Sanlam FOUR European L/S Fund

Supplement to the Prospectus dated 27 February 2018
for Sanlam Universal Funds plc

An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to the Sanlam FOUR European L/S Fund (the “**Fund**”), a Fund of Sanlam Universal Funds plc (the “**Company**”), an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the “**Central Bank**”). The Company has forty-eight other sub-funds in existence, namely:

Sanlam World Equity Fund
Satrix World Equity Tracker Fund
Sanlam Global Financial Fund
Sanlam Global Best Ideas Fund
Sanlam Global Bond Fund
Sanlam Strategic Cash Fund
Sanlam Global Select Equity Fund
P-Solve Inflation Plus Fund
Sanlam African Frontier Markets Fund
SIIP India Opportunities Fund
Bridge Global Property Income Fund
Sanlam Global Property Fund
SIM Global Equity Income Fund
Sanlam Strategic Bond Fund
Sanlam Accel Income Fund
Sanlam Global High Quality Fund
Sanlam Managed Risk Fund
Sanlam P2strategies UK Fund
Sanlam P2strategies North America Fund
Sanlam P2strategies Emerging Market Fund
Sanlam P2strategies Europe excluding UK Fund
Sanlam Emerging Markets Equity Tracker Fund
Sanlam North America Equity Tracker Fund
Sanlam Europe excluding UK Equity Tracker Fund
Sanlam UK Equity Tracker Fund
Sanlam Equity Allocation Fund
Sanlam S&P Africa Tracker Fund
Sanlam FOUR US Dividend Fund
Anchor Global Stable Fund
High Street Global Balanced Fund
Sanlam FOUR Active European Ex-UK Equity Fund
Sanlam FOUR Global Equity Fund
Sanlam FOUR Active UK Equity Fund
Sanlam FOUR Stable Global Equity Fund
Sanlam FOUR Multi-Strategy Fund
Sanlam FOUR UK Income Opportunities Fund
Autus Global Equity Fund
Absa Africa Equity Fund
Sanlam Japan Equity Fund
Sanlam Centre American Select Equity Fund
Sanlam Global Convertible Securities Fund
Sanlam Centre Active U.S. Treasury Fund
Wisian Capital South African Equity Fund
Sanlam FOUR Enhanced Income Fund

This Supplement forms part of and should be read in conjunction with the Prospectus dated 27 February 2018.

Investment in the Fund should be viewed as medium to long term.

The Directors of the Company, whose names appear in the **Directors of the Company** section of the Prospectus, accept responsibility for the information contained in the Prospectus and this 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) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

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

It is the intention of the Company to have the ability to invest on behalf of the Fund principally in financial derivative instruments ("**FDI**") for investment purposes to achieve its investment objective. See "Investment Policies" for details including the leverage effect of FDI transactions.

Although the Fund is not a money market fund, it may invest in money market instruments and cash deposits. Shares in the Fund are not deposits and are not guaranteed. Investment in the Fund involves certain investment risks, including the fluctuation of principal. Investors' attention is particularly drawn to the section of the Prospectus entitled "Risk Factors".

Dated: 27 February 2018

Table of Contents   Page No.

Investment Objective and Policies 4
Efficient Portfolio Management 5
Profile of a Typical Investor 6
Investment Manager 6
Investment Restrictions 6
Borrowings 6
Risk Management 6
Risk Factors 7
Dividend Policy 10
Limitations on Repurchases 10
Key Information for Buying and Selling 11
Fees and Expenses 12
Reports to Shareholders 14
Material Contracts 15

Investment Objective and Policies

Investment Objective

The investment objective of the Fund is to deliver a positive return in the form of capital growth over the medium to longer term in all market conditions.

Investment Policies

The Fund aims to achieve its stated investment objective by investing primarily in instruments that are exposed to European listed equities on both a long and short basis. The maximum short exposure will be 130% and the maximum long exposure will be 150% of the Net Asset Value ("**NAV**") of the Fund.

