1741 Asset Management Funds SICAV
Prospectus

November 2014

An “umbrella” investment company with variable capital organised as a UCITS under the laws of the Grand Duchy of Luxembourg (SICAV), in particular Part I of the Law.

This Prospectus is only valid if accompanied by the Supplement referring to the Sub-Funds in which an investment is to be made.

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Important Information

This Prospectus (which term shall include all references to the Supplement hereto), provides information about the Fund and the Sub-Funds. Prospective investors are required as part of the Account Opening Form to confirm they have read and understood this Prospectus as well as the relevant KIID. The Prospectus contains information which prospective investors ought to know before investing in the Fund and should be retained for future reference. Further copies may be obtained from the Fund or from the Shareholder Services Agent at their respective addresses set out in the “Directory”. The relevant KIID, the most recent annual report and any subsequent semi-annual report of the Fund are also available free of charge on request.

The Fund draws the investors’ attention to the fact that any investor will only be able to fully exercise his investor rights directly against the Fund, notably the right to participate in general shareholders’ meetings if the investor is registered himself and in his own name in the shareholders’ register of the Fund. In cases where an investor invests in the Fund through an intermediary investing into the Fund in his own name but on behalf of the investor, it may not always be possible for the investor to exercise certain shareholder rights directly against the Fund. Investors are advised to take advice on their rights.

The Fund is offering Shares of its Sub-Funds on the basis of the information contained in this Prospectus and in the documents referred to herein. No person has been authorised to give any information or to make any representations other than those contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorised. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any such Shares other than the Shares to which it relates or an offer to sell or the solicitation of an offer to buy such Shares by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Fund since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Board of Directors of the Fund has taken reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which makes misleading any statement herein, whether of fact or opinion. The Directors accept responsibility accordingly.

This Prospectus may be translated into other languages provided that such translation shall be a direct translation of the English text and in the event of a dispute, the English language version shall prevail. All disputes as to the terms thereof shall be governed by, and construed in accordance with, the laws of the Grand Duchy of Luxembourg.

The Fund is an “umbrella fund” enabling investors to choose between one or more investment objectives by investing in one or more separate Sub-Funds offered by the Fund. As of the date of this Prospectus, the Fund is offering Shares in the Sub-Funds described in the Supplement. The Board of Directors of the Fund may from time to time decide to create additional Sub-Funds and additional Classes of Shares in existing Sub-Fund(s). In such an event, this Prospectus will be updated and amended so as to include detailed information on the new Sub-Funds and/or Classes of Shares. Such updated and amended Prospectus will not be circulated to existing Shareholders except in connection with their subscription for Shares of such Sub-Funds.

Investors may, subject to applicable law, invest in any Sub-Fund offered by the Fund. Investors should choose the Sub-Fund that best suits their specific risk and return expectations as well as their diversification needs and are encouraged to seek independent advice in that regard.

A separate pool of assets will be maintained for each Sub-Fund and will be invested in accordance with the investment policy applicable to the relevant Sub-Fund in seeking to achieve its investment objective. The Board of Directors may, however, decide to manage a part of or the entire assets of one or more Sub-Funds in combination with assets that belong to other Sub-Funds. The net asset value and the performance of the Shares of the different Sub-Funds and Classes thereof are expected to differ. It should be remembered that the price of Shares and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated investment objective of a Sub-Fund will be achieved.

The distribution of this Prospectus and the offering of the Shares is restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or the person making the offer or solicitation is not qualified to do so or a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Shares to inform himself or herself about and to observe all applicable laws and regulations of relevant jurisdictions. Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions and/or exchange control requirements that they might encounter under the laws of the countries of their citizenship, residence, or domicile and that might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of Shares of a Sub-Fund.

Luxembourg – The Fund is registered in Luxembourg pursuant to Part I of the Law as described in the Law. However, such registration does not require any Luxembourg authority to approve or disapprove either the adequacy or accuracy of this Prospectus or the assets held in the various Sub-Funds of the Fund. Any representations to the contrary are unauthorised and unlawful.

European Union – The Fund qualifies as a UCITS under Council Directive 2009/65/EC. Further details of which are available from the Shareholder Services Agent whose address is set out in the Directory on page 17 of this Prospectus.

US – The Shares offered hereunder have not been and will not be registered under the United States Securities Act of 1933 for offer or sale as part of their distribution and the Fund has not been and will not be registered under the United States Investment Company Act of 1940. Therefore, subject to the ultimate discretion of the Board of Directors, the Shares may not be offered or sold to or for the benefit of a US Person, as such term is defined herein and in the Articles. The Articles provide that the Fund may mandatorily redeem any Shares that are transferred, or attempted to be transferred, to or for the benefit of any US Person.

The Foreign Account Tax Compliance Act ("FATCA"), a portion of the 2010 Hiring Incentives to Restore Employment Act, became law in the United States in 2010. It requires financial institutions outside the US ("foreign financial institutions" or "FFIs") to pass information about "Financial Accounts" held by "Specified US Persons", directly or indirectly, to the US tax authorities, the Internal Revenue Service ("IRS") on an annual basis. A 30% withholding tax is imposed on certain US source income of any FFI that fails to comply with this requirement. On 28 March 2014, the Grand-Duchy of Luxembourg entered into a Model 1 Intergovernmental Agreement ("IGA") with the United States of America and a memorandum of understanding in respect thereof. The Fund would hence have to comply with such Luxembourg IGA, once the IGA has been implemented into Luxembourg law in order to comply with the provisions of FATCA rather than directly complying with the US Treasury Regulations implementing FATCA. Under the IGA, the Fund may be required to collect information aiming to identify its direct and indirect Shareholders that are Specified US Persons for FATCA purposes ("reportable accounts"). Any such information on reportable accounts provided to the Fund will be shared with the Luxembourg tax authorities which will exchange that information on an automatic basis with the Government of the United States of America pursuant to Article 28 of the convention between the Government of the United States of America and the Government of the Grand-Duchy of Luxembourg for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes in Income and Capital, entered into in Luxembourg on 3 April 1996. The Fund intends to comply with the provisions of the Luxembourg IGA to be deemed compliant with FATCA and will thus not be subject to the 30% withholding tax with respect to its share of any such payments attributable to actual and deemed U.S. investments of the Fund. The Fund will continually assess the extent of the requirements that FATCA and notably the Luxembourg IGA places upon it. As from the date of signature of the Luxembourg IGA and until the Grand Duchy of Luxembourg has implemented the national procedure necessary for the entry into force of the IGA, the United States Department of the Treasury will treat the Fund as complying with and not subject to the FATCA Withholding.

To ensure the Fund's compliance with FATCA and the Luxembourg IGA in accordance with the foregoing, the Fund may:

a. request information or documentation, including W-8 tax forms, a Global Intermediary Identification Number, if applicable, or any other valid evidence of a Shareholder's FATCA registration with the IRS or a corresponding exemption, in order to ascertain such Shareholder's FATCA status;

b. report information concerning a Shareholder and his account holding in the Fund to the Luxembourg tax authorities if such account is deemed a US reportable account under the Luxembourg IGA; and

c. deduct applicable US withholding taxes from certain payments made to a Shareholder by or on behalf of the Fund in accordance with FATCA and the Luxembourg IGA.

Directory

The following are separate Sub-Funds of the Fund.

Equity Sub-Funds	Share Class	Currency	Initial issue Price	Launched
1741 (Lux) Equity Active Indexing World				
LU0321178484	Base	EUR	EUR 100	31 October 2007
LU0343498860	Other Currency Shares – CHF Shares	CHF	CHF 100	15 October 2009
LU0321179029	I EUR	EUR	EUR 100	6 November 2007
LU0321179458	IX EUR	EUR	EUR 100	28 September 2007
LU0340404358	IXL EUR	EUR	EUR 100	TBD
1741 (Lux) Equity Dynamic Indexing World				
LU0708116933	Base	EUR	EUR 100	tbd
LU0708117154	Other Currency Shares – CHF Shares	CHF	CHF 100	tbd
LU0708118129	I CHF	CHF	CHF 100	30 November 2011
LU0708118715	IX CHF	CHF	CHF 100	30 November 2011
LU1078392245	IX USD	USD	USD 100	tbd
LU0997291124	N CHF	CHF	CHF 100	17 December 2013
1741 (Lux) Equity Active Indexing Emerging Markets				
LU0321187717	Base	USD	USD 241.40*****	31 October 2007

(*****) 1741 (Lux) Equity Active Indexing Emerging Markets was launched with (**SIK**) Subscription in Kind on 31 October 2007 and the Initial issue Price corresponds to the first net asset value published on Monday, 5 November 2007.

Equity Sub-Funds	Share Class	Currency	Initial issue Price	Launched
1741 (Lux) Equity Active Indexing All Country World				
LU0334440103	Base	EUR	EUR 100	15 February 2008
LU0343496815	Other Currency Shares – CHF Shares	CHF	CHF 100	15 February 2008
LU0334440798	I EUR	EUR	EUR 100	24 August 2009
LU0334440871	IX EUR	EUR	EUR 100	31 December 2007
Notenstein Sustainable Equity Europe				
Tbd	Base	EUR	EUR 100	tbd
Tbd	C EUR	EUR	EUR 100	tbd

LU0995510541	I EUR	EUR	EUR 100	13 December 2013
LU0995510624	IZ EUR	EUR	EUR 100	13 December 2013
Tbd	PZ EUR	EUR	EUR 100	tbd

Notenstein Sustainable Water

LU0995510970	Base	EUR	EUR 100	13 December 2013
Tbd	C EUR	EUR	EUR 100	tbd
LU0995511192	I EUR	EUR	EUR 100	13 December 2013
Tbd	IZ EUR	EUR	EUR 100	tbd
Tbd	PZ EUR	EUR	EUR 100	tbd

Notenstein Sustainable Equity World

LU0995511358	Base	EUR	EUR 100	13 December 2013
Tbd	C EUR	EUR	EUR 100	tbd
LU0995511432	I EUR	EUR	EUR 100	13 December 2013
Tbd	IZ EUR	EUR	EUR 100	tbd
Tbd	PZ EUR	EUR	EUR 100	tbd

Notenstein (Lux) Sustainable World ex Switzerland

LU0995511606	IZ EUR	EUR	EUR 100	13 December 2013

Fixed Income Sub-Funds	**Share Class**	**Currency**	**Initial issue Price**	**Launched**

Notenstein Sustainable Bond EUR

Tbd	Base	EUR	EUR 100	tbd
Tbd	C EUR	EUR	EUR 100	tbd
LU0995511788	I EUR	EUR	EUR 100	13 December 2013
LU0995511945	IZ EUR	EUR	EUR 100	13 December 2013
Tbd	PZ EUR	EUR	EUR 100	tbd

Notenstein (Lux) Sustainable Bond International ex CHF

LU0995512083	IZ EUR	EUR	EUR 100	13 December 2013

Specialist Sub-Funds	Share Class	Currency	Initial issue Price	Launched
1741 (Lux) Global Risk Diversification				
LU0466440772	Base	EUR	EUR 100	30 November 2009
LU0466440855	Other Currency Shares – CHF Shares FX Hedged	CHF	CHF 100	30 April 2010
LU0466441077	Other Currency Shares – USD Shares FX Hedged	USD	USD 100	13 August 2012
LU0466441234	A EUR	EUR	EUR 100	19 November 2010
LU0466441317	A CHF FX Hedged	CHF	CHF 100	19 November 2010
LU0466441580	I EUR	EUR	EUR 100	19 December 2011
LU0466441820	I CHF FX Hedged	CHF	CHF 100	tbd
LU0466442398	IX EUR	EUR	EUR 100	26 November 2010
LU0466442554	IX CHF FX Hedged	CHF	CHF 100	30 November 2009
LU0466442638	IX USD FX Hedged	USD	USD 100	9 January 2012
LU0716975338	IXL EUR	EUR	EUR 100	8 April 2013
LU0888108056	IXXL EUR	EUR	EUR 114.21	25 March 2013
LU0716975684	IZ EUR	EUR	EUR 100	30 December 2011
tbd	IZ CHF FX Hedged	CHF	tbd	tbd
LU0997291637	N CHF FX Hedged	CHF	CHF 100	tbd
1741 (Lux) Multi-Strategy				
LU0434907969	Base	EUR	EUR 85.18	30 September 2009
LU0434908009	Other Currency Shares – CHF Shares FX Hedged	CHF	CHF 84.67	30 September 2009
LU0434908777	IX USD FX Hedged	USD	USD 100	20 November 2009
Notenstein Sustainable Conservative Allocation EUR				
Tbd	Base	EUR	EUR 100	tbd
Tbd	C EUR	EUR	EUR 100	tbd
LU0995512240	I EUR	EUR	EUR 100	13 December 2013
Tbd	IZ EUR	EUR	EUR 100	tbd
Tbd	PZ EUR	EUR	EUR 100	tbd
Notenstein Sustainable Portfolio EUR Plus				
LU0995512323	I EUR	EUR	EUR 100	tbd

1741 Asset Management Funds SICAV

Registered Office:
c/o Citibank International Plc
(Luxembourg Branch)
31, ZA Bourmicht
L-8070 Bertrange
G.D. Luxembourg

Custodian and Paying Agent

Citibank International plc
(Luxembourg Branch)
31, ZA Bourmicht
L-8070 Bertrange
G.D. Luxembourg

Administrator, Domiciliary Agent and Listing Agent

Citibank International plc
(Luxembourg Branch)
31, ZA Bourmicht
L-8070 Bertrange
G.D. Luxembourg

Registrar and Transfer Agent

Citibank International plc
(Luxembourg Branch)
31, ZA Bourmicht
L-8070 Bertrange
G.D. Luxembourg

Management Company

RBS (Luxembourg) S.A.
33, rue de Gasperich
L-5826 Hesperange
G.D. Luxembourg

Auditors

Deloitte Audit, Société à Responsabilité Limitée
560, rue de Neudorf
L-2220 Luxembourg
G.D. Luxembourg

Shareholder Services Agent

1741 Asset Management Ltd.
Bahnhofstrasse 8
9001 St. Gallen
Switzerland

Legal Advisors to the Fund

Elvinger, Hoss and Prussen
2, Place Winston Churchill
L-1340 Luxembourg
G.D. Luxembourg

