance of the change in policy.

Investors are referred to “DIVIDEND DISTRIBUTION POLICY” in the Prospectus for further details on the dividend and distribution policy of the ICAV.

FEES AND EXPENSES

This section should be read in conjunction with the section entitled "Fees and Expenses" in the Prospectus. Further details in relation to each of these fees, including the maximum fee which may be charged by the Fund are set out below.

Establishment Expenses

The Fund's establishment expenses will not exceed €20,000 and will be paid for from the assets of the Fund and amortised over the first five accounting periods following its approval by the Central Bank or such other period as the Directors may determine.

Management Fee

The Manager will be entitled to a management fee calculated and accruing at each Valuation Point and payable monthly in arrears at a maximum rate of 0.03% of the Net Asset Value of the Fund.

The Manager is entitled to charge an annual minimum fee of €75,000 (exclusive of VAT) for the Fund. Where there is more than one sub-fund of the ICAV, the Manager shall be entitled to an annual minimum fee of €75,000 (exclusive of VAT) for the first sub-fund, and €25,000 (exclusive of VAT) for each incremental sub-fund, which will be payable from the Net Asset Value of the ICAV and allocated pro rata across the sub-funds of the ICAV.

The Manager will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Manager.

Investment Management and Distribution Fees

The Investment Manager and Distributor will be entitled to receive a maximum investment management and distribution fee accruing at each Valuation Point and payable monthly in arrears and calculated by the Administrator as set out in the table below.

Share Class	Investment Management and Distribution Fee in the case of the Net Asset Value per Share
Class A (Accumulating) and Class A (Distributing)	0.65%
Class B	0.65%
Class C	0.65%
Class M	0%
Class R (Distributing)	0.85%
Class S (Distributing)	0.85%

The Investment Manager and Distributor may, at its discretion, waive the whole or part of the investment management and distribution fees for all of the Shareholders in a particular Class.

The Investment Manager and Distributor has agreed to repay any fees not earned if the Investment Management and Distribution Agreement is terminated early.

Performance Fees

No performance fees will be charged in relation to any Class of Shares.

Administration Fees

The Administrator's fees will be calculated as an aggregate of the total net assets of the ICAV. The Administrator will be paid an annual minimum fee of £145,000 per annum by the ICAV, such fee being divided pro rata across the sub-funds of the ICAV.

The Administrator's fee will be calculated as follows:

- The first £250 million of Net Assets of the ICAV will be charged at 0.07% of the Net Asset Value of the ICAV; and
- Assets over £250 million of Net Assets of the ICAV will be charged at 0.05% of the Net Asset Value of the ICAV.

The Administrator will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket expenses incurred by the Administrator on behalf of or attributable to the Fund.

The fees and expenses of the Administrator are exclusive of VAT and will accrue on each Valuation Point and are payable quarterly in arrears.

Depository Fees

The Depository will be paid a maximum fee, calculated and accrued daily and payable monthly in arrears, at a rate of 0.02% per annum of the Net Asset Value of the Fund together with VAT, if any, thereon, subject to a minimum fee of £36,000 per annum.

The Depository shall also be entitled to be reimbursed out of the assets of the Fund for all of its reasonable disbursements incurred on behalf of the Fund including safekeeping fees, expenses and transaction charges which shall be charged at normal commercial rates.

The Depository shall also be entitled to be reimbursed for reasonable out-of-pocket expenses necessarily incurred by it in the performance of its duties.

Anti-Dilution Levy

A Shareholder may, at the sole discretion of the Directors, be required to pay an Anti-Dilution Levy where there are net subscriptions or redemptions of Shares on a particular Dealing Day to cover dealing costs and to preserve the value of the underlying assets of the Fund.

Subscription Fee

A subscription fee of 5% is currently payable on subscription amounts into the Class M shares. This subscription fee may be waived by the Directors or the Investment Manager at their/its discretion where the Directors have delegated authority to the Investment Manager and Distributor, subject to treating all Shareholders fairly.

With respect to the other share classes of the Fund, a subscription fee may be payable provided that such subscription fee, in conjunction with any Anti-Dilution Levy, shall in aggregate be no greater than 5% of the subscription monies which the Directors or the Investment Manager and Distributor, provided the Directors have delegated authority to the Investment Manager and Distributor, may reduce or waive at their/its discretion subject to treating all Shareholders fairly.