In addition to the investment in European equities noted above the Fund may also invest in European issuers of: (1) fixed income securities such as corporate and government bonds (which may be fixed or floating rate and rated investment or sub-investment grade by Standard & Poor's, Moody's or an equivalent rating agency); (2) money market instruments such as government issued securities of less than 1 year maturity; (3) cash deposits; (4) collective investment schemes ("**CIS**"); and (5) exchange traded funds ("**ETF**"). The Fund will also invest in FDI in the form of futures (including equity index futures), options, forwards, warrants (not more than 5% of the Fund's Net Asset Value will be invested in such FDI), rights (which are issued by a company to allow holders to subscribe for additional securities issued by that company), convertible bonds and contracts for difference ("**CFD**")) in order to gain indirect exposure to equities. All instruments will be listed and/or traded on European recognised markets and exchanges as set out in Appendix 1 to the Prospectus with the exception of CFDs which are OTC instruments. The CFDs will be entered into with a recognised and authorised counterparty (the "**Approved Counterparty**") pursuant to a master agreement in accordance with the requirements of the International Swaps and Derivatives Association ("**ISDA**"). The instruments will not be selected on the basis of a particular sector bias. Any investment in CIS and ETF will be in order to gain exposure to European equities. The Fund may invest in CIS and ETF which are regulated as UCITS or as non-UCITS and the Fund's investment in such CIS and ETF shall not exceed 10% of its NAV.

The Fund's global exposure shall be calculated on each Business Day using absolute Value-at-Risk "**VaR**". VaR is used to assess the Fund's market risk volatility with the goal of ensuring that the "leverage effect" of utilising FDI is not significant enough to cause disproportionate losses to the Fund's total value. The VaR approach measures the maximum potential loss at a given confidence level (probability) over a specific time period under normal market conditions.

The Fund will use the absolute VaR model whereby VaR shall not exceed 20% of the NAV of the Fund. The absolute VaR model is considered appropriate as the relevant Fund does not define the investment target in relation to a benchmark.

Where the Fund uses FDI, it will, at all times, comply with the conditions and limits set out in the Central Bank Notices.

Any techniques and instruments employed in order to generate additional leverage or exposure to market risk shall be taken into consideration when calculating global exposure. Leverage shall be calculated as the sum of the notionals of the derivatives used and the leverage of the Fund is not expected to exceed 400% of its NAV. However, leverage calculated on the basis of a commitment approach will be lower and is not expected to exceed 230% of the NAV as the notionals used for this calculation are adjusted for their delta. Where the commitment approach is used to calculate leverage this calculation is supplementary to the compulsory sum of the notionals approach.

The Company on behalf of the Fund, will on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. It is not intended that the use of FDI in this way will cause the NAV of the Fund to have high volatility or otherwise cause its existing risk profile to change.

Remaining cash balances will be invested in deposits and money market instruments (as above).

Investment Philosophy and Approach

The Fund seeks to identify European companies with the potential to substantially increase in value (in which case a long position would be taken) or decrease in value (in which case a short position would be taken through the use of CFDs) over time. The Fund uses a disciplined bottom-up approach, which focuses on specific companies rather than on the industry in which a particular company operates or the economy as a whole, based on fundamental analysis, field research and management discussions.

The investment strategy is based primarily on proprietary bottom-up fundamental research and the selection of individual securities for long and short positions in the portfolio. Top down or "big picture" considerations such as economic or industry /sector analysis may be used to a small degree as part of the investment process. The Investment Manager has extensive direct contact with companies and maintains valuation models for its equity investments. The investment decision is based mainly on the difference between a company’s value attributed to it by capital markets and its intrinsic value; the latter is determined by the Fund’s management team.

CIS and ETFs may be utilised to gain exposure to individual equities or baskets of equities which may not have sufficient liquidity for direct investment.

Corporate bonds will be selected on the same basis as the equivalent equity, but may be utilised when either market conditions or our research dictates the bond will provide more attractive expected returns.

Primarily European government issued securities may also be utilised as part of our capital preservation philosophy in situations of extreme market turmoil.