Investment Managers

1741 Asset Management Ltd.
Bahnhofstrasse 8
9001 St. Gallen
Switzerland

Notenstein Private Bank Ltd.
Bohl 17
9004 St. Gallen
Switzerland

Definitions

In this Prospectus, unless more particularly defined herein, the following words and phrases shall have the following meanings:

1741 Asset Management Ltd.	means 1741 Asset Management Ltd., a registered management company in Switzerland (registered address Bahnhofstrasse 8, 9001 St. Gallen, Switzerland), its subsidiaries and affiliates;
1741 Shares	means Shares of any Share Class of any Sub-Fund issued by the Fund as described in this Prospectus and managed by 1741 Asset Management Ltd.;
A Shares	means those Shares as described in further detail on page 16 of the Prospectus;
B Shares	means those Shares as described in further detail on page 16 of the Prospectus;
C Shares	means those Shares as described in further detail on page 16 of the Prospectus;
Absolute VaR Approach	means a method of calculation of global exposure as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512;
Account Opening Form	means the standard account opening agreement to be completed and signed by a prospective Shareholder in such form as is prescribed by the Fund from time to time;
Accumulation Shares	means those Shares providing for the net income earned to be retained in the net asset value of the Share and representing such number of Shares in the capital of the Fund as is equal to a Share issued at subscription and increased by the amount of retained net income proportionately equal to that paid on Distribution Shares in respect of each intervening accounting period;
Administrator	means Citibank International plc (Luxembourg Branch) as is engaged by the Fund to act as administrator from time to time;
Articles	means the Articles of Incorporation of the Fund;
Base Currency	means the base currency of a Sub-Fund as detailed in this Prospectus;
Base Shares	means those Shares as described in further detail on page 16 of the Prospectus;
Board of Directors	means the board of directors of the Fund or any duly appointed committee thereof;
Business Day	means for each Sub-Fund those days when all of the following apply: (i) banks are open for business the whole day in Luxembourg as well as in the cantons of St. Gallen and Zurich, Switzerland; and (ii) the Luxembourg Stock Exchange is open for business;
CHF	means the legal currency of Switzerland;
Citibank	Citibank International plc (Luxembourg Branch) is a bank incorporated as a public limited company under the laws of England and Wales, having its registered office at 31, ZA Bourmicht, L-8070 Bertrange, G.D. Luxembourg;
CPASA Agreement	means the Custodian and Paying Agent Services Agreement between the Fund and the Custodian, as may be amended by written agreement between the parties from time to time;
CSSF	means the Luxembourg Commission de Surveillance du Secteur Financier;
Commitment Approach	means a method of calculation of global exposure as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512;

Custodian	means Citibank International plc (Luxembourg Branch) as is engaged by the Fund to act as custodian of the assets of the Fund from time to time;
Cut-off Time	for the placement of subscription, redemption or conversion orders shall be such time as detailed in this Prospectus and its Supplement for each specific Sub-Fund;
Dealing Form	means the standard trade instruction to be completed and signed by an existing Shareholder for the purpose of subsequent investments, redemptions and conversions of Shares in such form as is prescribed by the Fund from time to time;
Distribution Agreement	means an agreement between the Management Company and any party properly appointed by the Management Company for the purpose of distributing Shares of the Fund, as may be amended by written agreement between the parties from time to time;
Distribution Shares	means those Shares providing for the payment of net income earned and attributable to the Share at the date on which such income is to be distributed (see “Dividend Policy” on page 67 of the Prospectus);
Distributor	means any appointee, being a suitably qualified and regulated financial sector professional as may be engaged by the Management Company to act as distributor from time to time;
Equity Sub-Fund(s)	means those Sub-Funds as are more particularly described at “Equity Sub-Funds” below and in the Supplement;
EU	means the European Union;
EUR	means the legal currency of those EU Member States participating in the Euro;
FASA Agreement	means the Fund Administration Services Agreement between the Fund, the Management Company and the Administration Agent, as may be amended by written agreement between the parties from time to time;
Fixed Income Sub-Fund(s)	means those Sub-Funds as are more particularly described at "Fixed Income Sub-Funds" below and in the Supplement;
Fund	means 1741 Asset Management Funds SICAV, an undertaking for collective investment organised under the laws of the Grand Duchy of Luxembourg and established as an “umbrella fund” comprised of several Sub-Funds;
Fund Management Company Agreement	means the agreement between the Fund and RBS (Luxembourg) S.A. for the designation as management company of the Fund within the meaning of the Law;
GBP	means the legal currency of the United Kingdom;
Hedged Share Class	means, in the case of a currency hedged (FX Hedge) Share Class, a Class of Shares of a Sub-Fund denominated in a non-Base Currency in respect of which the Fund seeks to hedge the net asset value of the Sub-Fund attributable to such Class into the non-Base Currency, or, in the case of a market exposure hedged (Beta Hedge) Share Class, a Class of Shares of a Sub-Fund in respect of which the Fund seeks to dynamically hedge the market risk exposure of the net asset value of the Sub-Fund attributable to such Class utilising the Sub-Fund’s Benchmark as best proxy for the market risk;
Index	means a particular financial index, whereas such particular financial index will be explicitly listed in the investment policy of a Sub-Fund;

Institutional Shares (“I”, “IX”, “IXL”, “IXXL”, “IZ”, “N”)	means those Shares (“I”, “IX”, “IXL”, “IXXL”, “IZ”,“N”) as described in further detail on page 16 of the Prospectus;
Investment Grade	means, in respect of securities, securities rated at the time of investment at least BBB- by S&P or Fitch or Baa3 by Moody’s, except for commercial paper which must be rated at least A-2 by S&P, F-2 by Fitch or Prime-2 by Moody’s;
Investment Management Agreement(s)	means the investment management agreement between the Fund, the Management Company and the respective Investment Manager, or both, as the case may be, as may be amended by written agreement between the parties from time to time;
Investment Manager(s)	means 1741 Asset Management Ltd. or Notenstein Private Bank Ltd., or both, as the case may be, as more particularly described herein;
JPY	means the legal currency of Japan;
KIID	means key investor information document as defined by the Law and applicable laws and regulations;
Law	means the Luxembourg Law of 17 December 2010 on undertakings for collective investment, as may be amended;
Management Fee	means the investment management fee paid by the Fund to the respective Investment Manager under the respective Investment Management Agreement and as more particularly described in the Supplement;
Management Company	means RBS (Luxembourg) S.A. a management company subject to chapter 15 of the Law, having its registered office at 33, rue de Gasperich, L-5826 Hesperange, G. D. Luxembourg;
Member State	means a member state as defined in the Law;
Money Market Instruments	means instruments normally dealt with on the money markets which are liquid and have a value which can be accurately determined at any time;
Moody’s	means Moody’s Investor Service;
Non-Investment Grade	means, in respect of securities, securities rated below securities which are of Investment Grade;
Notenstein Private Bank Ltd.	means Notenstein Private Bank Ltd., a registered bank in Switzerland (registered address Bohl 17, 9004 St. Gallen, Switzerland), its subsidiaries and affiliates;
Notenstein Shares	means Shares of any Share Class of any Sub-Fund issued by the Fund as described in this Prospectus and managed by Notenstein Private Bank Ltd.;
OECD	means the Organisation for Economic Co-operation and Development;
Other Currency Shares	means those Shares as described in further detail on page 16 of the Prospectus;
Paying Agent	means Citibank International plc (Luxembourg Branch) or any other appointee as is engaged by the Fund to act as a paying agent from time to time;
Performance Fee	means the performance fee paid by the Fund to the respective Investment Manager under the respective Investment Management Agreement and as more particularly described in the Supplement;
Permitted Fund	means, in respect of an investment by a Sub-Fund , an investment in a UCI or such other eligible or permitted fund as may be allowed under the Law;
Permitted Investments	means those Transferable Securities, Money Market Instruments, Permitted Funds, deposits, financial derivative instruments and other investments in which the Fund may invest pursuant to the Law, its Articles and the present Prospectus;

Primarily	means, where referring to a Sub-Fund's investment objective or investment policy, at least two thirds of the assets (excluding cash and cash-equivalents) of that Sub-Fund unless expressly stated to the contrary in respect of a Sub-Fund;
Prospectus	means this prospectus, together with any Supplement thereto;
Purchase Date	means with respect to a Class of Shares of each Sub-Fund, a Business Day on which Shares can be purchased by a Shareholder as more particularly described herein;
RBSL	means the Management Company;
Redemption Date	means with respect to a Class of Shares of each Sub-Fund, a Business Day on which Shares are redeemed by a Shareholder as more particularly described herein;
Regulated Market	means the market defined in item 1.14 of article 4 of the Directive 2004/39/EC, as amended and such other markets designated as regulated markets from time to time by the CSSF;
Relative VaR Approach	means a method of calculation of global exposure as detailed in applicable laws and regulations, including but not limited to CSSF Circular 11/512;
Sales Charge	means a charge in respect of a subscription for Shares which may be deducted from subscription proceeds by a distributor;
Shareholder Services Agent	means 1741 Asset Management Ltd. or such other appointee as is engaged by the Fund to provide certain marketing, administrative and other on-going functions to the Fund, its Shareholders and agents from time to time;
Shares	means Shares of any Share Class of any Sub-Fund issued by the Fund as described in the Prospectus or the Articles;
Shareholder	means any holder of Share;
Share Class/Class of Shares	means any Share Class or Class of Shares of any Sub-Fund issued by the Fund as described in the Prospectus or the Articles;
Specialist Sub-Fund(s)	means each of those Sub-Funds as are more particularly described at "Specialist Sub-Funds" below and in the Supplement;
Standard & Poor's or S&P	means Standard & Poor's Corporation;
Sub-Fund	means each distinct sub-fund of the Fund as more particularly described herein;
Subscription/ Redemption Fee credited to the Sub-Fund	means an amount charged to investors instructing subscriptions, redemptions and conversions of Shares. The amount will be credited to the relevant Sub-Fund(s) to compensate for the bid/offer spreads, market impact and other costs resulting from the related transactions to prevent the dilution of such transaction costs amongst other investors;
Supplement	means each supplement to this Prospectus, the purpose of which is to describe in more detail one or more Sub-Funds of the Fund;
Swinging Single Pricing (SSP)	means a method of counteracting dilution. It passes on the cost of underlying capital activity to the dealing shareholders and thus protects long term investors from costs associated with capital movements;
Swing Factor	means the percentage by which the net asset value is increased or decreased when the Swinging Single Pricing (SSP) is applied;

Transferable Securities	means: 1. shares and other securities equivalent to shares ("equities"); 2. bonds and other debt instruments ("bonds"); 3. any other negotiable securities, which carry the right to acquire any such transferable securities by subscription or exchange; excluding those techniques and instruments referred to in Appendix A of the Prospectus;
UCI	means an undertaking for collective investment within the meaning of the first and second indent of Article 1 (2) of Council Directive 2009/65/EC, whether situated in a Member State or not, provided that: 1. such UCI is authorised under laws which provide that it is subject to supervision that is considered by the CSSF to be equivalent to that laid down in EU law, and that cooperation between authorities is sufficiently ensured; 2. the level of guaranteed protection for unit-holders in such UCI is equivalent to that provided for unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending, and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of Council Directive 2009/65/EC, as may be amended; 3. the business of such UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period;
UCITS	means an Undertaking for Collective Investment in Transferable Securities as defined in Council Directive 2009/65/EC and the Law;
US or the United States	means the United States of America;
USD	means the legal currency of the US;
US Person	means such person as is designated as a US Person for the purposes of Regulation S of the Securities Act of 1933 from time to time and which, as at the date of this Prospectus, includes the following: any natural person resident in the United States; any partnership or corporation organised or incorporated under the laws of the United States; any estate of which any executor or administrator is a US person; any trust of which any trustee is a US person; any agency or branch of a foreign entity located in the United States; any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and any partnership or corporation if: (i) organised or incorporated under the laws of any foreign jurisdiction; and (ii) formed by a US person principally for the purpose of investing in securities not registered under the Securities Act of 1933, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act of 1933) who are not natural persons, estates or trusts; and
Valuation Date	means with respect to a Class of Shares of each Sub-Fund, a Business Day for which a net asset value per share is determined as further described herein.

1. Description of Share Classes

The Share Classes described below may be made available as Accumulation Shares and/or as Distribution Shares. Please refer to the Supplement for further details.

1.1. Base Shares

The Fund may make available a base Share Class denominated in the Base Currency of the relevant Sub-Fund ("Base Shares").

1.2. Other Currency Shares

The Fund may make available Shares denominated in a currency other than the Base Currency of the relevant Sub-Fund (e.g. "CHF Shares", "GBP Shares" or "JPY Shares"). These other currencies are specified in the Supplement. These Other Currency Shares denominated in a non-Base Currency may either be unhedged or hedged as described under "Hedged Share Classes" below. As a result, fluctuations in currency exchange rates may affect the performance of such Shares independently of the performance of the relevant Sub-Fund's investments.

1.3. "A" Shares

The Fund may make available "A" Shares denominated in the Base Currency or in any other currency as may be decided by the Board of Directors. Non-Base Currency "A" Shares may either be unhedged or hedged. "A" Shares will only be available through appointed distributors. Such distributors will receive an additional quarterly distribution fee payable from the assets of the "A" Share Class in the relevant Sub-Fund at a rate of up to 1.00% per annum of the average daily net assets attributable to the appointed distributors of such "A" Shares.

1.4. "B" Shares

The Fund may make available "B" Shares denominated in the Base Currency or in any other currency as may be decided by the Board of Directors. Non-Base Currency "B" Shares may either be unhedged or hedged. "B" Shares will only be available through appointed distributors. Such distributors will receive an additional quarterly distribution fee payable from the assets of the "B" Share Class in the relevant Sub-Fund at a rate of up to 0.50% per annum of the average daily net assets attributable to the appointed distributors of such "B" Shares.

