

**STENHAM INVESTMENT FUNDS P.L.C.**

An open-ended umbrella investment company  
with variable capital and segregated liability between sub-funds  
incorporated with limited liability in Ireland  
under the Companies Act 2014  
with registration number 530140

**SUPPLEMENT**

**STENHAM EQUITY FUND**

Dated 20 December 2021

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## 1 IMPORTANT INFORMATION

The Directors (whose names appear under the heading "Management of the Company – **Directors of the Company**" in the Prospectus), accept responsibility 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 in the Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

This Supplement contains information relating specifically to Stenham Equity Fund (the "**Fund**"), a Fund of Stenham Investment Funds p.l.c. (the "**Company**"), an open-ended umbrella fund with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the Regulations.

This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the Company dated 28 July 2021 (the "**Prospectus**").

The Fund is suitable for investors who are prepared to accept a high level of volatility.

An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.

As the price of Shares in each Fund may fall as well as rise, the Company shall not be a suitable investment for an investor who cannot sustain a loss on their investment. A typical investor will be seeking to achieve a return on their investment in the medium to long term.

The Fund may invest in FDI for investment purposes and for hedging and efficient portfolio management purposes. It is not the intention for the Fund to be leveraged by its use of FDI.

## 2 DEFINITIONS

**Base Currency** means US Dollar;

**Business Day** means any day (other than a Saturday or Sunday) on which commercial banks are open for business in Dublin and/or such other day or days as may be determined by the Directors from time to time and as notified to Shareholders in advance;

**Dealing Day** means each Business Day and such other day or days as the Directors may determine and notify in advance to Shareholders;

**EU Taxonomy Regulation** means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as amended, supplemented or replaced from time to time;

**Gross Asset Value** or **GAV** means, in the context of calculating the Performance Fee, the Net Asset Value before accounting for the payment of any Performance Fee;

**Hurdle Adjusted High Water Mark** or **HAHWM** means the High Water Mark adjusted by the Hurdle Rate;

**High Water Mark** or **HWM** is the greater of: (a) the Net Asset Value of the relevant Class as of the end of the most recent Performance Period in respect of which the High Water Mark has been exceeded. The Net Asset Value referred to in the previous sentence shall be increased when additional Subscriptions are made to the relevant Class, by an amount equal to such Subscriptions and shall be reduced proportionately whenever Redemptions are made from the relevant Class by being multiplied by the fraction, the numerator of which is the Net Asset Value of the relevant Class immediately after, and the denominator of which is the Net Asset Value of the relevant Class immediately prior to, any such redemption; or (b) if the High Water Mark has never been exceeded at the end of a Performance Period, then the initial Net Asset Value of the relevant Class immediately following the close of the Initial Offer

Period. The Net Asset Value referred to in the previous sentence shall be increased when additional Subscriptions are made to the relevant Class, by an amount equal to such Subscriptions and shall be reduced proportionately whenever Redemptions are made from the relevant Class by being multiplied by the fraction, the numerator of which is the Net Asset Value of the relevant Class immediately after, and the denominator of which is the Net Asset Value of the relevant Class immediately prior to, any such redemption;

**Hurdle Rate** means 5%;

**Minimum Fund Size** means \$5 million or such other amount as the Directors may in their absolute discretion determine;

**Performance Period** means a period of 12 calendar months commencing on 1 January in each year, provided that the first Performance Period in respect of any Share Class will be the period commencing on the date such Share Class is issued (and for Class A Shares, the end of the Initial Offer Period) and ending on 31 December of the same year that such Share Class is issued. 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 Issue Price will be taken as the starting price for the calculation of the Performance Fee. Following the first Performance Period any subsequent Performance Period will be the period commencing on the Business Day which immediately follows the previous Performance Period;

**Settlement Date** in respect of subscriptions and redemptions respectively shall have the meaning outlined in the section entitled "Key Information for Buying and Selling Shares" below;

**Subscription Deadline** means no later than 2:30 pm (Ireland time) on the Business Day which is one (1) Business Day prior to the applicable Dealing Day or such other time on the relevant Dealing Day as may be determined by the Directors and notified in advance to Shareholders provided always that the subscription deadline is before the Valuation Point, in accordance with the Central Bank Regulations;