To achieve the investment objective in all market conditions, the Investment Manager will determine and adjust the net exposure of the Fund to the instruments in which it invests in. This will be achieved through the use of index futures and options to complement the underlying equity portfolio.

Currency Hedging

The Fund may use financial instruments such as foreign exchange contracts for hedging purposes as the investments of the Fund may be acquired in a wide range of currencies including the Base Currency.

The Fund may also use financial instruments such as foreign exchange contracts in order to hedge the currency exposure of the assets of the Fund attributable to a particular class into the currency of denomination of the relevant class.

Whilst hedging strategies are designed to reduce the losses to a Shareholder's investment if the currencies of assets which are denominated in currencies other than the Base Currency fall against that of the Base Currency, the use of hedging strategies may substantially limit holders of Shares from benefiting if the Base Currency falls against the currency in which the assets of the Fund are denominated.

It is not intended that a Share class of the Fund will be leveraged as a result of the use of such techniques and instruments.

Where, in respect of any Share class of the Fund, it is intended to conduct currency management transactions, the benefit and cost of such transactions shall accrue solely to the investors in such class and the NAV per Share of that class shall be increased/reduced as the case may be by the benefit/cost of any such currency management transactions.

Please see the Hedged Classes section of the Prospectus for further information.

<u>Efficient Portfolio Management</u>

The Fund may enter into Securities Financing Transactions in the form of securities lending arrangements. Further details in respect of Securities Financing Transactions and applicable limits are set out in the Prospectus under the heading “Repurchase/Reverse Repurchase Agreements and Securities Lending”. Securities lending is used to generate additional income for the Fund with an acceptably low level of risk.

Further details on the requirements relating to such transactions and the Collateral Policy for the Fund is contained in the Prospectus.

Profile of a Typical Investor

A typical investor is an institutional investor, multi-manager, fund of funds or professional investor, being a corporate, pension fund, insurance company, public sector body such as a government, supranational agency or a local authority, bank, other investment firm, or any other intermediary. The Fund may also accept retail investors. The typical investor will invest over the medium to long-term and will expect the higher levels of volatility that accompany investment in equities, money market instruments, cash deposits, CIS, ETF and FDI, namely futures, options and CFDs. Tax implications will vary by investor and each is encouraged to take its own tax advice.

Investment Manager

The investment manager currently appointed to the Fund is:

Sanlam FOUR Investments UK Limited

Sanlam FOUR Investments UK Limited (the "**Investment Manager**") is a company incorporated under the laws of the United Kingdom having its registered office at 1 Ely Place, London, EC1N 6RY, United Kingdom. Sanlam FOUR Investments UK Limited is regulated by the Financial Conduct Authority.

Investment Restrictions

The general investment restrictions set out in the "Investment Restrictions" section of the Prospectus shall apply.

Borrowings

In accordance with the general provisions contained in the "Borrowing and Lending Powers" section of the Prospectus, the Fund may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the Fund's obligations in relation to (i) the administration of the Fund relating to purchase or sale transactions; and/or (ii) the redemption or cancellation of Shares in the Fund. Borrowings in relation to (i) above are only permitted for a period of up to 8 calendar days, and 61 days in respect of (ii) in order to comply with the South African Financial Services Board and to allow for the Fund to be distributed to South African retail investors. However, at all times borrowings on behalf of the Fund will be in accordance with the Regulations and the requirements of the Central Bank.

Risk Management

The Manager on behalf of the Fund employs a risk management process ("**RMP**") which enables it to accurately measure, monitor and manage the various risks associated with FDI. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. Global exposure is measured using the absolute VaR approach. The Fund's global exposure shall be calculated on each Business Day using VaR.