1.5. "C" Shares

The Fund may make available "C" Shares denominated in the Base Currency or in any other currency as may be decided by the Board of Directors. Non-Base Currency "C" Shares may either be unhedged or hedged. "C" Shares will only be available through supervised financial intermediaries domiciled in Switzerland or independent asset managers domiciled in Switzerland. Such distributors will receive no distribution fee for the promotion and distribution of Class "C" Shares.

1.6. "PZ" Shares

The Fund may make available "PZ" Shares denominated in the Base Currency or in any other currency as may be decided by the Board of Directors. Non-Base Currency "PZ" Shares may either be unhedged or hedged. "PZ" Shares will only be available to investors having entered into a written asset management agreement or a written consulting agreement with Notenstein Private Bank Ltd or one of its authorised counterparties.

1.7. Institutional Shares ("I", "IX", "IXL", "IXXL", "IZ","N")

The Fund may make available Institutional Shares "I", "IX", "IXL", "IXXL", "IZ" and "N" denominated in the Base Currency or in any other currency as may be decided by the Directors. Non-Base Currency Institutional Shares "I", "IX", "IXL", "IXXL", "IZ" or "N" may be either unhedged or hedged. Investors should note that the sale and transfer of the Institutional Shares "I", "IX", "IXL", "IXXL", "IZ" and "N" of the Fund are restricted to persons that can provide sufficient evidence that they qualify as institutional investors within the meaning of the Law and who satisfy the minimum investment threshold for the relevant Sub-Fund. In considering the qualification of a subscriber or a transferee as an institutional investor, the Board of Directors shall give due consideration to the guidelines or recommendations of the CSSF. The fees for the specific Institutional Share Classes "I", "IX", "IXL", "IXXL" and "N" are applied as set out in the Supplement. "IZ" Shares will be subject to a different fee scheme determined on an individual basis and are only available to investors having entered into a suitable agreement with the respective Investment Manager. “N” Shares are only available to investors having entered into a written asset management agreement or a written consulting agreement with Notenstein Private Bank Ltd or one of its authorised counterparties.

1.8. Hedged Share Classes

The Fund may make available Hedged Share Classes in certain of the Sub-Funds seeking to hedge the exchange rate exposure (FX Hedge) or the market risk exposure (Beta Hedge) of the net asset value of the Sub-Fund attributable to such Share Class. However, investors should be aware that a variety of techniques may be used to hedge such Shares and that such hedging may involve additional risks. In the case of Equity Sub-Funds which issue FX Hedged Shares, the respective Investment Manager will utilise various techniques (Please see Appendix B – “Special Investment Techniques”) to seek to hedge the exposure of the Sub-Fund to movement in the non-Hedged Share Class Currency exposure into that of the relevant FX Hedged Share Class. Any costs incurred in such hedging will be borne by such FX Hedged Share Classes. Since there is no legal segregation of liabilities between Share Classes, there is a remote risk that, under certain circumstances, currency hedging transactions in relation to one Share Class could result in liabilities which might affect the net asset value of the other Share Classes of the same Sub-Fund.

In the case of the Fixed Income Sub-Funds which issue FX Hedged Shares, the Investment Managers believe that in addition to exposure to movements in the currency of the FX Hedged Share Class, investors may prefer to be exposed to movement in the interest rates in the market(s) of the non-Base Currency of the FX Hedged Share Class. Certain Fixed Income Sub-Funds which offer FX Hedged Shares Classes may, through the use of various techniques (Please see Appendix B – “Special Investment Techniques”), seek to hedge such Sub-Fund both in respect of exchange rate exposure and interest rate exposure. The current strategy of the Investment Managers in this regard for those Fixed Income Sub-Funds which issue FX Hedged Shares is described in more detail in the Supplement.

In the case of Dynamically Beta Hedged Share Classes, the respective Investment Manager will utilise various techniques (please see Appendix B – “Special Investment Techniques”) to seek to dynamically hedge the market risk exposure of the net asset value of the Sub-Fund attributable to such Dynamically Beta Hedged Share Classes utilising the Sub-Fund’s Benchmark as best proxy for the market risk. Any costs incurred in such hedging will be borne by such Dynamically Beta Hedged Share Classes. Given that there is no segregation of liabilities between Share Classes, there is a remote risk that, under certain circumstances, beta hedging transactions in relation to one Share Class could result in liabilities which might affect the net asset value of the other Share Classes of the same Sub-Fund.

There is no assurance or guarantee that such hedging will be effective; see **“Risk Considerations”** below. Investors should also note that the hedging of Hedged Share Classes by the respective Investment Manager is distinct from the various strategies that the respective Investment Manager may implement at a portfolio level to manage risk in each Sub-Fund. For example, in relation to those various strategies, the respective Investment Manager may, at its discretion, seek from time to time to hedge perceived interest rate risks as part of its overall management strategy.

2. The Fund

1741 Asset Management Funds SICAV is a public limited company ("société anonyme") qualifying as an investment company organised with variable share capital within the meaning of Part 1 of the Law. The Fund's registered office is at 31, ZA Bourmicht, L-8070 Bertrange, Luxembourg. The Fund was incorporated as an "umbrella" SICAV under the name of "Wegelin (Lux) Funds SICAV" on 7 September 2007 and was published in the Mémorial C. Recueil des Sociétés et Associations (the "Mémorial"), on 25 September 2007. The Articles were amended for the last time on 29 May 2012. The name was changed with effect on 29 May 2012 from Wegelin Asset Management Funds SICAV to 1741 Asset Management Funds SICAV.

The Fund is recorded at the Luxembourg Registre de Commerce et des Sociétés under registration reference B 131 432.

The Fund is incorporated for an unlimited period and has appointed RBS (Luxembourg) S.A. to act as its management company in accordance with the Law under the ultimate responsibility of the Board of Directors.

Any interested person may inspect the incorporation documents at the *Registre de Commerce et des Sociétés*; copies are available on request at the registered office of the Fund.

The minimum capital required by law is EUR 1,250,000 (one million two hundred and fifty thousand Euros).

The Fund is open-ended, which means that it may, at the request of Shareholders as described herein, redeem its Shares at prices based on the applicable net asset value.

There can be no assurance that any other Sub-Funds will be created by the Board of Directors or, if created, that existing Shareholders will be granted pre-emptive rights to purchase Shares in such new Sub-Fund or that Shares of the new Sub-Fund shall be offered for sale in the same jurisdiction.

3. Investment Objectives and Policies

The Fund presently comprises a number of Sub-Funds as more specifically described in the Supplement. There can be no assurance or guarantee that a Sub-Fund’s investments will be successful or its investment objectives will be achieved. Please refer to the “Risk Considerations” in this Prospectus and in the Supplement describing a Sub-Fund for a discussion of those factors that should be considered when investing in that Sub-Fund.

Each Sub-Fund’s investment objective and policies may be changed without a vote of its Shareholders. If there is a change in a Sub-Fund’s investment objective or policies, Shareholders should consider whether the Sub-Fund remains an appropriate investment in light of their then current financial positions and needs. The Fund will amend this Prospectus to reflect any change in a Sub-Fund’s investment objective and policies as set out herein. Shareholders shall be notified in writing of any material changes to a Sub-Fund’s investment objective and policy.

The Sub-Funds may hold ancillary liquid assets (which, for the avoidance of doubt, shall not include commercial papers) and, in exceptional and temporary circumstances, may hold liquid assets in excess of such restriction, provided that the Directors consider this to be in the best interests of the Shareholders.

3.1 Equity Sub-Funds

The investment objective of each Equity Sub-Fund is long-term capital appreciation through the investment in any Permitted Investments.

Subject to the terms of the Prospectus (and, in particular, Appendices A and B) and the Supplement, the Equity Sub-Funds may engage in transactions in financial derivative instruments as part of their general investment policy and/or for hedging purposes. Please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” below.

Each Equity Sub-Fund listed in the Supplement will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments, which includes common stock, preferred stock, American Depository Receipts (“ADRs”), European Depository Receipts (“EDRs”) and Global Depository Receipts (“GDRs”).

Each Equity Sub-Fund listed in the Supplement may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds, money market instruments or other fixed income instruments.

Indirect investments encompass financial derivative instruments, units or shares of equity related UCITS or UCIs or structured products whose underlying assets are equities. For the purpose of calculating the above two thirds or one third, indirect investments are considered on a transparent basis. To the extent that liquid assets or short-term fixed income instruments cover commitments from financial derivative instruments whose underlying assets are equities, they shall be taken into account in calculating the above two thirds.

If the Equity Sub-Funds gain exposure to equity risk using financial derivative instruments, the Equity Sub-Funds will normally have their exposure to equities using equity futures, contracts for differences (“CFDs”), e.g. total return swaps (equity swaps), options or similar financial derivative instruments. The financial derivative instruments can be both over-the-counter (“OTC”) as well as exchange traded. Subject always to the principles described above, Shareholders should be aware that there may be exposure, including both net long and net short economic exposures, to countries, regions, sectors or currencies that are not referred to in the Sub-Fund’s name or investment objective as a consequence of the use of financial derivative instruments. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale.

For example: Each Sub-Fund may invest using CFDs. The value of the principal of and/or interest on such CFDs is determined by reference to changes in the value of specific indices or the relative change in two or more indices. The net outcome upon maturity or settlement may be positive or negative depending upon changes in the applicable reference indices. CFDs may be positively or negatively indexed, so that appreciation of the reference indices may produce a net income or net payment respectively upon maturity or settlement.

If the Equity Sub-Funds gain exposure to equity risk using units or shares of equity related UCITS or UCIs, each Equity Sub-Fund will not invest more than 10% of its net assets in any undertakings for collective investment, unless otherwise stated for specific Sub-Funds in the Supplement.

3.2 Fixed Income Sub-Funds

The investment objective of each Fixed Income Sub-Fund is long-term capital appreciation through the investment in any Permitted Investments.

Each Fixed Income Sub-Fund listed in the Supplement will invest at least two thirds of its total assets directly or indirectly in bonds or similar debt instruments.

Each Fixed Income Sub-Fund listed in the Supplement may invest up to 10% of its total assets directly or indirectly in shares or other equity instruments and up to 25% of its total assets in convertible bonds or bonds with warrants. To the extent that these financial instruments cover commitments from financial derivative instruments whose underlying assets are bonds or similar debt instruments, they shall not be taken into account in calculating the limits above. Investments in equities and convertible instruments shall in aggregate not exceed one third of the total assets of a Fixed Income Sub-Fund. To the extent that these financial instruments cover commitments from financial derivative instruments whose underlying assets are bonds or similar debt instruments, they shall not be taken into account in calculating the limit above.

Indirect investments encompass financial derivative instruments, structured products or other instruments whose underlying assets are fixed income instruments or units or shares of UCIs. For the purpose of calculating the above two thirds or one third, indirect investments are considered on a transparent basis. To the extent that liquid assets or other Permitted Investments cover commitments from financial derivative instruments whose underlying assets are bonds or similar debt instruments, they shall be taken into account in calculating the above two thirds.

If Fixed Income Sub-Funds gain their exposure to bonds and similar debt instruments risk using financial derivative instruments, each Fixed Income Sub-Fund listed in the Supplement will, under normal market conditions, primarily have its exposure to bonds and similar debt related instruments using futures, contracts for differences (“CFDs”), e.g. interest rate swaps, or similar financial derivative instruments. The financial derivative instruments can be both over-the-counter (“OTC”) as well as exchange traded.

Under normal market conditions, each Fixed Income Sub-Fund will invest its assets primarily in the securities of the country, region, sector and/or currency referred to in the Sub-Fund’s name or as defined by the Sub-Fund’s Benchmark. Subject always to the principles described above, Shareholders should be aware that there may be exposures, including both net long and net short exposures, to other countries, regions, sectors or currencies that are not referred to in the Sub-Fund’s name but are within the investment objective of the relevant Sub-Fund.

Fixed Income Sub-Funds in particular may use certain techniques through the use of financial derivative instruments related to the management of currency, credit and interest rate risks associated with the assets held in the relevant Fixed Income Sub-Fund and may engage in transactions in financial derivative instruments, which may result in both net long and net short exposures, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale. Please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” discussed below and in the relevant Supplement describing the relevant Fixed Income Sub-Funds.

Permitted Investments for the Fixed Income Sub-Funds may, subject to the aforementioned restrictions, include all types of debt securities subject to such limitations as may apply under Luxembourg law and the relevant Sub-Fund’s investment policy, including, but not limited to, fixed and floating rate, senior and subordinated corporate debt obligations (such as bonds, debentures, notes and commercial paper), Money Market Instruments, Brady bonds and other debt issued by governments, their agencies and instrumentalities, or by central banks, convertible debt obligations, loan participations, preferred stock, and reverse repurchase agreements with respect to securities issued by governments and central banks.

If a security is unrated, a Sub-Fund may invest in such a security if such security is determined by the respective Investment Manager to be of comparable credit quality to the rated securities in which the Sub-Fund is permitted to invest.

As part of a Fixed Income Sub-Fund's overall investment policy, and as part of the range of Permitted Investments which may be utilised to generate exposure to fixed income markets, a Fixed Income Sub-Fund may invest directly or indirectly in units or shares of bond related UCITS or UCIs; however, each Fixed Income Sub-Fund will not invest more than 10% of its net assets in any undertakings for collective investment, unless otherwise stated for specific Sub-Funds in the Supplement.

3.3 Specialist Sub-Funds

The investment objectives for the Specialist Sub-Funds are customised for each Specialist Sub-Fund as further detailed in the Supplement.

While certain Specialist Sub-Funds may conform to the investment principles set out in 3.1 or 3.2 herein, where such Sub-Funds may be classified as Equity Sub-Funds or Fixed Income Sub-Funds, respectively, certain Specialist Sub-Funds may not be categorised as Equity Sub-Funds or Fixed Income Sub-Funds and may therefore be subject to other investment principles. These investment principles, in relation to, for example, the proportion of the net assets invested in specific Permitted Investments and/or the proportion of such net assets invested in the country, region, sector and/or currency referred to in the Specialist Sub-Fund's name, are, where relevant, detailed in respect of each Specialist Sub-Fund.

Each Specialist Sub-Fund will have a distinct investment policy making extensive use of financial derivative instruments as further detailed in the Supplement.