**Repurchase Deadline** means no later than 2:30 pm (Ireland time) on the Business Day falling at least one (1) Business Day prior to the relevant Dealing Day or such other time on the relevant Dealing Day as may be determined by the Directors and notified in advance to Shareholders provided always that the repurchase deadline is before the Valuation Point, in accordance with the Central Bank Regulations;

**Valuation Point** means the close of business in a relevant market on each Valuation Day, being the time at which the latest available closing prices on relevant stock exchanges or markets are used for the purpose of the valuation of assets and liabilities of a Fund (or such other time as the Directors may in their discretion determine). For the avoidance of doubt, the Valuation Point for a particular Valuation Day shall not be before the dealing deadline relevant to such Dealing Day.

**Valuation Day** in respect of each Class, the Business Day immediately preceding the relevant Dealing Day and/or such other day or days as the Directors may determine, either generally or in any particular case.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

### 3 INFORMATION ON THE FUND

#### 3.1 Investment Objective and Investment Policies

##### 3.1.1 *Investment Objective*

The investment objective of the Fund is to provide long-term capital appreciation.

There can be no assurance that the Fund will achieve its investment objective.

### 3.1.2 **Investment Policies**

The Fund seeks to achieve this objective by investing principally in a portfolio of equity securities in various markets around the world.

The Fund intends to invest in securities issued by a range of high quality companies which would include but is not limited to companies that have some or all of the following characteristics: (i) high quality management that focuses on shareholder value and corporate governance; (ii) a global presence, (iii) strong balance sheet with low levels of debt and high proportion of shareholder equity; (iv) a track record of generating high quality earnings and payment of dividends or engaging in share buy-backs. In order to achieve this objective, the Fund will have a global mandate and can invest in any market anywhere in the world. However, the Fund will have a majority of its investments in companies with a market capitalisation of at least US\$1 billion or the equivalent. The aim of the Fund is to select companies for the long term and not to actively trade in and out of positions.

The Fund investment selection strategy will follow a predominantly fundamental approach to identify securities that are undervalued or have growth potential. Where such securities are identified a technical analysis may be applied by the Investment Manager to determine optimal entry and exit points.

It is not envisaged that the Fund will have more than 20% direct exposure to listed securities in markets which the Investment Manager considers to be emerging. Exposure to emerging markets may also be gained indirectly through investment in high quality companies that may have operations in emerging markets.

The Fund will typically hold up to 25 individual securities with larger holdings typically representing not more than 10% of the Net Asset Value of the Fund at cost. The Fund will typically not hedge any of the currency exposures within the portfolio, but may do so if deemed necessary, but would be cognisant of the currency risk inherent in the selection of any equity investment. The reason for this is that equities often act as a natural hedge against currency movements, for example where the Fund invests in a non-Base Currency denominated asset against which the Base Currency may depreciate.

In addition to investment in listed equities, the Fund may also invest in debt securities (fixed and/or floating rate government bonds, investment grade or higher by an internationally recognised rating agency) where the Investment Manager is of the view that such investment is in the best interest of the Fund and will assist meeting the Fund's investment objective.

The Fund may engage in hedging. The Fund may retain amounts in cash or cash equivalents (including money market funds, commercial paper, certificates of deposit and treasury bills) pending reinvestment, for use as collateral or as otherwise considered appropriate to the investment objective.

All instruments shall be listed and/or traded on the exchanges and markets set out in Appendix II of the Prospectus (subject to the conditions and limits set out in the Central Bank Regulations).