Redemption Fee

No redemption fee will be charged in relation to any Class of Shares. In the case of an Anti-Dilution Levy applied to redemptions, such levy shall not exceed 3% of the redemption monies.

Switching Fee

A Switching Fee of 0.5% will apply where a Shareholder undertakes a Share exchange by way of a redemption of Shares of one Class and a simultaneous subscription at the most recent NAV per Share for Shares of the other Class. The cost will be deducted from the amount applied in subscribing for Shares of the other Class.

The Switching Fee may be reduced or waived for all Shareholders in a particular Class by the Directors or the Investment Manager and Distributor, provided the Directors have delegated authority to the Investment Manager and Distributor, at their discretion subject to treating all Shareholders fairly.

Other fees and expenses

The ICAV will also reimburse the Investment Manager and Distributor for its reasonable out-of-pocket expenses incurred by the Investment Manager. Such out-of-pocket expenses may include the preparation of marketing and portfolio reports provided that they are charged at normal commercial rates and incurred by the Investment Manager and Distributor in the performance of its duties under the Investment Management and Distribution Agreement.

All fees payable to the Investment Manager and Distributor will be paid in the Base Currency of the Fund. The Fund shall bear the cost of any Irish VAT applicable to any amount payable to the Investment Manager.

The other fees and expenses of the ICAV and the Fund are set out in the Prospectus under the heading "Fees and Expenses".

Rebates and Retrocessions

The Investment Manager and Distributor may from time to time at its sole discretion and subject to the fair treatment of Shareholders decide to pay rebates/retrocessions out of its own resources to some or all of the Shareholders or to the Fund out of the Investment Management Fee that it receives.

ADDITIONAL INFORMATION FOR SHAREHOLDERS IN THE UK

The following information is selective, containing specific information in relation to the Fund and does not relate to any of the other sub-funds of the ICAV. This information is for UK-based investors only.

The Financial Conduct Authority has not approved and takes no responsibility for the contents of the Prospectus or this Supplement or for the financial soundness of the ICAV or any of its sub-funds or for the correctness of any statements made or expressed in the Prospectus or this Supplement.

The ICAV is a recognised collective investment scheme within the meaning of Section 264 of the UK Financial Services and Markets Act 2000 (the "**FSMA**") and shares in the ICAV may be promoted to the UK public by persons authorised to carry on investment business in the UK and will not be subject to restrictions contained in Section 238 of the FSMA.

The ICAV does not carry on regulated activities in the UK and so does not require the conduct of its business to be regulated under the FSMA. Shareholders will therefore not benefit from the protections provided by the UK regulatory system such as the Financial Services Compensation Scheme or the Financial Ombudsman Service.

UK Facilities Agent

The Facilities Agent has been appointed, pursuant to the Facilities Agent Agreement, to act as the facilities agent in the UK and it has agreed to provide certain facilities at its office at 1st Floor, 34-35 Sackville Street, London, W1S 3ED.

At these facilities any person may:

1. inspect (free of charge) a copy (in English) of:
 - a. the certificate of incorporation and memorandum and articles of association of the ICAV;
 - b. the latest version of the Prospectus;
 - c. the latest version of the Key Investor Information Document for the Fund;
 - d. the latest annual and half-yearly reports most recently prepared and published by the ICAV;
2. obtain a copy of any of the above documents (free of charge);
3. obtain information (in English) about the prices of shares in the ICAV; and
4. make a complaint about the operation of the ICAV, which the Facilities Agent will transmit to the ICAV.

Further, any Shareholder may redeem or arrange for the redemption of shares in the ICAV and obtain payment at the offices of the Facilities Agent.

United Kingdom Taxation

The following is a summary of various aspects of the United Kingdom taxation regime which may apply to UK resident persons acquiring Shares in the Fund, and where such persons are individuals, only to those domiciled in the UK. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. There can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Fund is made will endure indefinitely. Such law and practice may be subject to change, and the below summary is not exhaustive. Furthermore, it will apply only to those UK Investors holding Shares as an investment rather than those which hold Shares as part of a financial trade; and does not cover UK Investors which are tax exempt or subject to special taxation regimes.