Subject to the terms set out herein (and, in particular, Appendices A and B) and the Supplement, the Specialist Sub-Funds may engage in transactions in financial derivative instruments as part of their general investment policy and/or for hedging purposes. Please see Appendix B – "Special Investment Techniques" together with the "Risk Considerations" below.

As part of a Specialist Sub-Fund's overall investment policy, and as part of the range of Permitted Investments which may be utilised to generate market exposure a Specialist Sub-Fund may invest in units or shares of UCIs having similar investment characteristics; however, each Specialist Sub-Fund will not invest more than 10% of its net assets in any undertakings for collective investment, unless otherwise stated for specific Sub-Funds in the Supplement.

4. Risk Considerations

Each Sub-Fund is intended for long-term investors who can accept the risks associated with investing primarily in the investments of the type held in that Sub-Fund. Investors in an Equity Sub-Fund will be subject to the risks associated with equities, the values of which in general fluctuate in response to the activities of individual companies and the general market and economic conditions. In particular, investors should be aware that equity and equity-related investments are subordinate in the right of payment to other corporate securities, including debt securities. Investors should also be aware that the Sub-Funds will be subject to additional risks associated with financial derivative instruments.

Investors in a Fixed Income Sub-Fund will be subject to the risks associated with debt securities, including credit and interest rate risk, and the additional risks associated with high-yield debt securities, loan participations and financial derivative instruments. To the extent that any Sub-Fund invests in a fund or funds, investors will be subject to the risks associated with the underlying fund or funds.

In addition, investors should be aware of currency risk and the risks associated with the management techniques that are expected to be employed by the Sub-Funds. Each Sub-Fund may engage in Special Investment Techniques (please refer to Appendix B for examples of such techniques) for specific investment management purposes. These special investment techniques may involve additional specific risks of which the investor should be aware. Such risks are set out below and in Appendix B – "Special Investment Techniques".

An investment in Shares of a Sub-Fund does not constitute a complete investment programme. Investors may wish to complement an investment in a Sub-Fund with other types of investments.

Whilst some risks will be more relevant to certain Sub-Funds, investors should ensure that they understand all the risks discussed in this Prospectus and the Supplement describing a Sub-Fund, insofar as they may relate to that Sub-Fund.

Investors should read all the Risk Considerations to determine applicability to a specific Sub-Fund in which the investor intends to invest.

The following Risk Considerations detail particular risks associated with an investment in the Fund, which investors are encouraged to discuss with their professional advisors. It does not purport to be a comprehensive summary of all of the risks associated with an investment in the Fund.

4.1 General Risks

Issuers are generally subject to different accounting, auditing and financial reporting standards in different countries. The volume of trading, the volatility of prices and the liquidity of issuers may vary as may government supervision and regulation of securities exchanges, securities dealers and companies. The laws of some countries may limit a Sub-Fund's ability to invest in securities of certain issuers located in those countries or to repatriate amounts so invested.

Different markets also have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Sub-Fund is not invested and no return is earned thereon or the Sub-Fund could miss attractive investment opportunities. Inability to dispose of portfolio securities due to settlement problems could result either in losses to the Sub-Fund due to subsequent declines in value of the sub-fund security or, if the Sub-Fund has entered into a contract to sell the security, could result in possible liability to the purchaser. Certain markets may require payment for securities to be made before delivery, subjecting the Sub-Fund concerned with the accompanying credit risk.

Investments (particularly those made in emerging markets) may be adversely affected by the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments, limitations on the removal of funds or other assets of a Sub-Fund, political or social instability or diplomatic developments. An issuer of securities may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

4.2 Currency and Concentration Risks

Investment in multinational issuers will usually involve currencies of various countries. Therefore the value of the assets of a Sub-Fund as measured in the Sub-Fund's Base Currency will be affected by changes in currency exchange rates, which may affect a Sub-Fund's performance independent of the performance of its securities investments. A Sub-Fund may concentrate its investments in any mix of currencies in accordance with the Sub-Fund's investment objective and investment policies. Concentration in a particular currency will increase a Sub-Fund's exposure to adverse developments affecting the value of such currency, including adverse economic and political developments within those countries. Currency exchange rates may fluctuate significantly causing, along with other factors, a Sub-Fund's net asset value to fluctuate as well. Currency exchange rates can be affected unpredictably by a number of factors, including intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world.

Concentration of the investments of Sub-Funds in any particular countries will mean that those Sub-Funds may be more greatly impacted by adverse social, political or economic events which may occur in such countries.

Certain Sub-Funds may concentrate their investments in companies of certain sectors and will therefore also be subject to the risks associated with such concentration. Such risks may impact all Sub-Funds which invest in particular sectors even in cases where the investment objective is more generic.

4.3 Currency Transactions

The Sub-Funds may, whether or not in respect of Hedged Shares Classes, engage in a variety of currency transactions as described in Appendix B – "Special Investment Techniques". In this regard, spot and forward contracts and over-the-counter options are subject to the risk that counterparties will default on their obligations as these contracts are not guaranteed by an exchange or clearing house. Therefore a default on the contract would deprive a Sub-Fund of unrealised profits, transaction costs and the hedging benefits of the contract or force the Sub-Fund to cover its purchase or sale commitments, if any, at the current market price. To the extent that a Sub-Fund is fully invested in securities while also maintaining currency positions, it may be exposed to a greater combined risk in comparison to investing in a fully invested Sub-Fund (without currency positions). The use of currency transactions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the respective Investment Manager is incorrect in its forecasts of market values and currency exchange rates, the investment performance of a Sub-Fund would be less favourable than it would have been if this investment technique were not used.

4.4 Risks of financial derivative instruments

An investment in financial derivative instruments may involve additional risks for investors. These additional risks may arise as a result of any or all of the following: (i) leverage factors associated with transactions in the Sub-Fund; and/or (ii) the creditworthiness of the counterparties to such financial derivative instrument transactions; and/or (iii) the potential illiquidity of the markets for financial derivative instruments. To the extent that financial derivative instruments are utilised for speculative purposes, the overall risk of loss to the Sub-Fund may be increased. To the extent that financial derivative instruments are utilised for hedging purposes, the risk of loss to the Sub-Fund may be increased where the value of the financial derivative instrument and the value of the security or position which it is hedging are insufficiently correlated.

4.5 Increased Risk from Extended Exposure

The risk resulting from the use of financial derivative instruments may be calculated based on the Commitment Approach or by making use of the Relative VaR Approach or Absolute VaR Approach as detailed for each Sub-Fund in the Supplement. Expected leverage levels as indicated for each Sub-Fund in the Supplement are calculated using the sum of notionals method.

4.6 ISDA Master Agreements

A Sub-Fund may enter into financial derivative instrument transactions of the type governed by the ISDA Master Agreement. The ISDA Master Agreement is a standard agreement commonly used in the financial derivative instruments market, which sets forth key provisions governing the contractual relationship between the parties to such agreement, including each of their rights, liabilities and obligations. If the respective Investment Manager enters into e.g. equity swaps on a Sub-Fund's behalf, it will also need to enter into a Credit Support Annex, which is an annex to the ISDA Master Agreement that is used to document bilateral credit support arrangements between parties for transactions governed by an ISDA Master Agreement, on such Sub-Fund's behalf. Following agreement with a selected counterparty, upon the respective Investment Manager entering into an initial or a further foreign exchange transaction, currency option or, if relevant, interest rate swap on a Sub-Fund's behalf, an ISDA Master Agreement, amended to reflect any negotiated commercial and/or legal points, shall be immediately deemed to be entered into between that Sub-Fund and such counterparty and any confirmation in respect of a transaction entered into thereunder (including such initial financial derivative instrument transaction) shall supplement and form part of such ISDA Master Agreement.

On each date on which a financial derivative instrument transaction is entered into on behalf of a Sub-Fund, the Fund, on behalf of such Sub-Fund, will be deemed to have given certain representations and undertakings to each counterparty with whom the ISDA Master Agreement is entered into on its behalf. Such representations and undertakings include, without limitation, representations and undertakings, from and in respect of the Fund, as to the due establishment, good standing and corporate powers of the relevant Sub-Fund, the obtaining of all requisite consents and compliance with applicable laws by the relevant Sub-Fund and the binding nature of obligations on the relevant Sub-Fund under the relevant ISDA Master Agreement and associated contracts and transactions. The Fund must notify the respective Investment Manager if at any time it becomes aware that it is in breach of any such representations or unable to continue to comply with any such undertakings. Any such breach may, in addition to other potential consequences, lead to each relevant counterparty being able to unilaterally terminate its ISDA Master Agreement with the Fund on behalf of the relevant Sub-Fund and to close out any open contracts with it.

4.7 Investments in Emerging Markets

Political and economic structures in countries with emerging economies or stock markets may be undergoing significant evolution and rapid development, and such countries may lack the social, political and economic stability characteristics of more developed countries including a significant risk of currency value fluctuation as described under “Currency and Concentration Risks” above. Such instability may result from, among other things, authoritarian governments, or military involvement in political and economic decision-making, including changes or attempted changes in governments through extra-constitutional means; popular unrest associated with demands for improved political, economic or social conditions; internal insurgencies; hostile relations with neighbouring countries; and ethnic, religious and racial disaffections or conflict. Certain of such countries may have in the past failed to recognise private property rights and have at times nationalised or expropriated the assets of private companies. As a result, the risks from investing in those countries, including the risks of nationalisation or expropriation of assets, may be heightened. In addition, unanticipated political or social developments may affect the values of a Sub-Fund’s investments in those countries and the availability to the Sub-Fund of additional investments in those countries.

The small size and inexperience of the securities markets in certain countries and the limited volume of trading in securities may make a Sub-Fund’s investments illiquid and more volatile than investments in more established markets, and a Sub-Fund may be required to establish special custodial or other arrangements before making certain investments. There may be little financial or accounting information available with respect to local issuers, and it may be difficult as a result to assess the value or prospects of an investment. In addition, the settlement systems may be less developed than in more established markets, which could impede a Sub-Fund’s ability to effect portfolio transactions and may result in the Sub-Fund investments being settled through a more limited range of counterparties with an accompanying enhanced credit risk.

The following is an non-exhaustive list of typical emerging markets and may be subject to change at any time: Argentina, Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Israel, Korea, Malaysia, Mexico, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, Turkey.

4.8 Government Investment Restrictions

Government regulations and restrictions may limit the amount and types of securities that may be purchased or sold by a Sub-Fund. Such restrictions may also affect the market price, liquidity and rights of securities and may increase Sub-Fund expenses. In addition, the repatriation of both investment income and capital is often subject to restrictions such as the need for certain governmental consents, and even where there is no outright restriction, the mechanics of repatriation may affect certain aspects of the operation of a Sub-Fund. In particular, a Sub-Fund's ability to invest in the securities markets of some emerging countries may be restricted or controlled to varying degrees by laws restricting foreign investment and these restrictions may prohibit a Sub-Fund from making direct investments in such countries.

4.9 Inclusion of Shares in an Index

Where Shares of a Sub-Fund are included in an index (or excluded from the index having previously been included in it), investors should be aware that the net asset value of that Sub-Fund may fluctuate due to investors basing their investment decisions on the constitution of such index. Any large inflows or outflows may cause an adverse impact on the underlying costs of the Sub-Fund.

4.10 Investments in ADRs, EDRs and GDRs

Some securities in which the Sub-Funds may invest are represented by ADRs, EDRs and GDRs. ADRs are denominated in US dollars and are sponsored and issued by US banks. ADRs represent the right to receive securities of non-US issuers deposited in a US bank or a correspondent bank outside the United States. A Sub-Fund may also invest in EDRs, which are receipts evidencing an arrangement with a European bank similar to that for ADRs and are designed for use in the European securities markets. In addition, a Sub-Fund may invest in GDRs, which are receipts issued by a US, European or other international financial institution evidencing arrangements similar to both ADRs and EDRs. ADRs, EDRs and GDRs are not necessarily denominated in the currency of the underlying security.

4.11 Risk of Substantial Redemptions

Substantial redemptions of Shares within a limited period of time could require the Fund to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the value of both the Shares being redeemed and the outstanding Shares of the Fund. The risk of a substantial redemption of Shares may be exacerbated where an investment is made in the Fund as part of a structured product with a fixed life and where such structured products utilise hedging techniques. The Investment Managers may create, write, sell, issue, act as placement agent or distributor of, or otherwise be a party to transactions involving financial derivative instruments and such structures with respect to the Fund or with respect to which the underlying securities, currencies or investments may be those in which the Fund invests, or which might otherwise be based on the performance of the Fund in the best interest of the investors. All transactions in respect of the Fund to which the respective Investment Manager is a party shall be performed on market conditions and at arm's length. The structure or other characteristics of the financial derivative instruments may have an adverse effect on the Fund. In addition, and regardless of the period of time in which redemptions occur, the resulting reduction in the net asset value of the Fund could make it more difficult for the Fund to generate profits or recover losses.

4.12 Cross-Contamination between Share Classes

Legislation has been introduced in Luxembourg which is intended to eliminate the risk of cross-contamination. Therefore, as a matter of Luxembourg law, each Sub-Fund is "ring-fenced" and considered to constitute a single group of assets and liabilities, so that the rights of Shareholders and creditors in relation to each Sub-Fund will be limited to the assets of that Sub-Fund.

In case of Hedged Share Classes, a Sub-Fund may incur liabilities in connection with currency hedging transactions made in relation to and for the benefit of a single Share Class of the Sub-Fund. All assets of the Sub-Fund irrespective of the Share Class may be held liable for obligations so incurred.

There is no legal segregation between the assets and liabilities attributable to the various Share Classes of a Sub-Fund. The assets and liabilities of the respective Share Class will be internally attributed by the Administrator to the respective Share Class. This internal segregation may not be recognised by third party creditors whether or not such claim is brought under Luxembourg law.

4.13 Pooling of Assets

Subject to the above and the general provisions of the Articles, the Directors may choose to co-manage the assets of certain Sub-Funds on a pooled basis for the purposes of efficient portfolio management. In these cases, assets of the Sub-Funds participating in the co-management process will be managed according to a common investment objective and shall be referred to as a "Pool".