When calculating the VaR of the Fund, the Investment Manager will take into account the following quantitative standards:

(a) the one-tailed confidence level will be 99%;

(b) the holding period will be 20 days;

(c) the historical observation period will not be less than 1 year, however a shorter observation period may be used if justified, (e.g. as a result of significant recent changes in price volatility);

(d) stress tests should measure any potential major depreciation of the Fund's value as a result of unexpected changes in the relative value parameters. The stress tests must be appropriate for analysing potential situations in which the use of FDI would bring about a loss. Stress tests must be carried out at least once a month and results documented. Further details on stress tests are set out in the RMP of the Manager; and

(e) the quality of the VaR model forecasts must be demonstrated by means of a comparison between the potential market risk amount calculated by the model and the actual change in the value of the portfolio (back-testing). If the latter exceeds the former on more occasions than should be envisaged using the stated confidence interval, the Fund should take prompt and appropriate action. The frequency of such back-testing should be appropriate to the risk profile of the Fund. Further details on back-testing are set out in the RMP of the Manager.

The Fund will only utilise FDI which have been included in the RMP that has been cleared by the Central Bank.

<u>Risk Factors</u>

The risk factors set out in the "Risk Factors" section of the Prospectus apply to the Fund. In addition, the following risk factors apply to the Fund:

General Investment Risk

The investments of the Company are subject to normal market fluctuations and other risks inherent in investing in securities or other instruments and there can be no assurance that the investment objectives will actually be achieved. In particular the value of investments may be affected by uncertainties such as international, political and economic developments or changes in government policies.

Segregated Liability between the Funds

Liabilities of one sub-fund of the Company will not impact on nor be paid out of the assets of another sub-fund of the Company. While the provisions of the Companies Acts 2014 provide for segregated liability between sub-funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly it is not free from doubt that the assets of any sub-fund may be exposed to the liabilities of other sub-funds of the Company. As of the date of the Prospectus the Directors are not aware of any existing or contingent liability of any sub-fund of the Company.

Leverage

The Fund may engage in leverage for investment purposes. The use of leverage creates special risks and may significantly increase the Fund's investment risk. Leverage will create an opportunity for greater yield and total return but, at the same time, will increase the Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Shares may decrease more rapidly than would otherwise be the case.

Investment Strategy Risk

The Fund's exposure is linked to the performance of the Fund's assets. The Fund is therefore exposed to general market movements and trends in equities, fixed income securities and money markets, which are occasionally partially affected by irrational factors. Such factors may lead to a more significant and longer lasting decline in prices affecting the entire market. There can be no guarantee of the success of the Investment Manager's investment strategy and the Fund's activities may be significantly and adversely affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates and economic uncertainty. These factors may affect the level and volatility of securities prices and the liquidity of the Fund's investments. Unexpected volatility or illiquidity could impair the Fund's profitability or result in losses.

Political and/or Regulatory Risks

The value of the Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

Conflict of Interest regarding the appointment of Investment Managers

The Manager may appoint additional investment managers to the Fund which may be subsidiaries, affiliates, associates or entities in which the Sanlam group have an economic interest.

Legal Risk

Legal risk is the risk of loss due to unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly in the context of financial derivative instruments.

Investments in Collective Investment Schemes

The Fund may invest a portion of its assets in collective investment schemes and investors should be aware of the potential exposure to the asset classes of those underlying collective investment schemes in the context of all of their investments.

Duplication of Costs

It should be noted that the Fund incurs the costs of its own management and other service providers as set out under the Charges and Expenses section below. In addition, to the extent the Fund invests in open-ended collective investment schemes, it will bear its proportion of the fees paid by such schemes to their investment manager and other service providers. There may also be performance fees payable at the underlying scheme level. The semi-annual and annual reports of the Company shall provide information on the specific open-ended collective investment schemes which the Fund invests in including their regulatory status and the specific fees paid by the Fund to such schemes.

Currency Exchange Rates

Depending on an investor's currency of reference, currency fluctuations may adversely affect the value of an investment.

Over-the-Counter Markets Risk

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

Performance Fee

The Manager shall be entitled to a performance fee. Such performance fee shall be based on the net realised and net unrealised gains and losses at the end of each calculation period and as a result, incentive fees may be paid on unrealised gains which may subsequently never be realised.