This summary should not be taken to constitute legal or tax advice, and any prospective investor should consult their own professional advisers as to the UK tax treatment of returns from the holding of Shares in the Fund.

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, purchasing, switching or disposing of Shares in the place of their citizenship, residence and domicile.

The Fund

The affairs of the ICAV with respect to the Fund are intended to be conducted in such a manner that it should not become resident in the UK for taxation purposes. Therefore, on the condition that the ICAV with respect to the Fund does not carry on a trade in the UK through a permanent establishment, branch or agency located there, then the ICAV will not be subject to UK corporation tax on income or chargeable gains arising to it, other than on certain UK source income (or income with a comparable connection to the UK) from which income tax may be deducted.

It is not expected that the activities of the ICAV with respect to the Fund will be regarded as trading activities for the purposes of UK Taxation. However, to the extent that trading activities are carried on in the UK they may in principle be liable to UK tax. The profit from such trading activities will not be assessed to UK tax provided that the ICAV on behalf of the Fund and the Manager meet certain conditions. The Directors and the Manager intend to conduct the respective affairs of the ICAV and the Manager so that all the conditions are satisfied, so far as those conditions are within their respective control, but it cannot be guaranteed that the conditions necessary to prevent this will at all times be satisfied.

Income and gains received by the ICAV with respect to the Fund may be subject to withholding or similar taxes imposed by the country in which such returns arise.

Shareholders

Subject to their personal tax position, Shareholders resident in the UK for taxation purposes will normally be liable to UK income tax or corporation tax in respect of dividends or other distributions of the Fund (including any dividends funded out of realized capital profits of the Fund), whether or not reinvested. In addition, UK resident Shareholders holding shares at the end of each "reporting period" (as defined for UK tax purposes) will potentially be liable to UK income or corporation tax on their share of a Class's "reported income", to the extent that this amount exceeds dividends received. Further details on the reporting regime and its implication for investors are discussed in more detail below. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation of interest where the offshore fund invests more than 60% of its assets in interest-bearing (or economically similar) assets.

Under Part 9A of the Corporation Tax Act 2009, dividend distributions from an offshore fund made to companies resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax. In addition, distributions to non-UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax on dividends to the extent that the shares held by that fund are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

Shareholdings in the Fund are likely to constitute interests in an "offshore fund", as defined for the purposes of Part 8 of the Taxation (International and Other Provisions) Act 2010 ("**TIOPA 2010**"), with each share class of the Fund treated as a separate 'offshore fund' for these purposes. Under TIOPA 2010, any gain arising on the sale, disposal or redemption of shares in an offshore fund (or on conversion from one fund to another within an umbrella fund) held by persons who are resident in the United Kingdom for tax purposes will be taxed at the time of such sale, disposal, redemption or conversion as income and not as a capital gain. This does not apply, however, where a fund is approved as a "reporting fund" under the UK Reporting Fund Regime, throughout the period during which the shares have been held.

UK Reporting Fund Regime

The Offshore Funds (Tax) Regulations 2009 (S.I. 2009/3001) (the "**Tax Regulations**") provide that if a person resident in the UK for taxation purposes holds an interest in an offshore fund and that offshore fund is a 'non-reporting fund', any gain accruing to that person upon the sale or other disposal of that interest will be charged to UK tax as income and not as a capital gain.

Alternatively, where a person resident in the UK holds an interest in an offshore fund that has been a 'reporting fund' for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to UK income tax or corporation tax on income (even where such profits are exempt from UK corporation tax).

Where an offshore fund may have been a non-reporting fund for part of the time during which the UK Investor held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the Shareholder in order to pro-rate any gain made upon disposal; the impact being that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits in which they can be made. Shareholders should refer to their tax advisors for further information.

It should be noted that a "disposal" for UK tax purposes would generally include a switching of interest between any sub-funds within the ICAV and might in some circumstances include switching of interests between classes in the Fund.

An application is to be made to HMRC under Part 3 of the Tax Regulations for each class of share in the Fund to be treated as a 'reporting fund'. In broad terms, a 'reporting fund' under these regulations is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its shareholders. The Directors intend to manage the affairs of the ICAV with respect to the Fund so that these upfront and annual duties are met and continue to be met on an ongoing basis for all share classes in the Fund which have been accepted into the UK reporting fund regime. Such annual duties will include calculating and reporting the income returns of the Fund for each reporting period (as defined for UK tax purposes) on a per-share basis to all relevant shareholders.