The Fund may invest in or use FDI for efficient portfolio management purposes, such as to reduce risk, reduce cost or to generate additional capital or income for the Fund and for hedging purposes and/or to alter currency exposure and/or investment purposes, subject to the conditions and within the limits from time to time set forth in Appendix III of the Prospectus. The Fund may buy and sell exchange-traded and over-the-counter ("OTC") derivative instruments for hedging and investment purposes, including futures, options and forward currency exchange contracts. The Fund intends to use long OTC put options for portfolio hedging purposes and/or long forward currency contracts to hedge non-USD exposure. The Fund will primarily invest in long equities in developed markets and the use of FDI will form part of the investment strategy in

that from time to time the Fund's exposures to the US market may be significant. FDI will be used where the direct purchase of the underlying investments would not be possible or would be less efficient and may also be used to hedge, increase or decrease currency exposures, and to increase or decrease equity exposures within countries or sectors in order to limit volatility in the portfolio.

See "Use of Derivatives and Efficient Portfolio Management Techniques" below for a description and use of the FDI.

The MSCI World USD Index is the benchmark index against which the Fund's performance is compared. Details of the Fund's performance relative to this benchmark index are available in the Fund's KIID and certain marketing materials. References to the benchmark index are for illustrative purposes only. There is no guarantee that the Fund's performance will match or exceed the benchmark index.

The Fund is actively managed and, while a significant proportion of the Fund may be components of, and have similar weightings to, the benchmark index, the Investment Manager may use its discretion to invest a significant proportion of the Fund in assets which are not included in the benchmark index or the Investment Manager may invest a significant proportion of the Fund with weightings different to that of the benchmark index.

The investments underlying the Fund do not take into account the criteria for environmentally sustainable economic activities as set out in the EU Taxonomy Regulation.

### **3.2 Sustainability Risks**

A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment. Sustainability factors are environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The Fund's portfolio is comprised of large cap global listed companies. As such, the Investment Manager believes that sustainability risks are already priced into the value of such securities and therefore deems an additional separate consideration of such risks not to be relevant. For those reasons, sustainability risks are not separately integrated into investment decisions for the Fund.

Taking due account of the nature and scale of the Fund's portfolio, the Investment Manager does not at this time consider the principal adverse impacts of investment decisions of the Fund on sustainability factors but this will be kept under review as regulatory requirements regarding principal adverse impacts of investment decisions evolve.

### **3.3 Use of Derivatives and Efficient Portfolio Management Techniques**

The Fund may engage in transactions in FDI for the purposes of hedging and may use FDI for efficient portfolio management purposes, such as to reduce risk, reduce cost or to generate additional capital or income for the Fund and for hedging purposes and/or to alter currency exposure and/or investment purposes, subject to the conditions and within the limits from time to time set forth in Appendix III of the Prospectus. The Fund may seek to protect the value of its investments through hedging strategies consistent with its investment objectives, investing in exchange-traded FDI dealt on a regulated Market and/or OTC FDI.

The Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way. Such transactions may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund. Such techniques and instruments (details of which are outlined below) include but are not limited to futures, listed options and forwards.

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

#### *Futures*

Futures could be used to gain exposure to positions in a more efficient manner. For example a single stock future could be used to provide the Fund with exposure to a single security. Index futures could also be used to manage risk, for example to hedge the risk of a security or group of securities held within the underlying index or with a high correlation with the underlying index.

#### *Options*

An option contains the right to buy or sell a specific quantity of a specific asset at a fixed price at or before a specified future date. There are two forms of options: put or call options. Put options are contracts sold for a premium that give to the buyer the right, but not the obligation, to sell to the seller a specified quantity of a particular asset (or financial instrument) at a specified price. The purpose behind the purchase of put options by the Fund is to hedge against a decrease in the market generally or to hedge against the price of securities or other investments held by the Fund. Call options are similar contracts sold for a premium that give the buyer the right, but not the obligation, to buy from the seller a specified quantity of a particular asset (or financial instrument) at a specified price. Options may also be cash-settled. The Fund may use such instruments to hedge against market risk or to gain exposure to relevant underlying equity or equity related security. Options may be used to alter the currency exposure of investments held, to hedge against exchange risks, to increase exposure to a currency, or to shift exposure from one currency to another. To the extent that the Fund uses FDI which create leverage, the limits on global exposure described in Appendix III of the Prospectus under the heading "Cover Requirements" apply. Any option entered into by the Fund will be in accordance with the limits prescribed by the law.