Investment in Financial Derivative Instruments (FDIs)

The prices of FDIs, including futures and options, are volatile. In addition, the Company is subject to the risk of the failure of any of the exchanges on which it trades or of their clearing houses and in certain cases the counterparties with whom the trades are carried out.

The Company may purchase and sell (**write**) options on securities and currencies on a variety of securities exchanges and over-the-counter markets. The seller (**writer**) of a put option which is uncovered (i.e., the writer has a short position in the underlying security or currency) assumes the risk of an increase in the market price of the underlying security or currency above the sales price (in establishing the short position) of the underlying security or currency plus the premium received, and gives up the opportunity for gain on the underlying security or currency below the exercise price of the option. If the seller of the put option owns a put option covering an equivalent number of shares with an exercise price equal to or greater than the exercise price of the put written, the position is **fully hedged** if the option owned expires at the same time or later than the option written. The seller of an uncovered put option assumes the risk of a decline in the market price of the underlying security or currency below the exercise price of the option. The buyer of a put option assumes the risk of losing its entire investment in the put option. If the buyer of the put holds the underlying security or currency, the loss on the put will be offset in whole or in part by any gain on the underlying security or currency.

The writer of a call option which is covered (e.g., the writer holds the underlying security or currency) assumes the risk of decline in the market price of the underlying security or currency below the value of the underlying security or currency less the premium received, and gives up the opportunity for gain on the underlying security or currency above the exercise price of the option. The seller of an uncovered call option assumes the risk of a theoretically unlimited increase in the market price of the underlying security or currency above the exercise price of the option. The buyer of the call option assumes the risk of losing its entire investment in the call option. If the buyer of the call sells short the underlying security or currency, the loss on the call will be offset, in whole or in part, by any gain on the short sale of the underlying security or currency. In entering into a closing purchase transaction, the company may be subject to the risk of loss to the extent that the premium paid for entering into a closing purchase transaction exceeds the premium received when the option was written.

Due to the nature of futures, cash to meet margin monies will be held by a broker with whom the Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to the Fund.

Where the Fund enters into swap arrangements and derivative techniques, it will be exposed 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, the Fund could experience delays in liquidating the position and may incur significant losses. There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager, for instance, bankruptcy, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated. In accordance with standard industry practice, it is the Investment Manager's policy to net exposures of each Fund against its counterparties.

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

Efficient Portfolio Management Risk

The Company on behalf of the Fund may enter securities lending arrangements for efficient portfolio management purposes. Investors should be aware that from time to time, the Fund may engage with securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to the section entitled "Portfolio Transactions and Conflicts of Interest" in the Prospectus for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Securities Lending Risk

There are risks associated with the Fund engaging in securities lending. As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. A securities lending transaction will involve the receipt of collateral. However there is a risk that the value of the collateral may fall and the Fund suffer loss as a result.

Reinvestment of Cash Collateral Risk

As the Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, the Fund will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

Dividend Policy

It is the intention of the Company to seek UK "reporting fund" status in respect of Class A and Class B Sterling Shares. In broad terms a "reporting fund" is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Shareholders. Once reporting fund status is obtained from HM Revenue & Customs for the relevant classes it will remain in place permanently, provided the annual requirements are complied with. UK Shareholders who hold their interests in the Class A and Class B Sterling Shares at the end of the reporting period to which the reported income relates, subject to their personal circumstances, will normally be liable to either income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders on the date the report is issued by the Company.

Subject to the discretion of the Directors, dividends (if any) will be declared and paid on an annual basis in or around May of each year following the finalisation of the year end financial statements. Shareholders will have the option to either receive the declared dividend (if any) or re-invest in the purchase of Shares of the relevant class. Payment will be paid by telegraphic transfer in Sterling to the Shareholder's account unless the payment is for an amount less than £100 in which case such payment will be automatically reinvested in the purchase of Shares of the relevant class for the account of the relevant Shareholder. The Directors reserve the right to change the dividend policy of the Fund to reflect changes that may occur from time to time in the requirements for qualifying as a reporting fund or otherwise for the purposes of UK taxation and will notify Shareholders of any changes to the Dividend Policy.