If reporting fund status is obtained from HM Revenue & Customs for any Class, it will remain in place so long as the relevant annual requirements are met. Shareholders should refer to their tax advisors in relation to the implications of the funds obtaining such status.

If a class of shares obtains UK reporting fund status, UK Shareholders holding Shares in that class at the end of each reporting period will potentially be subject to UK income tax or corporation tax on their share of the class's reported income, to the extent that this amount exceeds dividends received. The reported income will be deemed to arise to UK Investors on the date six months following the end of the reporting period. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest, as described below.

General

The attention of individual Shareholders resident in the UK is drawn to the provisions of Chapter 2 of Part 13 of the Income Taxes Act 2007. These provisions are aimed at preventing the avoidance of UK income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the UK, and may render them liable to income tax in respect of undistributed income of the Fund on an annual basis. The legislation is not directed towards the taxation of capital gains.

Corporate Shareholders resident in the UK should note the provisions of Part 9A of TIOPA 2010 which may have the effect in certain circumstances of subjecting a company resident in the UK to UK corporation tax on the profits of a company resident outside the UK. A charge to tax cannot however arise unless the non-resident company is under the control of persons resident in the UK and, on apportionment of the non-resident's "chargeable profits" more than 25% would be attributed to the UK resident and persons connected with them on a "just and reasonable basis".

The attention of UK resident corporate Shareholders is drawn to Chapter 3 of Part 6 of the Corporation Tax Act 2009, whereby interests of UK companies in offshore funds may be deemed to constitute a loan relationship with the consequence that all profits and losses on such relevant interests are chargeable to UK corporation tax in accordance with a fair value basis of accounting. These provisions apply where the market value of relevant underlying interest bearing securities and other qualifying investments of the offshore fund (broadly investments which yield a return directly or indirectly in the form of interest) are at any time more than 60% of the value of all the investments of the offshore fund.

The attention of Shareholders resident in the UK (and who, if individuals, are also domiciled in the UK for those purposes) is drawn to the provisions of Section 13 of Taxation of Chargeable Gains Act 1992. Under these provisions, where a chargeable gain accrues to a company that is not resident in the UK, but which would be a close company if it were resident in the UK, a person may be treated as though a proportional part of that chargeable gain, calculated by reference to their interest in the company, has accrued to them. No liability under Section 13 can be incurred by such a person, however, where such a proportion does not exceed one-quarter of the gain.

Any individual investor domiciled or deemed to be domiciled in the UK for UK tax purposes may be liable to UK inheritance tax on their Shares in the event of death or on making certain categories of lifetime transfer.

Stamp Duty and Stamp Duty Reserve Tax

Liability to UK Stamp Duty will not arise provided that any instrument in writing transferring Shares in the Fund, or shares acquired by the Fund, is executed and retained at all times outside the UK, however, the ICAV with respect to the Fund may be liable to transfer taxes in the UK on acquisitions and disposals of investments. In the UK, stamp duty or stamp duty reserve tax at a rate of 0.5% will be payable by the ICAV with respect to the Fund on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register there.

Because the ICAV is not incorporated in the UK and the register or investors will be kept outside the UK, no liability to stamp duty reserve tax will arise by the reason of the transfer, subscription for and or redemption of shares except as stated above.

Shareholders should note that other aspects of United Kingdom taxation legislation may also be relevant to their investment in the Fund.

ADDITIONAL INFORMATION FOR SHAREHOLDERS IN THE U.S.

For important information regarding U.S. securities law matters, please see the disclosures in the Prospectus under the heading entitled “IMPORTANT DISCLOSURES FOR U.S. PERSONS.”