#### *Forwards*

Forward currency contracts could be used to hedge against currency risk that has resulted from assets held by the Fund that are not in the Base Currency. The Fund, may, for example, use forward currency contracts by selling forward a foreign currency against the Base Currency to protect the Fund from foreign exchange rate risk that has risen from holding assets in that currency.

Direct and indirect operational costs and/or fees (which do not include hidden revenue) arising from use of FDIs for EPM purposes may be deducted from the revenue delivered to the Company. Such costs and/or fees are payable to the relevant counterparty to the FDI in question and such counterparty may or may not be related to the Investment Manager or the Depositary. All revenues generated from such FDIs, net of direct and indirect operational costs, will be returned to the Company.

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

### **3.4 Borrowing and Leverage**

#### **3.4.1 Borrowing**

The Company may only borrow on a temporary basis for the account of the Fund and such borrowing will be repaid within 10 business days from the date of drawdown. The aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of the Fund. In accordance with the provisions of the Regulations, the Company may charge the assets of the Fund as security for borrowings of the Fund. The borrowing will exclusively be used for short term liquidity to fund redemptions while underlying investments are liquidated. The Company will not use borrowings for investment purposes.

### 3.4.2 Leverage

The Fund may utilise FDI as referred to in the section headed "Use of Derivatives and Efficient Portfolio Management Techniques" above.

As set out in the risk management policy, the Investment Manager will use the commitment approach for the purposes of calculating global exposure.

The global exposure of the Fund associated with the use of financial derivative instruments will be measured using the commitment approach in accordance with the Central Bank Rules.

The Company on behalf of the Fund has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks associated with the use of FDI. Any FDI not included in the risk management process will not be utilised until such time as a revised submission has been provided to the Central Bank. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

### 3.5 Investment Restrictions

Investors must note that the Company and the Fund adheres to the restrictions and requirements set out under the Regulations, as may be amended from time to time. These are set out in Appendix I to the Prospectus. In addition, the following investment restrictions shall apply to the Fund:

3.5.1 The Fund will not to be leveraged through the use of FDIs.

In accordance with the Central Bank Rules, the Fund will apply for a derogation from some of the investment restrictions for six months following the date of the first issue of Shares of the Fund pursuant to the Regulations but will observe the principle of risk-spreading.

### 3.6 Risk Factors

Investors should read and consider the section of the Prospectus entitled "**RISK FACTORS**" before investing in the Fund. However, not all of the risks disclosed in the **RISK FACTORS** section of the Prospectus will be material to an investment in this particular Fund. In addition to the above referenced risks, investors should also consider the particular implications of the following risks that are relevant to an investment in the Fund. While it is not intended that the Fund will invest more than 20% directly in companies in markets which the Investment Manager considers to be emerging, there may be times when such investment is deemed appropriate. It is likely that the Fund will have indirect exposure to emerging markets gained through investment in high quality companies which have operations in emerging markets. It is anticipated that the normal risk associated with investment in such markets will impact the Fund.

The risks described in the Prospectus and this Supplement should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in the Fund. Potential investors should be aware that an investment in the Fund may be exposed to other risks from time to time.

### 3.7 Key Information for Buying and Selling Shares

Class	Initial Offer Period*	Initial Issue Price	Minimum Shareholding**	Minimum Initial Investment Amount**	Minimum Additional Investment Amount**	Minimum Repurchase Amount**
A (USD)	This Initial Offer Period is now closed.	N/A	US\$10,000	US\$25,000	US\$5,000	US\$5,000
A (GBP)	9.00am (Irish time) on 3 July 2020 to	GBP100	GBP10,000	GBP25,000	GBP5,000	GBP5,000



	5.00pm (Irish time) on 31 December 2020*					
A (EUR)	9.00am (Irish time) on 3 July 2020 to 5.00pm (Irish time) on 31 December 2020*	EUR100	EUR10,000	EUR25,000	EUR5,000	EUR5,000
A1 (USD)***	9.00am (Irish time) on 3 July 2020 to 5.00pm (Irish time) on 31 December 2020*	US\$100	US\$1,000,000	US\$1,000,000	US\$1,000,000	US\$1,000,000

\*The Initial Offer Period may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise shall be notified subsequently, on an annual basis.