Pools do not constitute separate legal entities and are not directly accessible to investors. Cash, or other assets, may be allocated from one or more Sub-Funds into one or more of the pools established by the Fund. Further allocations may be made, from time to time, thereafter. Transfers from the pool(s) back to the Sub-Funds may only be made up to the amount of that Sub-Fund's participation in the pool(s). The proportion of any Sub-Fund's participation in a particular pool shall be measured by reference to its initial allocation of cash and/or other assets to such a pool and, on an ongoing basis, according to adjustments made for further allocations or withdrawals.

Where the Fund incurs a liability relating to any asset of a particular pool or to any action taken in connection with an asset of a particular pool, such liability is allocated to the relevant pool. Regardless of this, all liabilities, whether attributable to pools or otherwise will, unless otherwise agreed upon with the creditors, be binding upon the Fund as a whole. Assets or liabilities of the Fund that cannot be attributed to a specific pool, will, nevertheless, be recorded in the particular Sub-Fund(s) to which they relate. Upon dissolution of the pool, the pool's assets will be allocated to the Sub-Fund (s) in proportion to its/their participation in the pool.

Dividends, interest, and other distributions of an income nature earned in respect of the assets of a particular pool will be immediately credited to the Sub-Funds in proportion to its respective participation in the pool at the time such income is recorded. Expenses directly attributable to a particular pool will be recorded as a charge to that pool and, where applicable, will be allocated to the Sub-Funds in proportion to their respective participation in the pool at the time such expense is incurred. Expenses, which are not attributable to a particular pool, will be charged to the relevant Sub-Fund(s).

In the books and accounts of the Fund the assets and liabilities of a Sub-Fund, whether participating or not in a pool, will, at all times, be identified or identifiable as an asset or liability of the Sub-Fund concerned including, as the case may be, between two accounting periods a proportionate entitlement of a Sub-Fund to a given asset. Accordingly such assets can, at any time, be segregated. On the Custodian's records for the Sub-Fund such assets and liabilities shall also be identified as a given Sub-Fund's assets and liabilities and, accordingly, segregated on the Custodian's books.

4.14 Materiality Policy for Correcting Valuation Errors

In accordance with applicable law and regulation, the Fund applies a materiality policy to errors committed in calculating the net asset value of its Sub-Funds as set out in CSSF Circular 2002/77 which means that those errors which are deemed by the policy to be immaterial will not lead to a reissued and corrected net asset value for a specific Share Class in a Sub-Fund. As a result of those investors who have subscribed for or redeemed Shares in respect of an affected Sub-Fund on a day on which the materiality policy has been applied, Shareholders may receive a different economic result than they would have received had the miscalculation of the net asset value not happened.

4.15 Share Classes denominated in non-Base Currencies

Where Shares of a Sub-Fund are available in a Share Class which is denominated in a different currency from the Base Currency in which the Sub-Fund is denominated, investors should note that the net asset value of the Sub-Fund will be calculated in the Sub-Fund's Base Currency and will be stated in the other currency by reference to the current exchange rate between the Base Currency and such other currency. Fluctuations in that currency exchange rate may affect the performance of the Shares of that Share Class independent of the performance of the Sub-Fund's investments. In normal circumstances the costs and expenses of currency exchange transactions in connection with the purchase, redemption and exchange of Shares of that Share Class will be borne by the relevant Share Class and will be reflected in the net asset value of that Share Class. The costs and expenses incurred in hedging a specific Hedged Share Class will be borne by that Hedged Share Class alone.

Investors should note that inflows and outflows from non-Base Currency Shares Classes may have a greater potential to impact the price of such Shares due to the fluctuations in the relevant currency exchange rate.

4.16 Other Currency Shares

Subscriptions for Other Currency Shares denominated in a non-Base Currency will normally be converted by the Fund into the Base Currency of the relevant Sub-Fund at the currency exchange rate prevailing on the Valuation Date for which the subscription price has been calculated. Similarly, redemption requests made in respect of Other Currency Shares denominated in a non-Base Currency shall normally be calculated by converting such redemption request into the Base Currency of the relevant Sub-Fund at the currency exchange rate prevailing on the Valuation Date for which the redemption price has been calculated. The relevant currency exchange rate will be obtained from a source independent from the respective Investment Manager. Therefore, an investor subscribing for or redeeming Other Currency Shares may be at a disadvantage (to investors in other Share Classes of that Sub-Fund) and may receive fewer Shares in the Sub-Fund to which the subscription or redemption is made as a consequence of unfavourable movements in the exchange rate of the relevant currency.

4.17 Small Capitalisation Companies

Investing in the securities of smaller, lesser-known companies may involve greater risk and the possibility of greater portfolio price volatility than investing in larger, more mature, better-known firms. Among the reasons for the greater price volatility of these small company and unseasoned stocks are the less certain growth prospects of smaller firms, the lower degree of liquidity of the markets for such stocks, and the greater sensitivity of small companies to changing economic conditions. For example, these companies are associated with higher investment risk than that normally associated with larger firms due to the greater business risks of small size and limited product lines, markets, distribution channels and financial and managerial resources. Such securities, including those of newer or recently restructured companies or those which may have experienced financial difficulties, may be more volatile in price than larger capitalised stocks.

4.18 Voting Rights and Share-Blocking

The Fund may at its discretion exercise or procure the exercise of all voting or other rights which may be exercisable in relation to Permitted Investments held by a Sub-Fund. In relation to the exercise of such rights the Fund may establish guidelines for the exercise of voting or other rights and the Fund may, at its discretion, elect not to exercise or procure the exercise of such voting or other rights.

Certain Permitted Investments may be subject to “share-blocking”. This occurs when an investment is “frozen” in the custodian system to facilitate the exercise of voting or other rights by the relevant custodians acting as proxies of the persons beneficially entitled to those affected investments. Share-blocking typically takes place 1 to 20 days before an upcoming meeting of investors in the relevant investment. While the investments are “frozen” they may not be traded. Therefore, in order to mitigate such illiquidity, the Fund (or its agents) may refrain from exercising its voting rights in respect of those Permitted Investments which may be subject to “share-blocking”.

4.19 Convertible Securities

Each Sub-Fund may invest in convertible securities, which may include corporate notes or preferred stock that are ordinary long-term debt obligations of the issuer convertible at a stated exchange rate into common stock of the issuer. As with all debt securities, the market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. Convertible securities generally offer lower interest or dividend yields than non-convertible securities of similar quality. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the price of the convertible security tends to reflect the value of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis, and thus may not depreciate to the same extent as the underlying common stock. Convertible securities generally rank senior to common stocks in an issuer’s capital structure and are consequently of higher quality and entail less risk than the issuer’s common stock. However, the extent to which such risk is reduced depends in large measure upon the degree to which the convertible security sells above its value as a fixed income security. In evaluating a convertible security, the respective Investment Manager will give primary emphasis to the attractiveness of the underlying common stock.

4.20 Real Estate Companies

Subject to the terms of this Prospectus (and, in particular, Appendix A), each Sub-Fund may invest in Transferable Securities of companies principally engaged in the real estate industry. There are special risk considerations associated with investing in the securities of such companies. These risks include: the cyclical nature of real estate values, risks related to general and local economic conditions, overbuilding and increased competition, increases in property taxes and operating expenses, demographic trends and variations in rental income, changes in zoning laws, casualty or condemnations losses, environmental risks, regulatory limitations on rents, changes in neighbourhood values, related party risks, changes in the appeal of properties to tenants, increases in interest rates and other real estate capital market influences. Generally, increases in interest rates will increase the costs of obtaining financing, which could directly and indirectly decrease the value of a Sub-Fund's investments in the securities of real estate companies.

4.21 Debt Securities Generally

Debt securities are subject to the risk of an issuer's inability to meet principal and interest payments on the obligation (credit risk) and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity (market risk). Non-Investment Grade securities are more likely to react to developments affecting market and credit risk than are more highly rated securities, which react primarily to movements in the general level of interest rates. The respective Investment Manager will consider both credit risk and market risk in making investment decisions for a Sub-Fund.

Unless specifically described above under "Investment Objectives and Policies", no minimum rating is required for the debt obligations acquired by the Sub-Funds. Therefore they may invest in Non-Investment Grade securities, the risks of which are set out below under "Risks of Investing in Non-Investment Grade Fixed Income Securities". In respect of structured securities, they may also be more volatile, less liquid and more difficult to accurately price than less complex securities. The timing of purchase and sale transactions in debt obligations may result in capital appreciation or depreciation because the value of debt obligations generally varies inversely with prevailing interest rates.

4.22 Investment in Fixed Income Securities and Risks of Interest and Exchange Rate Fluctuations

The net asset value of the Shares of the Sub-Funds invested in fixed income securities will change in response to fluctuations in interest rates and currency exchange rates. Except to the extent that values are independently affected by currency exchange rate fluctuations, when interest rates decline, the value of fixed income securities generally can be expected to rise and vice versa. The performance of investments in fixed income securities denominated in a specific currency will also depend on the interest rate environment in the country issuing the currency. Because the net asset value of each Sub-Fund will be calculated in its Base Currency, the performance of investments not denominated in the Base Currency will also normally depend on the strength of such currency against the Base Currency and the interest rate environment in the country issuing the currency. Absent other events that could otherwise affect the value of non-Base Currency investments (such as a change in the political climate or an issuer's credit quality), appreciation in the value of the non-Base Currency generally can be expected to increase the value of the Sub-Fund's non-Base Currency investments in terms of the Base Currency. A rise in interest rates or decline in the value of non-Base Currencies relative to the Base Currency generally can be expected to depress the value of the Sub-Fund's non-Base Currency investments.

4.23 Mortgage-Backed and Asset-Backed Securities

The Sub-Funds may invest in securities that represent an interest in a pool of mortgages ("mortgage backed securities") and, subject to applicable law, credit card receivables or other types of loans ("asset backed securities"). Payments of principal and interest on the underlying loans are passed through to the holders of such securities over the life of the securities. Most mortgage-backed and asset-backed securities are subject to early prepayment of principal, which can be expected to accelerate during periods of declining interest rates. Such prepayments can usually be reinvested only at the lower yields then prevailing in the market. Therefore, during periods of declining interest rates, these securities are less likely than other fixed income obligations to appreciate in value and less effective at locking in a particular yield. On the other hand, mortgage-backed and asset-backed securities are subject to substantially the same risk of depreciation during periods of rising interest rates as other fixed income securities.

Part of the Sub-Fund's strategy may involve trading in mortgage-backed securities on a forward pass through or "to be allocated" ("TBA") basis. In a TBA trade, the seller and buyer agree to the type of security, coupon, face value, price and settlement date (typically at least a month forward) at the time of the trade but do not specify the actual pools of securities to be traded until just before settlement date. In the period between trade and settlement date, the portfolio will be exposed to counterparty credit risk and will maintain an amount of cash or near cash assets equal to the amount of TBA purchase commitments. Conversely, in the event of a sale of TBA securities, equivalent deliverable securities or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date) will be held as cover for the transaction.

Asset-backed securities present certain credit risks that are not presented by mortgage-backed securities because asset-backed securities generally do not have the benefit of a security interest over the collateral that is comparable to mortgage assets. There is the possibility that, in some cases, recoveries on repossessed collateral may not be available to support payments on these securities.

The Sub-Funds may only invest in listed investment grade securities traded on European Markets. However, due to market conditions relating to the underlying assets, such securities may also have increased exposure to liquidity and valuation risks. In any such cases, the valuation of the security shall be based on the probable realisable value which will be estimated with due care and in good faith.

4.24 Zero Coupon and Deferred Interest Bonds

The Sub-Funds may invest in zero coupon bonds and deferred interest bonds, which are debt obligations issued at a significant discount from face value. The original discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds generally provide for a period of delay before the regular payment of interest begins. Such investments benefit the issuer by mitigating its initial need for cash to meet debt service and some also provide a higher rate of return to attract investors who are willing to defer receipt of such cash. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations which provide for regular payments of interest, and the Sub-Fund may accrue income on such obligations even though it receives no cash.

4.25 Derivative Mortgage-Backed Securities

Derivative mortgage-backed securities (such as principal-only ("POs") interest-only ("IOs") or inverse floating-rate securities) are more exposed to mortgage prepayments. Therefore, they generally involve a greater amount of risk. Small changes in prepayments can significantly impact the cash flow and the market value of these securities. The risk of faster than anticipated prepayments generally adversely affects IOs, super floaters and premium priced mortgage-backed securities. The risk of slower than anticipated prepayments generally adversely affects POs, floating-rate securities subject to interest rate caps, support tranches and discount priced mortgage-backed securities. In addition, particular derivative securities may be leveraged such that their exposure (i.e. price sensitivity) to interest rate and/or prepayment risk is magnified.

4.26 Floating Rate Derivative Securities

Floating rate derivative debt securities present complex types of interest rate risks. For example, range floaters are subject to the risk that the coupon will be reduced below market rates if a designated interest rate floats outside of a specified interest rate band or collar. Dual index or yield curve floaters are subject to lower prices in the event of an unfavourable change in the spread between two designated interest rates.

4.27 Risks of Investing in Non-Investment Grade Fixed Income Securities

Non-Investment Grade fixed income securities are considered predominantly speculative by traditional investment standards and may have poor prospects for reaching Investment Grade standing. Non-Investment Grade and unrated securities of comparable credit quality (commonly known as "junk bonds") are subject to the increased risk of an issuer's inability to meet principal and interest obligations. These securities, also referred to as high yield securities, may be subject to greater price volatility due to such factors as specific corporate developments, interest rate sensitivity, negative perceptions or publicity (whether or not based on fundamental analysis) of the junk bond markets generally and less secondary market liquidity.

Non-Investment Grade fixed income securities are often issued in connection with a corporate reorganisation or restructuring or as part of a merger, acquisition, takeover or similar event. They are also issued by less established companies seeking to expand. Such issuers are often highly leveraged and generally less able than more established or less leveraged entities to make scheduled payments of principal and interest in the event of adverse developments or business conditions.