Certain United States Federal Income Tax Consequences

Taxation of the Fund

The Fund intends to be treated as an association taxable as a corporation for U.S. federal income tax purposes and will not elect otherwise. The Fund intends to conduct its affairs such that it is not considered to be engaged in a trade or business in the United States based on statutory “safe harbors” under the Internal Revenue Code of 1986, as amended (the “**Code**”), for trading securities, stocks, or certain commodities for one’s own account. Therefore, the Fund should not be subject to United States federal income tax on a net income basis. However, there can be no assurance that the Fund will not be deemed to be engaged in a trade or business in the United States. To the extent the Fund is deemed to be engaged in a trade or business in the United States, the Fund would be subject to U.S. income and branch profits tax on its allocable share of the income and gain from those activities, which could materially and adversely affect the return of Shareholders from their investment in the Fund.

The Fund may be subject to United States federal withholding tax at a 30% rate on certain income, including dividend income, derived from United States securities. Generally, capital gains and qualified interest income (such as “portfolio interest” within the meaning of Section 871(h) of the Code) will not be subject to United States federal withholding tax. Although capital gains from the sale of securities should generally not be subject to United States federal withholding tax, the sale of certain securities classified as United States real property interests within the meaning of Section 897 of the Code may be subject to United States withholding and net income taxes. The Fund is not required to consider the effect of taxes when making investments.

Taxation of non-U.S. Shareholders

Shareholders that are not United States persons (as defined in Section 7701(a)(30) of the Code), as long as they are not considered to be engaged in a trade or business in the United States, generally should not be subject to any United States federal income or withholding taxes with respect to Shares owned by them or dividends received on such Shares. Also, a Shareholder who at the time of death is not a United States citizen or domiciliary should not be subject to United States federal estate tax with respect to the Shares. Special rules may apply in the case of certain non-U.S. Shareholders that are, for example, former citizens or long-term residents of the United States, or are foreign insurance companies that hold or are deemed to hold Shares of the Fund in connection with their United States businesses, or have direct or indirect U.S. owners, which are not tax-exempt entities, and are controlled foreign corporations, passive foreign investment companies, or corporations which accumulate earnings to avoid United States federal income tax.

Taxation of U.S. Tax-Exempt Shareholders

Shareholders which are United States tax-exempt entities, including, but not limited to, charities, foundations, pension trusts, Keogh Plans and Individual Retirement Accounts, are subject to United States federal income tax on unrelated business taxable income (“**UBTI**”). The Fund intends to be classified as a corporation for U.S. federal income tax purposes and will not elect otherwise. Under current United States tax law, in general and absent other circumstances such as the investment in the Fund itself being considered a leveraged investment, dividends to U.S. tax-exempt Shareholders of the Fund and capital gains on disposition of the Shares of the Fund by such Shareholders should not be considered UBTI even if the Fund itself uses leverage. United States tax-exempt Shareholders may in certain circumstances have U.S. reporting requirements with respect to their investment in Shares (including possibly Form 926, Form 5471 and Form 8886 under the reportable transactions regulations) even though the income thereon is not subject to U.S. federal income tax. Although the Fund will be a passive foreign investment company (“**PFIC**”) under Code Section 1297(a), as long as income from the Shares does not produce UBTI, distributions from the Fund to such U.S. tax-exempt Shareholders should not be taxed under the PFIC rules.

Taxation of U.S. Shareholders

Investment in a Passive Foreign Investment Company

The Fund will be a PFIC for U.S. federal income tax purposes, and Shareholders that are U.S. United States persons (as defined in Section 7701(a)(30) of the Code) ("**U.S. Tax Persons**") will be subject to the PFIC rules, except for certain U.S. Tax Persons that are subject to the rules relating to a controlled foreign corporation as defined in Section 957(a) of the Code ("**CFC**") (as described below under "Investment in a Controlled Foreign Corporation"). U.S. Tax Persons that own Shares should consider making an election to treat the Fund as a qualified electing fund ("**QEF**"). Generally, a U.S. Tax Person makes a QEF election on IRS Form 8621, attaching a copy of that form to its U.S. federal income tax return for the first taxable year for which it held its Shares. If a U.S. Tax Person makes a timely QEF election with respect to the Fund, the electing U.S. Tax Person will be required in each taxable year to include in gross income (i) as ordinary income, such U.S. Tax Person's *pro rata* share of the Fund's ordinary earnings and (ii) as long-term capital gain, such U.S. Tax Person's *pro rata* share of the Fund's net capital gain, whether or not distributed. A U.S. Tax Person will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Fund in a taxable year will not be available to such U.S. Tax Person and may not be carried back or forward in computing the Fund's ordinary earnings and net capital gain in other taxable years. If applicable, the rules relating to a CFC, discussed below, generally override those relating to a PFIC with respect to which a QEF election is in effect.