\*\*Subject to the discretion of the Directors (or their delegate) in each case to allow lesser amounts.

\*\*\*Investment in Class A1 (USD) Shares is limited to investors who are professional clients within the meaning of Annex II of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (MiFID II), unless otherwise agreed by the Directors.

The Class A (USD) Shares are available for subscription at the Net Asset Value per Share.

Applications received after the Subscription Deadline for the relevant Dealing Day shall be deemed to have been received by the next Subscription Deadline, save in exceptional circumstances where the Directors may in their absolute discretion (reasons to be documented) determine and provided the Applications are received before the Valuation Point for the relevant Dealing Day. Repurchase requests received after the Repurchase Deadline shall be treated as having been received by the following Repurchase Deadline, save in exceptional circumstances where the Directors may in their absolute discretion (reasons to be documented) determine and provided they are received before the Valuation Point for the relevant Dealing Day.

Subscription Settlement Date: Subscription monies should be paid to the account specified in the Application Form (or such other account specified by the Administrator) so as to be received in cleared funds by no later than 2.30pm (Ireland time) on the Business Day which is one (1) Business Day prior to the relevant Dealing Day. If payment in full and/or a properly completed Application Form have not been received by the relevant times stipulated above, the application may be refused.

Repurchase Settlement Date: Payment of Repurchase Proceeds will normally be made by electronic transfer to the account of the redeeming Shareholder at the risk and expense of the Shareholder within seven (7) Business Days of the Repurchase Deadline for the relevant Dealing Day, provided that all the required documentation has been furnished to and received by the Administrator.

### 3.8 Dividend Policy

The Fund is an accumulating Fund and, therefore, it is not currently intended to distribute dividends to the Shareholders. The income and earnings and gains of each Class in the Fund will be accumulated and reinvested on behalf of Shareholders.

If the Directors propose to change the dividend policy and declare a dividend at any time in the future, full details of the revised dividend policy (including details of method of payment of such dividends) will be disclosed in an updated Supplement and will be notified to Shareholders in advance.

### 3.9 Profile of a typical investor

A typical investor would be one who is sophisticated and is seeking capital appreciation over the medium/long term.

### 3.10 Fees and Expenses

The following fees and expenses will be incurred by the Company on behalf of the Fund and will affect the Net Asset Value of the relevant Share Class of the Fund. All amounts are exclusive of VAT (if any).

<b>Class</b>	<b>A</b>	<b>A1</b>
Investment Management Fee	1% per annum of the NAV of the Fund	0.8% per annum of the NAV of the Fund
Administrator Fee	0.085% per annum of the NAV of the Fund	0.15% per annum of the NAV of the Fund
Depository Fee	0.08% per annum of the NAV of the Fund	0.08% per annum of the NAV of the Fund
Performance Fee	10% - see below for details	None
Preliminary Charge	None	None
Repurchase Charge	None	None
Exchange Charge	None	None

#### 3.10.1 **Management Fee**

The Manager shall be entitled receive an annual fee of up to 0.025% of the Net Asset Value of the Fund.

Such fee shall be calculated and accrued at each Valuation Point and payable quarterly in arrears.

This Management Fee is subject to a minimum fee of €42,500 per annum.

The Manager will also be entitled to be reimbursed by the Fund for all reasonable general out of pocket expenses incurred by it or any delegate appointed by it under the Management Agreement.

#### 3.10.2 **Investment Management Fee**

The Investment Manager shall be entitled to a maximum annual Investment Management Fee equal to a percentage of the Net Asset Value of the relevant Class (see the Investment Management Fee as outlined in the table above). Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

#### 3.10.3 **Administrator's Fee**

Under the terms of the Administration Agreement the Administrator shall be entitled to receive a maximum annual fee from the Fund equal to a percentage of the Fund's Net Asset Value (see administrator fee as outlined in the table above) paid monthly in arrears. The fee shall commence to accrue daily on a *pro rata* basis from the date of the first issue of Shares and shall cease to be payable on the date of termination of the Administration Agreement. This amount includes the fees associated with Company Secretarial services provided by the Administrator. The Administrator shall be also be entitled to a minimum monthly fee of \$5,500 per month and a transaction fee for each transaction conducted pursuant to the Administration Agreement which will be charged at normal commercial rates.