The market value of Non-Investment Grade fixed income securities tends to reflect individual corporate developments to a greater extent than that of Investment Grade securities which react primarily to fluctuations in the general level of interest rates. As a result, the ability of a Sub-Fund that invests in Non-Investment Grade fixed income securities to achieve its investment objectives may depend to a greater extent on the respective Investment Manager's judgment concerning the creditworthiness of the issuers of such securities than Sub-Funds which invest in Investment Grade securities. Issuers of Non-Investment Grade fixed income securities may not be able to make use of more traditional methods of financing and their ability to service debt obligations may be more adversely affected than issuers of Investment-Grade securities by economic downturns, specific corporate developments or the issuer's inability to meet specific projected business forecasts.

A holder's risk of loss from default is significantly greater for Non-Investment Grade securities than is the case for holders of other debt securities because such Non-Investment Grade securities are generally unsecured and are often subordinated to the rights of other creditors of the issuers of such securities. Investments in defaulted securities poses additional risk of loss should non-payment of principal and interest continue. Even if such securities are held to maturity, recovery by the Sub-Fund of its initial investment and any anticipated income or appreciation is uncertain.

The secondary market for Non-Investment Grade securities is concentrated in relatively few market makers and is dominated by institutional investors. Accordingly, the secondary market for such securities is not as liquid as, and is more volatile than, the secondary market for higher-rated securities. In addition, market trading volume for high yield fixed income securities is generally lower and the secondary market for such securities could contract under adverse market or economic conditions, independent of any specific adverse changes in the condition of a particular issuer. These factors may have an adverse effect on the market price and the Sub-Fund's ability to dispose of particular portfolio investments. A less liquid secondary market also may make it more difficult for the Sub-Fund to obtain precise valuations of the high yield securities in its portfolio.

Credit ratings issued by credit rating agencies are designed to evaluate the safety of principal and interest payments of rated securities. They do not, however, evaluate the market value risk of Non-Investment Grade securities and, therefore, may not fully reflect the true risks of an investment. In addition, credit rating agencies may or may not make timely changes in a rating to reflect changes in the economy or in the conditions of the issuer that affect the market value and liquidity of the security. Consequently, credit ratings are used only as a preliminary indicator of investment quality. Investments in Non-Investment Grade and comparable unrated obligations will be more dependent on the respective Investment Manager's credit analysis than would be the case with investments in investment-grade debt obligations. The respective Investment Manager employs its own credit research and analysis, which includes a study of existing debt, capital structure, ability to service debt and to pay dividends, the issuer's sensitivity to economic conditions, its operating history and the current trend of earnings. The respective Investment Manager continually monitors the investments in the Sub-Fund's investment portfolio and evaluates whether to dispose of or to retain Non-Investment Grade and comparable unrated securities whose credit ratings or credit quality may have changed.

4.28 Special Risks Resulting from Tax Publication Requirements in Germany and Austria

The Fund is required to provide documentation to the German and Austrian fiscal authorities upon request in order for such authorities to, inter alia, verify the accuracy of the published tax information. The basis on which such figures are calculated is subject to interpretation and therefore it cannot be guaranteed that such authorities will accept or agree with the Fund's calculation methodology. In addition, Shareholders who are subject to German or Austrian tax should be aware, if it transpires that the German and Austrian fiscal authorities disagree with the Fund's calculation methodology and determine that the published tax information is incorrect, that any subsequent correction will, as a general rule, not have retrospective effect and will only take effect during the current financial year. Consequently, the correction may positively or negatively affect those German or Austrian Investors who receive a distribution or an attribution of deemed income distributions in the current year.

4.29 Illiquid Assets

A Sub-Fund has the right to invest up to 10% of its assets in Transferable Securities and Money Market Instruments which do not comply with the Investment Restrictions set out in Appendix A. In such situations, the Sub-Fund may not be able to immediately sell such securities. The purchase price and subsequent valuation of restricted and illiquid securities may reflect a discount, which may be significant, from the market price of comparable securities for which a liquid market exists.

4.30 Investment in Particular Financial Indices

The performance of a Sub-Fund may be dependent on a particular eligible financial index, whereas such financial index will be explicitly listed in the investment policy of a Sub-Fund. A financial index may offer exposure to various asset classes, whereas these asset classes are subject to various risks, including but not restricted to the risk factors described above. If the value of such financial index falls, this may have an adverse effect on the performance of a Sub-Fund.

4.31 Model Risk

The achievement of the investment objective of a Sub-Fund may be highly dependent upon investment strategies utilising one or several quantitative models developed by the respective Investment Manager. Despite of substantial efforts that the respective Investment Manager commits to developing, updating and maintaining such quantitative models, there can be no assurance that the respective Investment Manager will be successful in developing effective quantitative models or that previously successful quantitative models will not produce losses in the future as assumptions underlying such quantitative models may not prove correct in all market environments.

4.32 Conflicts of Interest

The Management Company, Investment Managers, distributors, Shareholder Services Agent, Custodian, Administrator, Paying Agent, Listing Agent, Registrar and Transfer Agent and their respective affiliates may each from time to time act as management company, investment manager, distributor, shareholder services agent, custodian, administrator, paying agent, listing agent, registrar and transfer agent, (as appropriate), in relation to, or be otherwise involved in, other collective investment schemes which have similar investment objectives to those of any of the Sub-Funds. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interests with the Fund.

The Investment Managers may also have proprietary interests in, and may manage or advise other accounts or investment funds that have investment objectives which are similar or dissimilar to those of the Sub-Funds and/or which engage in transactions in the same types of securities, currencies and instruments as the Sub-Funds. The proprietary activities or investment strategies of the Investment Managers or the activities or strategies used for accounts managed by them or other customer accounts could conflict with the transactions and strategies employed by the respective Investment Manager in managing the Sub-Funds and affect the prices and availability of the securities, currencies and instruments in which the Sub-Funds invest. Such transactions, particularly in respect of proprietary accounts or customer accounts other than those advised by the respective Investment Manager will be executed independently of the Sub-Funds' transactions, and thus at prices or rates that may be more or less favourable than those obtained on behalf of the Sub-Funds. In addition, such activities may limit investment opportunities in certain emerging markets and regulated industries in which limitations are imposed upon the aggregate amount of investment by affiliated investors. Conflicts may also arise because investment decisions regarding the Sub-Funds may benefit the Investment Managers or other client accounts managed by the respective Investment Manager.

The results of the Sub-Funds' investment activities may differ significantly from the results achieved by the respective Investment Manager for its proprietary accounts or accounts managed by it on behalf of third parties and from the results achieved by the respective Investment Manager for other advised accounts (including investment companies and collective investment vehicles). When the respective Investment Manager seeks to purchase or sell the same assets for the Fund and other advised accounts, including managed accounts in which the respective Investment Manager may have an interest, the assets actually purchased or sold may be allocated between such accounts on a basis determined at the discretion of the respective Investment Manager (acting in good faith) to be equitable. In some cases, this system may adversely affect the size or the price of the assets purchased or sold for the Sub-Funds. From time to time, the Sub-Funds' activities may be restricted because of regulatory requirements applicable to respective Investment Manager and/or by the respective Investment Manager's internal policies designed to comply with such requirements.

The respective Investment Manager will select brokers and dealers through which to effect transactions on behalf of the Sub-Funds on a best execution basis. Best price, giving effect to commissions, commission-equivalents and other transaction costs, is normally an important factor in this decision, but the selection also takes into account the quality of brokerage services, including such factors as execution capability, willingness to commit capital, creditworthiness and financial stability, financial responsibility and strength, willingness to provide research and other services which provide the respective Investment Manager with assistance in the investment decision-making process, and clearance and settlement capability. Accordingly, transactions effected on behalf of the Sub-Funds will not always be executed at the lowest available price or commission. The Fund may from time to time enter into commission recapture programmes administered by affiliates or other third-party service providers. Given the different commission rates applicable in different markets and the varying transaction volumes of Sub-Funds these may benefit one Sub-Fund more than another and the Fund shall have no duty to apply any commissions recaptured equally across Sub-Funds.

The respective Investment Manager may enter into transactions and invest in instruments on behalf of the Sub-Funds in which the respective Investment Manager acts as the broker or acts on a proprietary basis or for its customers as the counterparty, including circumstances where the respective Investment Manager or its clients may trade alongside the Sub-Funds. The respective Investment Manager may also enter into cross transactions where the respective Investment Manager acts on behalf of the Fund and the other party to the transaction, in which case the respective Investment Manager may have a potentially conflicting division of responsibilities to regarding the parties to the transaction. The respective Investment Manager will, to the extent required by law, obtain necessary consents prior to entering into such transactions. Client consent to principal and cross transactions can be revoked at any time. The respective Investment Manager may also create, write or issue financial derivative instrument with respect to which the underlying securities, currencies or instruments may be those in which the Fund invests or which may be based on the performance of any of the Sub-Funds. The Sub-Funds may purchase investments that are issued, or the subject of an underwriting or other distribution by the respective Investment Manager or in relation to which the respective Investment Manager acts as broker, lender, advisor or in other commercial capacities. The Fund anticipates that the commissions, mark-ups and mark-downs or other fees charged by the respective Investment Manager will generally be competitive, although the respective Investment Manager will have an interest in obtaining favourable commission rates, mark-ups and mark-downs.

The Fund will be required to establish business relationships with its counterparties based on the Fund's own credit standing. The Investment Managers will not have any obligation to allow their credit standing to be used in connection with the Fund's establishment of its business relationships, nor is it expected that the Fund's counterparties will rely on the credit standing of the Investment Managers, in evaluating the Fund's creditworthiness.

The Fund, when it deems it advisable, may, to the extent permitted by applicable law and the provisions of Appendix A – "Investment Restrictions", borrow funds from the Custodian, at rates and other terms negotiated with the Custodian that are commercially reasonable as determined by the Board of Directors or its delegate at its sole discretion.

1741 Asset Management Ltd. may, from time to time, invest in the Sub-Funds but reserves the right to redeem its investment at any time, subject to the general terms of this Prospectus as to the redemption of Shares. Such redemptions of Shares may have an adverse effect on the Sub-Funds' investment management and diversification strategies and on the fees, expenses and costs incurred by the Shareholders in the Sub-Funds.

4.33 OTC Derivative Transactions Risk

Securities traded in OTC markets may trade in smaller volumes, and their prices may be more volatile than securities principally traded on securities exchanges. Such securities may be less liquid than more widely traded securities. In addition, the prices of such securities may include an undisclosed dealer mark-up which a Sub-Fund may pay as part of the purchase price.

The Sub-Fund, entering into OTC derivatives might be subject to higher volatility and potential counterparty and issuer risk. In the event of the insolvency or default of the counterparty or issuer, the Sub-Fund could suffer a loss (however this loss would be reduced by the use of collateral).

4.34 Counterparty Risk

The Fund conducts transactions through or with brokers, clearing houses, market counterparties and other agents. The Fund will be subject to the risk of the inability of any such counterparty to perform its obligations, whether due to insolvency, bankruptcy or other causes.

A Sub-Fund may invest into instruments such as notes, bonds or warrants the performance of which is linked to a market or investment to which the Sub-Fund seeks to be exposed. Such instruments are issued by a range of counterparties and through its investment the Sub-Fund will be subject to the counterparty risk of the issuer, in addition to the investment exposure it seeks.

The Sub-Fund(s) will only enter into OTC derivatives transactions with first class institutions which are subject to prudential supervision and specialising in these types of transactions.

5. Management and Administration

The Fund's Board of Directors has overall responsibility for the management of the Fund, its Sub-Funds and its corresponding classes of shares, for authorising the creation of Sub-Funds and for establishing and monitoring their investment policies and restrictions.

Although certain members of the Board of Directors of the Fund are connected to 1741 Asset Management Ltd., in their capacity as Directors of the Fund they will function as persons with independent fiduciary responsibilities, and will not be subject to the control of 1741 Asset Management Ltd. in the exercise of such responsibilities.

The Directors of the Fund as of the date of this Prospectus are as follows:

5.1 Directors

- Mr Michael Boge, Head Fund Services, 1741 Asset Management Ltd., Bahnhofstrasse 8, 9001 St. Gallen, Switzerland.
- Mr Jan Christoph Vorster, Head Product Management Institutional Clients, Notenstein Privatbank Ltd., Freie Straße 90, 4051 Basel, Switzerland.
- Mr Jacques Elvinger, Avocat à la Cour, Partner, Elvinger, Hoss & Prussen, 2, Place Winston Churchill, 1340 Luxembourg, Luxembourg.
- Mr Markus Wagner, Am schrägen Weg 33, 9490 Vaduz, Liechtenstein.
- Mr Alan Ridgway, 58, Rue Du Village, 3311 Abweiler, Luxembourg.

Additional Directors may be appointed in accordance with the Articles. All Directors may be entitled to appropriate remuneration of no more than the amount of EUR 25,000 per annum together with any reasonable out-of-pocket expenses incurred in connection with the performance of their duties as Directors. Directors employed by 1741 Asset Management Ltd. or employed by a group company of 1741 Asset Management Ltd., while entitled to reimbursement of reasonable out of pocket expenses, are not remunerated by the Fund for their services. Each of the Directors may invest in one or more of the Sub-Funds. Information relating to the remuneration of Directors is included in the Fund's annual report and is subject to the approval at the Annual General Meeting of the Shareholders.

5.2 Management Company

The Fund's Board of Directors has appointed RBS (Luxembourg) S.A. as the management company of the Fund to be responsible on a day-to-day basis, under supervision of the Board of Directors, for providing administration, marketing and investment management services. The Management Company must at all times act honestly and fairly in conducting its services in the best interest of the Shareholders and in conformity with the Law, this Prospectus and the Articles.

The board of directors of the Management Company is composed as follows:

- Kevin Brown, Head of Global Product Management, RBS Global Transaction Services, United Kingdom
- Jonathan Carey, Director (Non-Executive Director), Director of Companies, United Kingdom
- Lorna Cassidy, Director, Head of Finance, RBS (Luxembourg) S.A., Luxembourg
- Henry C. Kelly, Director (Non-Executive Director), Managing Director, KellyConsult S.à r.l., Luxembourg
- Michel Vareika, Director (Non-Executive Director), Director of Companies, Luxembourg
- Revel Wood, Chief Operating Officer, RBS (Luxembourg) S.A., Luxembourg
- Andy Wright, Managing Director, RBS Funds Services, United Kingdom

Messrs Revel Wood, Pall Eyjolfsson and Antonino Borgesano, Slim Hamrouni and Ross Thomson have also been appointed as conducting officers, as referred to in article 102 of the Law and CSSF circular 12/546.