The Fund, for any tax year, may have substantial amounts of earnings for U.S. federal income tax purposes that are not distributed on the Shares. Thus, U.S. Tax Persons that make a QEF election with respect to the Fund may owe tax on significant "phantom" income. The Fund generally does not intend to provide the information that a U.S. Tax Person would need to make a QEF election with respect to the Fund.

A U.S. Tax Person that owns Shares (other than certain U.S. Tax Persons that are subject to the rules relating to a CFC, described below) that does not make a timely QEF election will be required to report any gain on the disposition of its Shares as ordinary income, rather than capital gain, and to compute the tax liability on such gain and any "Excess Distribution" (as defined below) received in respect of the Shares as if such items had been earned ratably over each day in the U.S. Tax Person's holding period (or a certain portion thereof) for the Shares. The U.S. Tax Person will be subject to tax on such items at the highest ordinary income tax rate for each taxable year, other than the current year (for which the U.S. Tax Person's regular ordinary income tax rate will apply), in which the items were treated as having been earned, regardless of the rate otherwise applicable to the U.S. Tax Person. Further, such U.S. Tax Person will also be liable for an interest charge (which is non-deductible to individuals) as if such income tax liabilities had been due with respect to each such prior year. For purposes of these rules, gifts, exchanges pursuant to corporate reorganizations and use of the Shares as security for a loan may be treated as taxable dispositions of such Shares. In addition, a stepped-up basis in the Shares will not be available upon the death of an individual U.S. Tax Person who has not made a timely QEF election with respect to the Fund.

An "**Excess Distribution**" is the amount by which distributions during a taxable year in respect of a Share exceed 125% of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. Tax Person's holding period for the Shares).

In many cases, the U.S. federal income tax on any gain on disposition or receipt of Excess Distributions is likely to be substantially greater than the tax if a timely QEF election is made. A U.S. HOLDER OF SHARES SHOULD STRONGLY CONSIDER MAKING A QEF ELECTION WITH RESPECT TO THE FUND.

Investment in a Controlled Foreign Corporation

The Fund will be a CFC if more than 50% of the equity interests in the Fund, measured by reference to combined voting power or value, is owned directly, indirectly, or constructively by "10% United States shareholders." For this purpose, a 10% United States shareholder is any United States person that possesses directly, indirectly, or constructively 10% or more of the combined voting power or value of all classes of equity in the Fund. Thus, a U.S. Tax Person that owns Shares possessing directly, indirectly, or constructively 10% or more of the voting power or value of all Shares would be treated as a 10% United States shareholder. If more than 50% of all Shares, determined with respect to the combined voting power or value of all Shares, are owned directly, indirectly, or constructively by such 10% United States shareholders, the Fund will be treated as a CFC. If, for any given taxable year, the

Fund is treated as a CFC, a 10% United States shareholder of the Fund will be required to include as ordinary income an amount equal to that person's *pro rata* share of the Fund's "subpart F income" and global intangible low-taxed income or "GILTI" at the end of such taxable year. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Fund were a CFC, all of its income would be subpart F income rather than GILTI.

If the Fund is treated as a CFC and a U.S. Tax Person is treated as a 10% United States shareholder of the Fund, the Fund will not be treated as a PFIC with respect to such U.S. Tax Person for the period during which the Fund remains a CFC and such U.S. Tax Person remains a 10% United States shareholder of the Fund (the "qualified portion" of the U.S. Tax Person's holding period for the Shares). As a result, to the extent the Fund's subpart F income includes net capital gains, such gains will be treated as ordinary income to the 10% United States shareholder under the CFC rules, notwithstanding the fact that the character of such gains generally would otherwise be preserved under the QEF rules. If the qualified portion of such U.S. Tax Person's holding period for the Shares subsequently ceases (either because the Fund ceases to be a CFC or the U.S. Tax Person ceases to be a 10% United States shareholder), then solely for purposes of the PFIC rules, such U.S. Tax Person's holding period for the Shares will be treated as beginning on the first day following the end of such qualified portion, unless the U.S. Tax Person has owned any Shares for any period of time prior to such qualified portion and has not made a QEF election with respect to the Fund. In that case, the Fund will again be treated as a PFIC which is not a QEF with respect to such U.S. Tax Person and the beginning of such U.S. Tax Person's holding period for the Shares will continue to be the date upon which such U.S. Tax Person acquired the Shares, unless the U.S. Tax Person makes an election to recognize gain with respect to the Shares and a QEF election with respect to the Fund.