#### 3.10.4 **Depository's Fee**

Under the terms of the Depository Agreement the Depository shall be entitled to receive a maximum annual fee from the Fund equal to a percentage of the Fund's Net Asset Value (see depository fee as outlined in the table above) paid monthly in arrears. The fee shall commence to accrue daily on a *pro rata* basis from the date of the first issue of Shares and shall cease to be payable on the date of termination of the Depository Agreement. The Depository shall be also be entitled to a minimum monthly fee of \$2,000 per month and a transaction fee for each transaction conducted pursuant to the Depository Agreement which will be charged at normal commercial rates.

The Depository and the Administrator are also entitled to be reimbursed, out of the assets of the Fund, for their reasonable costs and out-of-pocket expenses.

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

#### **Performance Fee**

The Investment Manager will also be entitled to receive a performance-based fee out of the assets of the Fund (the "**Performance Fee**"). The Performance Fee in respect of the Class A Shares for each Performance Period will be equal to 10% of the appreciation in the Net Asset Value in excess of the High Water Mark as increased by the Hurdle Rate. For the avoidance of doubt, a Performance Fee shall only be payable where the Net Asset Value of the relevant Class exceeds the High Water Mark as increased by the Hurdle Rate.

The Performance Fee will be calculated and accrued as at each Dealing Day. The Performance Fee in respect of each Performance Period will be calculated by reference to the Net Asset Value before deduction for any accrued Performance Fees.

The Performance Fee will be paid to the Investment Manager in arrears as soon as reasonably practicable after the end of each Performance Period. The Performance Fee does not crystallise and is not paid more than once per annum.

If Participating Shares are redeemed during a Performance Period, the Performance Fee will be calculated as though the relevant Redemption Day was the end of a Performance Period and an amount equal to any accrued Performance Fee in respect of such Participating Shares will be paid to the Investment Manager. The accrued Performance Fee in respect of those Participating Shares will be paid to the Investment Manager as soon as reasonably practicable after the date of redemption.

If the Investment Management Agreement is terminated during a Performance Period, the Performance Fee in respect of the then current Performance Period will be calculated and paid as though the date of termination were the end of the relevant Performance Period.

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.

The Performance Fee shall be calculated by the Administrator and verified by the Depository following the year end and is not open to the possibility of manipulation.

#### *Worked Examples*

To illustrate the effect that the Performance Fee might have on the Net Asset Value of the relevant Class examples of five scenarios are shown below.

These examples are hypothetical and are provided for illustrative purposes only. They are not intended and should not be interpreted as an indication of future performance or Performance Fees which may be payable to the Investment Manager. They are provided so that investors may better understand the methodology of the Performance Fee calculation.

<b>Example 1:</b>	
Hurdle Rate:	5%
Performance Fee:	10%
Scenario:	NAV decreases during the Performance Period
Result:	Performance Fee is not paid
Detail: In this example:	
<ul style="list-style-type: none"> <li>• an investor purchases 1000 Shares at an opening NAV of 100¢ at the beginning of the Performance Period (at which point the HWM becomes \$1000);</li> <li>• the closing GAV decreases to \$900; and</li> <li>• Hurdle Rate is 5%.</li> <li>• <math>HAHWM = 1000 * 1.05 = \\$1050</math></li> </ul>	
In this situation, no Performance Fee is payable, as the closing GAV < HAHWM.	
The closing NAV is \$900 and the HWM remains at \$1000.	