The Management Company was incorporated as "*société anonyme*" under the laws of the Grand Duchy of Luxembourg on 10 November 2004 and its articles of incorporation were published in the Mémorial on 6 December 2004. The Management Company is recorded at the Luxembourg *Registre de Commerce et des Sociétés* under registration reference B 104 196 and is approved as a management company regulated by chapter 15 of the Law. The Management Company is a member of the Royal Bank of Scotland Group, which provides services to the collective investment schemes market, principally in the role of trustee to unit trusts and depository to investment companies with variable capital

The Management Company is vested with the day-to-day management, administration and marketing functions of the Fund. In fulfilling its duties as set forth by the Law and the Fund Management Company Agreement, the Management Company is authorised, for the purpose of a more efficient conduct of its business, to delegate, under its responsibility and control, and with the prior consent of the Fund and subject to the approval of the CSSF, part or all of its functions and duties to any third party, which, having regard to the nature of the functions and duties to be delegated, must be qualified and capable of undertaking the duties in question. The Management Company shall remain liable to the Fund in respect of all matters so delegated.

The Management Company will require any such agent to which it intends to delegate its duties to comply with the provisions of the Prospectus, the Articles and the relevant provisions of the Fund Management Company Agreement as well as the Law, applicable regulations and CSSF's circulars and positions.

In relation to any delegated duty, the Management Company shall implement appropriate control mechanisms and procedures, including risk management controls, and regular reporting processes in order to ensure and effective supervision of the third parties to whom functions and duties have been delegated and that the services provided by such third party service providers are in compliance with the Articles, this Prospectus and the agreement entered into with the relevant third party services provider as well as the Law, applicable regulations and CSSF"s circulars and positions.

The Management Company shall be careful and diligent in the selection and monitoring of the third parties to whom functions and duties may be delegated and ensure that the relevant third parties have sufficient experience and knowledge as well as the necessary authorisations required to carry out the functions delegated to them.

The following functions have been delegated by the Management Company to third parties as may be further set forth in this Prospectus:

- investment management of the Sub-Funds;
- administration;
- distribution;
- registration of Sub-Funds or classes of shares with foreign competent authorities;
- complaints handling.

The Fund Management Company Agreement has been entered into for an undetermined period of time and may be terminated by either party upon serving to the other a written notice at least 90 days prior to the termination.

The Fund Management Company Agreement may also be terminated by either the Fund or the Management Company by immediate written notice if so required by law or any competent regulatory authority. The Fund Management Company Agreement may further be terminated at any time by either the Fund or the Management Company forthwith by notice in writing to the other if at any time:

1. the other shall go into liquidation or if a receiver of any of the assets of the other is appointed; or
2. the other shall commit any serious breach of law or the provisions hereof and if such breach is capable of remedy, shall not have remedied such breach within thirty (30) days after the service of notice requiring the same to be remedied.

Under the Fund Management Company Agreement, the Management Company is entitled to charge a fee of up to 0.03% of the net asset value of each Sub-Fund per annum. Such fees shall be calculated and paid at the end of each calendar month on the basis of the last total net assets of each Sub-Fund as of the last Valuation Day of each month. The fee payable is subject to a minimum annually fee of EUR 15'000.- per Sub-Fund. In addition, the Management Company is entitled to receive a fee of up to EUR 10'000.- per Sub-Fund for the initial set-up and any eventual merger, transition or liquidation of a Sub-Fund.

6. Investment Managers

The Management Company has appointed, upon recommendation and with the consent of the Fund, the Investment Managers to manage the assets of the Fund on a discretionary basis and entered into a separate Investment Management Agreement with each Investment Manager. The respective Investment Manager will, subject to the supervision of the Management Company and the overall supervision by the Board of Directors of the Fund, select investments for each Sub-Fund in accordance with such Sub-Fund's investment objective and policies and subject to the restrictions stated in this Prospectus.

The following companies are currently appointed as Investment Managers of the Sub-Funds, as disclosed in more detail in the Supplement:

- 1741 Asset Management Ltd., a Swiss registered management company having the form of a limited company.
- Notenstein Private Bank Ltd., a Swiss registered bank having the form of a limited company.

The respective Investment Manager will receive a quarterly fee for its services payable out of the assets of each Sub-Fund it manages, as specified in the Supplement for such Sub-Fund. The quarterly fee consists of a Management Fee and a Performance Fee.

The Management Fee is calculated on an annual percentage basis by reference to the Sub-Fund's, or in the case of the fees relating to a Share Class, the Class' daily unswung net asset value. For the purpose of this section, the use of "unswung net asset value" refers to "net asset value" prior to the application of any Swing Factor (see Section 15 for more details). For a summary of the respective Management Fee please see the Supplement.

The Performance Fee is calculated using the percentage rates as set out in the Supplement for each Sub-Fund or Share Class respectively. There are currently three different Performance Fee calculation methods, one for a relative benchmark approach, one for an absolute return benchmark approach and one for a no benchmark approach.

a) Relative Benchmark Approach

aa) The Performance Fee is calculated based on the difference between the percentage change of the unswung net asset value per Share (before Performance Fee accrual for current Valuation Date) and the percentage change of the Benchmark for the respective Sub-Fund or Share Class, as set out in the Supplement, since the latest performance fee accrual (as relative high water mark).

ab) The Performance Fee only becomes payable if the above mentioned difference since the latest Performance Fee accrual under Paragraph 6 aa) above is in favour of the unswung net asset value per Share and accordingly in favour of the investor.

ac) The Performance Fee to be accrued is calculated as a multiplication of the percentage rate resulting from Paragraphs 6 aa) and 6 ab) above with the unswung net asset value per Share at the point in time when the latest Performance Fee was accrued and with the Shares outstanding of the respective Sub-Fund or Share Class at the Valuation Date.

ad) The Performance Fee is calculated at each Valuation Date and if the above condition under Paragraph 6 ab) above is fulfilled, the total amount of the Performance Fee due is accrued in the calculation of the unswung net asset value per Share for each Sub-Fund or Share Class on that date. The accumulated Performance Fee is payable within 30 days of each quarter end to the respective Investment Manager.

ae) The Performance Fee is calculated separately for each applicable Share Class of each Sub-Fund.

af) Any distributions out of the Sub-Funds or changes of the calculation base due to modified tax regulations will be adjusted for.

Illustrative Example for Performance Fee Calculation using the Relative Benchmark Approach:

- Valuation Date 1:

The unswung net asset value per Share as well as the respective Benchmark exhibit a positive return. The return of the unswung net asset value per Share exceeds the return of the Benchmark since inception.

The unswung net asset value per Share rises from 100.00 to 110.00 (before Performance Fee accrual) and the Benchmark rises during the same time period from 100.00 to 105.00. The difference between the percentage changes since inception amounts to 5.00% (= 110/100 – 105/100) in favour of the unswung net asset value per Share. Therefore, a Performance Fee of 1.00 (= 20% * 5.00% * 100.00) per Share is accrued at this Valuation Date. The unswung net asset value per Share after Performance Fee accrual amounts to 109.00.

- Valuation Date 2:

The unswung net asset value per Share as well as the respective Benchmark exhibit a positive return. The return of the unswung net asset value per Share exceeds the return of the Benchmark since inception, but the difference between the percentage changes since the latest Performance Fee accrual is negative.

The unswung net asset value per Share rises from 109.00 to 115.00 (before Performance Fee accrual) and the Benchmark rises during the same time period from 105.00 to 114.00. The difference between the percentage changes since the latest Performance Fee accrual is negative and amounts to -3.07% (= 115/109 – 114/105). Therefore, no additional Performance Fee is accrued at this Valuation Date.

- Valuation Date 3:

The unswung net asset value per Share exhibits a positive return and the respective Benchmark a negative return. The return of the unswung net asset value per Share exceeds the return of the Benchmark clearly, but the difference between the percentage changes since the latest Performance Fee accrual remains negative.

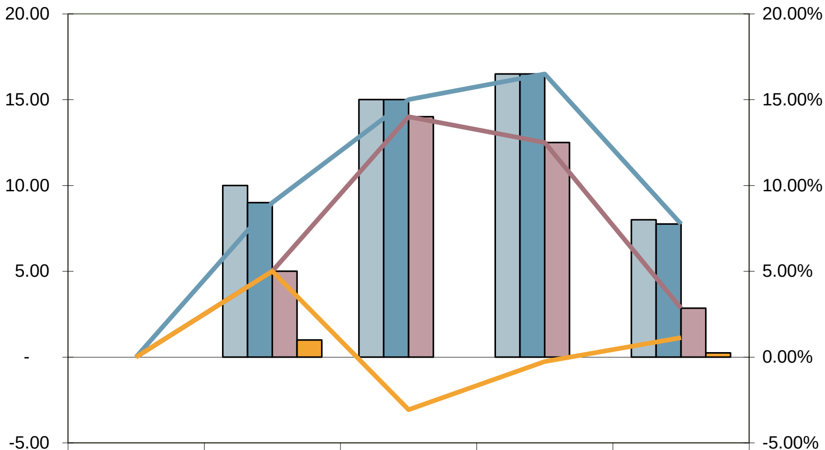
The unswung net asset value per Share rises from 115.00 to 116.50 (before Performance Fee accrual) and the Benchmark declines during the same time period from 114.00 to 112.50. In spite of the positive performance of the unswung net asset value per Share the difference between the percentage changes since the latest Performance Fee accrual remains negative and amounts to -0.26% (= 116.5/109 – 112.5/105). Therefore, no additional Performance Fee is accrued at this Valuation Date.

- Valuation Date 4:

The unswung net asset value per Share as well as the respective Benchmark exhibit a negative return. The unswung net asset value per Share gains relative to the Benchmark and the difference between the percentage changes since the latest Performance Fee accrual is positive.

The unswung net asset value per Share declines from 116.50 to 108.00 (before Performance Fee accrual) and the Benchmark declines during the same time period from 112.50 to 102.85. The unswung net asset value per Share is below the unswung net asset value per Share at the point in time when the latest Performance Fee was accrued. However, the difference between the percentage changes since the latest Performance Fee accrual amounts to 1.13% (= 108/109 – 102.85/105) in favour of the unswung net asset value per Share. Therefore, a Performance Fee of 0.25 (= 20% * 1.13% * 109.00) per Share is accrued at this Valuation Date. The unswung net asset value per Share after Performance Fee accrual amounts to 107.75.

Diagram for the illustrative Example:



	Inception	NAV 1	NAV 2	NAV 3	NAV 4
Increase in NAV before Perf. Fee accrual	-	10.00	15.00	16.50	8.00
Increase in NAV after Perf. Fee accrual	-	9.00	15.00	16.50	7.75
Increase in Benchmark indexed	-	5.00	14.00	12.50	2.85
Performance Fee	-	1.00	-	-	0.25
Portfolio return since inception	0.00%	9.00%	15.00%	16.50%	7.75%
Benchmark return since inception	0.00%	5.00%	14.00%	12.50%	2.85%
Return difference since latest Perf. Fee accrual	0.00%	5.00%	-3.07%	-0.26%	1.13%

Formula for NAV calculation including a Performance Fee:

$NAV(A)_t = NAV(B)_t - X_t * PFPR * NAV(A)_0$

$X_t = NAV(B)_t / NAV(A)_0 - BM_t / BM_0$, if $X_t > 0$

$X_t = 0$, if $X_t \leq 0$

$NAV(A)_t$: Current unswung NAV per share after Performance Fee accrual

$NAV(B)_t$: Current unswung NAV per share before Performance Fee accrual

$NAV(A)_0$: Unswung NAV per share at the point in time when the latest Performance Fee was accrued

BM_t: Current Benchmark

BM_0: Benchmark at the point in time when the latest Performance Fee was accrued

PFPR: Performance Fee percentage rate (=20%)

b) Absolute Return Benchmark Approach

The benchmark of Sub-Funds or Share Classes following the Absolute Return Benchmark Approach for the calculation of performance fees is expected to exhibit consistently positive returns such as e.g. an index series based on 3 month Euro LIBOR-Rates (in the following “the Benchmark Rate Index” or “the BRI”). The respective Sub-Funds or Share Classes seek to outperform the return of a cash investment.

ba) The Performance Fee is calculated based on the difference between the percentage change of the unswung net asset value per Share (before Performance Fee accrual for current Valuation Date) and the percentage change of the BRI for the respective Sub-Fund or Share Class since the latest performance fee accrual (as an absolute high water mark due to the absolute return benchmark).

bb) The Performance Fee only becomes payable if the above mentioned difference since the latest Performance Fee accrual under Paragraph 6 ba) above is in favour of the unswung net asset value per Share and accordingly in favour of the investor.

bc) The Performance Fee to be accrued is calculated as a multiplication of the percentage rate resulting from Paragraphs 6 ba) and 6 bb) above with the unswung net asset value per Share at the point in time when the latest Performance Fee was accrued and with the Shares outstanding of the respective Sub-Fund or Share Class at the Valuation Date.

bd) The Performance Fee is calculated at each Valuation Date and if the condition under Paragraph 6 bb) above is fulfilled, the total amount of the Performance Fee due is accrued in the calculation of the unswung net asset value per Share for each Sub-Fund or Share Class on that date. The accumulated Performance Fee is payable within 30 days of each quarter end to the respective Investment Manager.

be) The Performance Fee is calculated separately for each applicable Share Class of each Sub-Fund.

bf) Any distributions out of the Sub-Funds or changes of the calculation base due to modified tax regulations will be adjusted for.

Illustrative Example for Performance Fee Calculation using the Absolute Return Benchmark Approach:

- Valuation Date 1:

The unswung net asset value per Share as well as the respective BRI exhibit a positive return. The return of the unswung net asset value per Share exceeds the return of the BRI since inception.