Indirect Interests in PFICs and CFCs

If the Fund owns an interest in a foreign corporation that is treated as equity for U.S. federal income tax purposes, U.S. Tax Persons that own Shares could be treated as owning an indirect equity interest in a PFIC or a CFC and could be subject to certain adverse tax consequences. In particular, a U.S. Tax Person that owns an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Tax Person, and not the Fund, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Tax Persons that have made QEF elections, and there can be no assurance that the Fund can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Tax Person will be able to make the election with respect to any indirectly held PFIC.

Accordingly, if the U.S. Tax Person has not made a QEF election with respect to the indirectly held PFIC, the U.S. Tax Person would be subject to the adverse consequences described above under "Investment in a Passive Foreign Investment Company" with respect to any Excess Distributions of such indirectly held PFIC, any gain indirectly realized by such U.S. Tax Person on the sale by the Fund of such PFIC, and any gain indirectly realized by such U.S. Tax Person with respect to the indirectly held PFIC on the sale by the U.S. Tax Person of its Shares (which may arise even if the U.S. Tax Person realizes a loss on such sale). Moreover, if the U.S. Tax Person has made a QEF election with respect to the indirectly held PFIC, the U.S. Tax Person will be required to include in income the U.S. Tax Person's *pro rata* share of the indirectly held PFIC's ordinary earnings and net capital gain as if the indirectly held PFIC were held directly, and the U.S. Tax Person will not be permitted to use any losses or other expenses of the Fund to offset such ordinary earnings and/or net capital gains. Accordingly, if any of the Fund's assets are treated as equity interests in a PFIC, U.S. Tax Persons could experience significant amounts of "phantom" income with respect to such interests. If an asset owned by the Fund is treated as an indirect equity interest in a CFC and a U.S. Tax Person owns directly, indirectly, or constructively 10% or more of the CFC's voting power or value for U.S. federal income tax purposes, the U.S. Tax Person generally will be required to include its *pro rata* share of the CFC's "subpart F income" and "GILTI" as ordinary income at the end of each taxable year, as described above under "Investment in a Controlled Foreign Corporation," regardless of whether the CFC distributed any amounts to the Fund during such taxable year or whether the U.S. Tax Person made a QEF election with respect to the indirectly held CFC. In addition, gain realized by the U.S. Tax Person on the sale by the Fund of the CFC, and gain realized by the U.S. Tax Person on the sale by the U.S. Tax Person of its Shares, generally will be treated as ordinary income to the extent of the U.S. Tax Person's *pro rata* share of the CFC's current and accumulated earnings and profits, reduced by any amounts previously taxed pursuant to the CFC rules.

U.S. Tax Persons should consult their own tax advisors regarding the tax issues associated with such investments in light of their own individual circumstances.

Phantom Income

U.S. Tax Persons may be subject to U.S. federal income tax on amounts that exceed the distributions they receive on the Shares. For example, if the Fund is a CFC and a U.S. Tax Person is a 10% United States shareholder with respect to the Fund, or a U.S. Tax Person makes a QEF election with respect to the Fund, the U.S. Tax Person will be subject to U.S. federal income tax with respect to its share of the Fund's income and gain (to the extent of the Fund's "earnings and profits"), which may exceed the Fund's distributions. It is expected that the Fund's income and gain (and earnings and profits) will exceed cash distributions. U.S. Tax Persons should consult their tax advisors regarding the timing of income and gain on the Shares.