<b>Example 2:</b>	
Hurdle Rate:	5%
Performance Fee:	10%
Scenario:	NAV increases during the Performance Period
Result:	Performance Fee is paid but only on the appreciation of the GAV in excess of the HAHWM
Detail: In this example:	
<ul style="list-style-type: none"> <li>• an investor purchases 1000 Shares at an opening NAV of 100¢ at the beginning of the Performance Period (at which point the HWM becomes \$1000);</li> <li>• the closing GAV increases to \$1,100; and</li> <li>• Hurdle Rate is 5%</li> <li>• <math>HAHWM = 1000 * 1.05 = \\$1050</math></li> </ul>	
In this situation, a Performance Fee is payable, as the closing GAV > HAHWM, and is calculated as follows: $(GAV - HAHWM) \times 10\% = (\$1100 - \$1050) \times 10\% = \$5$ .	
The closing NAV is \$1095 which becomes the new HWM.	

<b>Example 3:</b>	
Hurdle Rate:	5%
Performance Fee:	10%
Scenario:	NAV is at the HWM and decreases after the Performance Period
Result:	Performance Fee is not paid

Detail: In this example:	
<ul style="list-style-type: none"> <li>• an investor holds 1000 Shares at an opening NAV of \$1090 at the beginning of the Performance Period (at which point the HWM is also \$1090);</li> <li>• the closing GAV decreases to \$900; and</li> <li>• Hurdle Rate is 5%.</li> <li>• <math>HAHWM = 1090 * 1.05 = \\$1144.50</math></li> </ul>	
In this situation, no Performance Fee is payable, as the closing GAV < HAHWM.	
The closing NAV is \$900 and the HWM remains at \$1090.	

<b>Example 4:</b>	
Hurdle Rate:	5%
Performance Fee:	10%
Scenario:	NAV below the HWM and increases above the HWM
Result:	Performance Fee is paid but only on the appreciation of the GAV in excess of the HAHWM
Detail: In this example:	
<ul style="list-style-type: none"> <li>• an investor holds Shares at an opening NAV of \$900 at the beginning of the Performance Period (at which point the HWM is \$1090);</li> <li>• the closing GAV increases to \$1300; and</li> <li>• Hurdle Rate is 5%.</li> <li>• <math>HAHWM = 1090 * 1.05 = \\$1144.50</math></li> </ul>	
In this situation, a Performance Fee is payable, as the closing GAV > HAHWM and is calculated as follows: $(GAV - HAHWM) \times 10\% = (\$1300 - \$1144.50) \times 10\% = \$15.55$ .	
The closing NAV is \$1284.45 which becomes the new HWM.	

<b>Example 5:</b>	
Hurdle Rate:	5%
Performance Fee:	10%
Scenario:	NAV decreases during the Performance Period
Result:	Performance Fee is not paid
Detail: In this example:	
<ul style="list-style-type: none"> <li>• an investor purchases 900 Shares at an opening NAV of 100¢ at the beginning of the Performance Period (at which point the HWM becomes \$900);</li> <li>• the closing GAV increases to \$940; and</li> <li>• Hurdle Rate is 5%.</li> <li>• <math>HAHWM = 900 * 1.05 = \\$945</math></li> </ul>	
In this situation, no Performance Fee is payable, as the closing HWM < GAV < HAHWM.	
The closing NAV is \$940 which becomes the new HWM.	

### 3.11 Other Fees and Expenses

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

### 3.11.1 ***Anti-Dilution Levy***

The Directors reserve the right to impose an Anti-Dilution Levy in the case of subscriptions or repurchases on a transaction basis as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscriptions or repurchases (as applicable) calculated for the purposes of determining a subscription price or repurchase price to reflect the impact of other dealing costs relating to the acquisition or disposal of assets and to preserve value of the underlying assets of the Fund where they consider such a provision to be in the best interests of a Fund. Such amount will be added to the price at which Shares will be issued in the case of net subscription requests and deducted from the price at which Shares will be repurchased in the case of net repurchase requests. Any such sum will be paid into the account of the Fund.

### 3.11.2 ***Establishment Expenses***

All fees and expenses relating to the establishment and organisation of the Fund as detailed in the section of the Prospectus entitled "Establishment Expenses" shall be borne by the Company and amortised in accordance with the provisions of the Prospectus.

### 3.12 **Miscellaneous**

Additional Funds of the Company may be added in the future with the prior approval of the Central Bank.