Investors should refer to their tax advisors in relation to the implications of these Share classes obtaining such status and any payment of dividends. Please see the section entitled "United Kingdom" under the Taxation section of the Prospectus of the Company for further details.

Limitations on Repurchases

The Prospectus, in accordance with the Articles of Association of the Company, provides that the Company is at liberty to scale down the number of shares to be purchased in response to each repurchase request pro rata to such extent as may be necessary to ensure that more than ten per cent of the NAV of Shares of the Fund in issue are not repurchased on a relevant Dealing Day. However, the Company will not limit the number of Shares repurchased in the Fund on any Dealing Day in this manner.

Key Information for Buying and Selling

Base Currency

The Base Currency of the Fund is Sterling.

Minimum Investment Levels

Class A Sterling	Stg£250,000
Class A Euro	EUR 250,000
Class A USD	USD 250,000
Class B Sterling	Stg£10,000

The Directors may waive such minimum investments levels in their absolute discretion.

Business Day

Any day (except Saturday or Sunday) on which the banks in both Ireland and the UK are open generally for business, or such other day as the Directors may, with the consent of the Depositary, determine and notify to Shareholders in advance.

Dealing Day

The Fund shall be open to dealing on every Business Day however dealing must at least be fortnightly.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline is defined as 11.00am in Ireland on the relevant Dealing Day.

Settlement Date

In the case of subscriptions payment must be received no later than three Business Days after the relevant Dealing Day. However, the Directors may, at their discretion, allow investors to make payment for subscriptions after these periods. In such circumstances, the provisions which are set out under the "Application for Shares" section of the Prospectus shall apply. Furthermore, the completed subscription documentation must have been received by the relevant Dealing Deadline.

If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, the Directors may treat the application as an application for such number of Shares as may be purchased with such payment on the next Dealing Day following receipt of payment in full or of cleared funds.

If cleared funds are not received on the Settlement Date then any interest costs and/or directly related charges will be reimbursed by the subscriber unless otherwise agreed by the Directors at their absolute discretion.

In the case of repurchases three Business Days after the relevant Dealing Day (assuming the receipt of the relevant duly signed repurchase documentation).

Preliminary Charge

Class A Sterling, Class A Euro and Class A USD	up to 5%
Class B Sterling	None

The directors may waive the Preliminary Charge in whole or in part.

Valuation Point

12 noon in Ireland on the relevant Dealing Day.

Fees and Expenses

Annual Management Fee

The total annual management charges and expenses of the Fund are based on a percentage of the NAV of the Fund prior to the deduction of any fees or other expenses.

The total annual management charges and expenses of the Fund differ for the various classes of Shares. The total annual management charges and expenses of each class of Shares in the Fund will be as follows:-

Class A	1.5% per annum of the NAV of the Fund attributable to that class of Share.
Class B	0% per annum of the NAV of the Fund attributable to that class of Share.

The above fees shall accrue and be calculated with reference to the daily NAV of the Fund on each Dealing Day and will be payable monthly in arrears.

The Manager will pay out of its fees, the fees of the Investment Manager.

The Manager may at its sole discretion waive all or a portion of the Management fee with respect to certain Shareholders' investment in the Fund. Any such waiver or reduction will not entitle other Shareholders to a similar waiver.

Performance Fee

Class A Sterling, Class A Euro and Class A USD	20% - as set out in more detail below
Class B Sterling	20% - as set out in more detail below

The Manager will also be entitled to receive a performance-based fee out of the assets of the Fund (the "**Performance Fee**"), equivalent to twenty per cent (20%) of the appreciation of the NAV of the Shares of the relevant Class above the 12 month EURIBOR rate plus 2% (the "**Hurdle Rate**") subject to a high water mark as outlined below, and calculated and accrued at each Valuation Point and paid annually in arrears at the end of each twelve-month period (the "**Performance Period**") or, if earlier, (i) as of each Dealing Day with respect to the Shares redeemed by redeeming Shareholders, (ii) in the Directorsôsole discretion, as of the effective date of a transfer of Shares with respect to the Shares transferred, or (iii) as of the date of the termination of the appointment of the Manager, in each case with respect to the period ending on such date.