Distributions

The treatment of actual distributions of cash on a Share will vary depending on whether the U.S. Tax Person owning such Share has made a timely QEF election (as described above). See "Investment in a Passive Foreign Investment Company." If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent will not be taxable to such U.S. Tax Person. Distributions in excess of such previously taxed amounts will be treated first as a non-taxable return of capital to the extent of the U.S. Tax Person's adjusted tax basis in the Shares (as described below under "Sale, Redemption, or Other Disposition"), and then as a disposition of a portion of the Shares.

If a U.S. Tax Person has not made a timely QEF election with respect to the Fund then, except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Shares may constitute Excess Distributions, taxable as described above under the heading "Investment in a Passive Foreign Investment Company." Distributions that do not constitute Excess Distributions will be taxable to U.S. Tax Persons as ordinary income upon receipt to the extent of untaxed current and accumulated earnings and profits of the Fund. Distributions that do not constitute Excess Distributions and are in excess of untaxed current and accumulated earnings and profits of the Fund will be treated first as a non-taxable return of capital, to the extent of the U.S. Tax Person's adjusted tax basis in the Shares, and then as a disposition of a portion of the Shares and subject to an additional tax reflecting a deemed interest charge, as described below under "Sale, Redemption, or Other Disposition". Distributions on the Shares will not be eligible for the dividends received deduction, and will not qualify as "qualified dividend income."

Sale, Redemption, or Other Disposition

In general, except as described below, a U.S. Tax Person owning Shares will recognize gain or loss upon the sale, redemption, or other disposition of a Share (including a distribution that is treated as a disposition of the Shares, as described above under "Distributions") equal to the difference between the amount realized and such U.S. Tax Person's adjusted tax basis in that Share.

A U.S. Tax Person's tax basis in a Share will equal the amount paid for the Share. Such basis will be increased by amounts taxable to such U.S. Tax Person by reason of a QEF election, or by reason of the CFC rules, as applicable, and decreased by actual distributions from the Fund that are deemed to consist of previously taxed amounts or are treated as a non-taxable reduction to the U.S. Tax Person's tax basis in the Shares (as described above). Except as discussed below, such gain or loss will be long-term capital gain or loss if the U.S. Tax Person held the Shares for more than one year at the time of the disposition. In certain circumstances, U.S. Tax Persons who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Tax Persons to offset capital losses against ordinary income is limited.

If a U.S. Tax Person does not make a timely QEF election with respect to the Fund as described above and is not subject to the CFC rules, any gain realized on the sale, redemption, or other disposition of a Share (or any gain deemed to accrue prior to the time a non-timely QEF election is made) will be taxed as ordinary income and subject to an additional tax reflecting a deemed interest charge under the special tax rules described above. See "Investment in a Passive Foreign Investment Company."

If the Fund is treated as a CFC and a U.S. Tax Person is treated as a 10% United States shareholder of the Fund, then any gain realized by such U.S. Tax Person upon the disposition of a Share, other than gain subject to the PFIC rules, if applicable, would be treated as ordinary income to the extent of the U.S. Tax Person's *pro rata* share of the Fund's current and accumulated earnings and profits. In this regard, earnings and profits would not include any amounts previously taxed pursuant to a timely QEF election or pursuant to the CFC rules.

In addition, as described above under "Indirect Interests in PFICs and CFCs," the gain attributable to interests in PFICs or CFCs owned by the Fund may be treated as ordinary income to a U.S. Tax Person upon the sale, redemption, or other disposition of the U.S. Tax Person's Shares.

State and Local Taxation

In addition to the federal income tax consequences described above, prospective investors should consider potential state and local tax consequences of an investment in the Fund. The Fund may be required to file state or local income tax returns and/or incur income tax liabilities in any state or locality where the Fund owns assets or is considered doing business. No attempt is made herein to provide an in-depth discussion of such state or local tax consequences. State and local laws may differ from federal income tax laws with respect to the treatment of specific items of income, gain, loss, deduction and credit.

Each prospective Shareholder must consult with and rely solely upon its own tax advisors regarding such state and local tax consequences.

Other Jurisdictions

It is possible that certain dividends, interest and other income received by the Fund from sources within certain countries may be subject to withholding taxes imposed by such countries. The Fund may also be subject to capital gains taxes or other taxes in some of the countries where it purchases and sells securities or otherwise conducts business. It is impossible to predict in advance the rate of tax that will be paid since the amount of the assets of the Fund to be invested in various countries is uncertain.