The first Performance Period will be the period commencing on the Business Day which immediately follows the closing of the Initial Offer Period in respect of the relevant Class of Shares and ending on 31 December 2013 and the Initial Offer Price will be taken as the starting price for the calculation of the Performance Fee (i.e. the Performance Fee will only be paid on the subsequent outperformance by the NAV per Share of the Initial Offer Price). For further details, see section entitled "**High Water Mark**" below.

All fees and expenses (except the Performance Fee) that have been accrued or paid (but not previously accrued) for a given period will be deducted prior to calculating the Performance Fees for such period, including, without limitation, the Management Fee. The Manager may from time to time at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of its Management fee and/or Performance Fee. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder, or may (at the discretion of the Manager) be paid in cash.

The Performance Fee is based on net realised and net unrealised gains and losses as at the end of each Performance Period and, as a result, the Performance Fee may be paid on unrealised gains which may subsequently never be realised.

High Water Mark

The Performance Fee will be calculated on a cumulative basis by utilising a high water mark and will not be payable until the NAV per Share exceeds the previous highest NAV per Share on which the Performance Fee was paid/accrued (or the Initial Offer Price, if higher). The high water mark per Share will be the NAV per Share of the relevant Share Class on the last day of any Performance Period in respect of which a Performance Fee was charged. The Performance Fee is only payable on the increase over the high water mark.

The Performance Fee shall be calculated by the Administrator and verified by the Depositary following the year end.

For a description of the manner in which the Performance Fee is borne by each Share and the time of payment, see the section entitled "Equalisation Policy".

Equalisation Policy

Shares are acquired at a price based on the NAV per Share. When Shares are subscribed for, certain adjustments will be made to reduce inequities that could otherwise result to the Shareholder or to the Fund. This is done so that: (i) the Performance Fee paid to the Manager is charged only to those Shares which have appreciated in value since their acquisition, (ii) all Shareholders of a Class will have the same amount per Share at risk, and (iii) all Shares in the same Class have the same NAV per Share.

(A) If Shares are subscribed for at a time when the NAV per Share is less than the high water mark per Share of the relevant Class, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Shares. With respect to any appreciation in the value of those Shares from the NAV per Share at the date of subscription up to the high water mark per Share, the Performance Fee will be charged at the end of each Performance Period by redeeming such number of the investor's Shares of the relevant Class as have an aggregate NAV (after accrual for any Performance Fee) equal to a percentage of any such appreciation of the relevant class of Shares (a "**Performance Fee Redemption**"). The aggregate NAV of the Shares so redeemed will be paid to the Manager as a Performance Fee. Performance Fee Redemptions are employed to ensure that the Fund maintains a uniform NAV per Share of each relevant Class. As regards the investor's remaining Shares of the relevant Class, any appreciation in the NAV per Share of those Shares above the high water mark per Share of that Class will be charged a Performance Fee in the normal manner described above.

(B) If Shares are subscribed for at a time when the NAV per Share is greater than the high water mark per Share of the relevant Class, the investor will be required to pay an amount in excess of the then current NAV per Share of that Class equal to a percentage of the difference between the then current NAV per Share of that Class (before accrual for the Performance Fee) and the high water mark per Share of the relevant Class of Shares (an "**Equalisation Credit**"). At the date of subscription, the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the other Shares of the same Class in the Fund (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the NAV per Share of that Class has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders of the same Class and serves as a credit against Performance Fees that might otherwise be payable by the Fund but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares of the same Class have the same amount of capital at risk per Share. The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the relevant Class of Shares subsequent to the issue of the relevant Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Point in the NAV per Share of those Shares, the Equalisation Credit will also be reduced by an amount equal to a percentage of the difference between the NAV per Share of the relevant Class of Shares (before accrual for the Performance Fee) at the date of issue and as at that Valuation Point. Any subsequent appreciation in the NAV per Share of the relevant Class will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit. At the end of each Performance Period, if the NAV per Share (before accrual for the Performance Fee) exceeds the high water mark per Share of the relevant Class, that portion of the Equalisation Credit equal to a percentage of the relevant Class of Shares of the excess, multiplied by the number of Shares of that Class subscribed for by the Shareholder, will be applied to subscribe for additional Shares of that Class for the Shareholder. Additional Shares of that Class will continue to be so subscribed for at the end of each Performance Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Shares of that Class was made, has been fully applied. If the Shareholder redeems his Shares of that Class before the Equalisation Credit has been fully applied, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares of that Class being redeemed and the denominator of which is the number of Shares of that Class held by the Shareholder immediately prior to such redemption in respect of which an Equalisation Credit was paid on subscription.

Custody, Administration and Transfer Agent Fee

The Administrator will be entitled to receive out of the assets of the Fund an annual aggregate fee of up to 0.15% of the net assets of the Fund (plus VAT, if any) subject to an aggregate minimum fee of $20,000. The Registrar and Transfer Agent will be entitled to receive from the Company out of the assets of the Fund an annual fee which will not exceed US$2,500 plus $1,000 for each additional share class greater than four, together with reasonable costs and expenses incurred by the Registrar and Transfer Agent in the performance of its duties as Registrar and Transfer Agent of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Registrar and Transfer Agent shall also be entitled to be reimbursed out of the assets of the Fund all agreed transaction charges (which will be charged at normal commercial rates).

The Depositary will be entitled to receive from the Company out of the assets of the Fund an annual trustee fee which will not exceed 0.02% of the net assets of the Fund, (plus VAT, if any), together with reasonable costs and expenses incurred by the Depositary in the performance of its duties as Depositary of the Fund. These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears. The Depositary shall also be entitled to be reimbursed out of the assets of the Fund all agreed safekeeping fees, expenses and all agreed transaction charges (which will be charged at normal commercial rates).

Any reasonable costs and expenses incurred by the Depositary and Administrator in the performance of their duties as Depositary and Administrator of the Fund respectively will be paid of out the net assets of the Fund.

These fees shall accrue and be calculated on each Dealing Day and shall be payable monthly in arrears.

This section should be read in conjunction with the section entitled "Charges and Expenses" in the Prospectus.

Other charges and expenses

It is intended that the establishment costs in respect of the Fund will not exceed ú15,000 and they shall be amortized over the first five financial years of its operation.

Reports to Shareholders

The accounting date of the Company and the Fund is 31 December. The half yearly accounting date is 30 June.

The Company publishes an annual report incorporating audited financial statements in respect of each annual accounting period. In addition the Company publishes a semi-annual unaudited financial report in respect of each half-yearly accounting period.

The annual and semi-annual reports will be sent to shareholders within four months and two months respectively of the periods to which they relate.

Material Contracts

Investment Management Agreement

The Investment Management Agreement dated 03 March 2010 between the Manager and the Investment Manager (the "**Agreement**") provides that the appointment of the Investment Manager will continue in force unless and until terminated by the Manager on giving not less than 30 daysô written notice to the Investment Manager or the Investment Manager giving not less than 90 daysô written notice to the Manager. However, in certain circumstances the Agreement may be terminated without a minimum period of notice by either party. The Agreement limits the liability of the Investment Manager to the Manager to losses arising by reason of the fraud, bad faith, negligence, wilful default or wilful misfeasance of the Investment Manager in the performance or non-performance of its duties. The Agreement also provides that the Investment Manager shall indemnify the Manager to the extent that any claims, costs, direct damages, direct losses or expenses are attributable to the fraud, bad faith, negligence, wilful default or wilful misfeasance by the Investment Manager in the performance or non-performance of its duties.