The unswung net asset value per Share rises from 100.00 to 102.00 (before Performance Fee accrual) and the BRI rises during the same time period from 100.00 to 101.00. The difference between the percentage changes since inception amounts to 1.00% (= 102/100 – 101/100) in favour of the unswung net asset value per Share. Therefore, a Performance Fee of 0.20 (= 20% * 1.00% * 100.00) per Share is accrued at this Valuation Date. The unswung net asset value per Share after Performance Fee accrual amounts to 101.80.

- Valuation Date 2:

The unswung net asset value per Share exhibits a negative return and the respective BRI exhibits a positive return. The return of the unswung net asset value per Share is below the return of the BRI.

The unswung net asset value per Share declines from 101.80 to 99.00 (before Performance Fee accrual) and the BRI rises during the same time period from 101.00 to 102.00. The difference between the percentage changes since the latest Performance Fee accrual is negative and amounts to -3.74% (= 99/101.8 – 102/101). Therefore, no additional Performance Fee is accrued at this Valuation Date.

- Valuation Date 3:

The unswung net asset value per Share as well as the respective BRI exhibit a positive return. The unswung net asset value per Share gains relative to the BRI and the difference between the percentage changes since the latest Performance Fee accrual is positive.

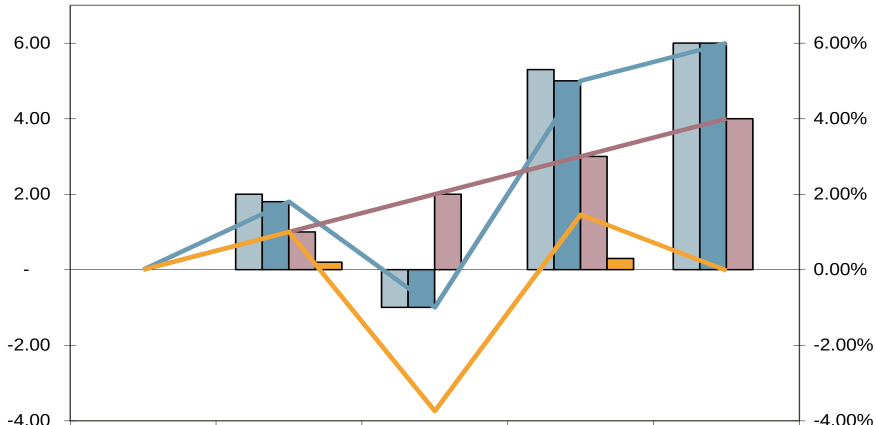
The unswung net asset value per Share rises from 99.00 to 105.30 (before Performance Fee accrual) and the BRI rises during the same time period from 102.00 to 103.00. The difference between the percentage changes since the latest Performance Fee accrual amounts to 1.46% (= 105.3/101.8 – 103/101) in favour of the unswung net asset value per Share. Therefore, a Performance Fee of 0.30 (= 20% * 1.46% * 101.80) per Share is accrued at this Valuation Date. The unswung net asset value per Share after Performance Fee accrual amounts to 105.00.

- Valuation Date 4:

The unswung net asset value per Share as well as the respective BRI exhibit a positive return. The unswung net asset value per Share loses relative to the BRI and the difference between the percentage changes since the latest Performance Fee accrual is negative.

The unswung net asset value per Share rises from 105.00 to 106.00 (before Performance Fee accrual) and the BRI rises during the same time period from 103.00 to 104.00. Despite the positive performance of the unswung net asset value per Share the difference between the percentage changes since the latest Performance Fee accrual becomes negative and amounts to -0.02% (= 106/105 – 104/103). Therefore, no additional Performance Fee is accrued at this Valuation Date.

Diagram for the illustrative Example:



	Inception	NAV 1	NAV 2	NAV 3	NAV 4
Increase in NAV before Perf. Fee accrual	-	2.00	-1.00	5.30	6.00
Increase in NAV after Perf. Fee accrual	-	1.80	-1.00	5.00	6.00
Increase in BRI	-	1.00	2.00	3.00	4.00
Performance Fee	-	0.20	-	0.30	-
Portfolio return since inception	0.00%	1.80%	-1.00%	5.00%	6.00%
BRI return since inception	0.00%	1.00%	2.00%	3.00%	4.00%
Return difference since latest Perf. Fee accrual	0.00%	1.00%	-3.74%	1.46%	-0.02%

Formula for NAV calculation including a Performance Fee:

$NAV(A)_t = NAV(B)_t - X_t * PFPR * NAV(A)_0$

$X_t = NAV(B)_t / NAV(A)_0 – BRI_t / BRI_0$, if $X_t > 0$

$X_t = 0$, if $X_t \leq 0$

$BRI_t = BRI_{t-1} * [1 + (BM\%_t * (t – t\text{-}1)/360)]$

$NAV(A)_t$: Current unswung NAV per share after Performance Fee accrual

$NAV(B)_t$: Current unswung NAV per share before Performance Fee accrual

$NAV(A)_0$: Unswung NAV per share at the point in time when the latest Performance Fee was accrued

BRI_t: Current Benchmark Rate Index based on Benchmark Rates

BRI_{t-1}: Previous Benchmark Rate Index based on Benchmark Rates

BRI_0: Benchmark Rate Index at the point in time when the latest Performance Fee was accrued

PFPR: Performance Fee percentage rate (=20%)

$BM\%_t$: Benchmark Rate as Percentage at date t

t: Current NAV calculation day

t-1: Previous NAV calculation day

c) No Benchmark Approach

A Sub-Fund or Share Class may choose not to measure its performance in relation to a benchmark but rather in absolute terms. The No Benchmark Approach applies to Sub-Funds and Share Classes for which no benchmark is defined, but nonetheless a performance fee levied.

ca) The Performance Fee is calculated based on the percentage change of the unswung net asset value per Share (before Performance Fee accrual for current Valuation Date) since the latest performance fee accrual (as an absolute high water mark).

cb) The Performance Fee only becomes payable if the above mentioned percentage change since the latest Performance Fee accrual under Paragraph 6 ca) above is in favour of the unswung net asset value per Share and accordingly in favour of the investor.

cc) The Performance Fee to be accrued is calculated as a multiplication of the percentage rate resulting from Paragraphs 6 ca) and 6 cb) above with the unswung net asset value per Share at the point in time when the latest Performance Fee was accrued and with the Shares outstanding of the respective Sub-Fund or Share Class at the Valuation Date.

cd) The Performance Fee is calculated for each Valuation Date and if the condition under Paragraph 6 cb) above is fulfilled, the total amount of the Performance Fee due is accrued in the calculation of the unswung net asset value per Share for each Sub-Fund or Share Class on that date. The accumulated Performance Fee is payable within 30 days of each quarter end to the respective Investment Manager.

ce) The Performance Fee is calculated separately for each applicable Share Class of each Sub-Fund.

cf) Any distributions out of the Sub-Funds or changes of the calculation base due to modified tax regulations will be adjusted for.

Illustrative Example for Performance Fee Calculation using the No Benchmark Approach:

- Valuation Date 1:

The unswung net asset value per Share exhibits a positive return.

The unswung net asset value per Share rises from 100.00 to 102.00 (before Performance Fee accrual). The percentage change since inception amounts to 2.00% (= 102.00/100.00 – 1) in favour of the unswung net asset value per Share. Therefore, a Performance Fee of 0.40 (= 20% * 2.00% * 100.00) per Share is accrued at this Valuation Date. The unswung net asset value per Share after Performance Fee accrual amounts to 101.60.

- Valuation Date 2:

The unswung net asset value per Share exhibits a negative return.

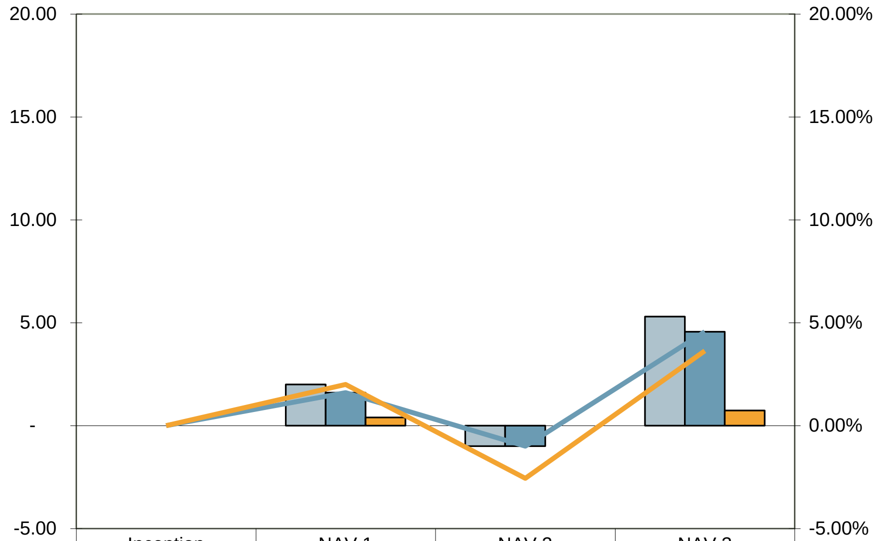
The unswung net asset value per Share declines from 101.60 to 99.00 (before Performance Fee accrual). The percentage change since the latest Performance Fee accrual is negative and amounts to -2.56% (= 99.00/101.60 – 1). Therefore, no additional Performance Fee is accrued at this Valuation Date.

- Valuation Date 3:

The unswung net asset value per Share exhibits a positive return.

The unswung net asset value per Share rises from 99.00 to 105.30 (before Performance Fee accrual). The percentage change since the latest Performance Fee accrual amounts to 3.64% (= 105.30/101.60 – 1) in favour of the unswung net asset value per Share. Therefore, a Performance Fee of 0.74 (= 20% * 3.64% * 101.60) per Share is accrued at this Valuation Date. The unswung net asset value per Share after Performance Fee accrual amounts to 104.56.

Diagram for the illustrative Example:



	Inception	NAV 1	NAV 2	NAV 3
Increase in NAV before Perf. Fee accrual	-	2.00	-1.00	5.30
Increase in NAV after Perf. Fee accrual	-	1.60	-1.00	4.56
Performance Fee	-	0.40	-	0.74
Portfolio return since inception	0.00%	1.60%	-1.00%	4.56%
Percentage Change since latest Perf. Fee accrual	0.00%	2.00%	-2.56%	3.64%

Formula for NAV calculation including a Performance Fee:

$NAV(A)_t = NAV(B)_t - X_t * PFPR * NAV(A)_0$

$X_t = NAV(B)_t / NAV(A)_0 - 1$, if $X_t > 0$

$X_t = 0$, if $X_t \leq 0$

$NAV(A)_t$: Current unswung NAV per share after Performance Fee accrual

$NAV(B)_t$: Current unswung NAV per share before Performance Fee accrual

$NAV(A)_0$: Unswung NAV per share at the point in time when the latest Performance Fee was accrued

PFPR: Performance Fee percentage rate (=20%)

t: Current NAV calculation day

t-1: Previous NAV calculation day

Prospective investors should be aware that, where permitted by applicable law and regulation, the respective Investment Manager may elect to share part or all of the investment management fee received with investors or distributors of the Fund, and should refer to "Distributor" below in this regard. The respective Investment Management Agreement shall continue in effect for an unlimited period, subject to termination by either party on 90 days' prior written notice provided that the respective Investment Manager and/or the Fund may terminate the respective Investment Management Agreement immediately if required to do so by any competent regulatory authority.

At its own risk and expense, the respective Investment Manager may select and rely upon third-party investment sub-advisors as well as its affiliated sub-advisors for Sub-Fund decisions and management with respect to certain Sub-Fund securities and is able to draw upon the investment management, investment advice, research and investment expertise of such selected third party advisors as well with respect to the selection and management of investments for each Sub-Fund.

The Investment Managers are entitled to delegate discretionary investment management function with the prior non-objection of the Fund and the Management Company and subject to receipt of all such regulatory clearances as may be required.

The Investment Managers have agreed to use their best efforts and judgement and due care in carrying out their duties under the respective Investment Management Agreement provided however that the respective Investment Manager shall not be liable to the Fund or otherwise for any error of judgement or for any loss suffered by the Fund or any of its shareholders in connection with the subject matter of the respective Investment Management Agreement except as consequence of bad faith, gross negligence, or wilful default of the respective Investment Manager in the performance of its duties hereunder. Finally, no Investment Manager shall be directly liable for actions of the other Investment Manager.

Under the respective Investment Management Agreement, the Fund and/or the Management Company, out of the assets of the Fund, indemnifies and holds harmless the respective Investment Manager, its associates and their partners, directors, officers, employees and persons controlled by or who control the respective Investment Manager (“Indemnified Parties”) from any and all claims, actions, demands, damages, costs, liabilities and expenses incurred or suffered relating to the respective Investment Management Agreement (including, without limitation, the imposition of any liability to taxation, charge or levy arising as a result of the undertaking of their obligations under the respective Investment Management Agreement, any loss arising out of any misrepresentation or act or omission of the Fund, the Custodian or their agents or as a result of any third party claiming to be entitled to any asset of a Sub-Fund), except to the extent that such losses result from the bad faith, gross negligence or wilful default of such Indemnified Parties.

The Investment Managers are both authorised and regulated in the conduct of their investment management business by the Swiss Financial Market Supervisory Authority (“FINMA”).

7. Custodian, Paying Agent, Administrator, Domiciliary Agent and Listing Agent

The Fund has appointed Citibank as Custodian and Paying Agent pursuant to the CPASA Agreement as well as Domiciliary Agent and Listing Agent. The Custodian carries out the usual duties regarding custody, cash and securities deposits, without any restriction. Upon instructions from the Fund, it shall execute or supervise the execution of all financial transactions and provide all banking facilities in accordance with the CPASA Agreement. The Custodian shall further, in accordance with the Law:

a) ensure that the sale, issue, redemption, exchange and cancellation of all Shares of each Sub-Fund effected by the Fund or on its behalf are carried out in accordance with the Law.

b) ensure that in respect of transactions involving the assets of each Sub-Fund, any consideration is remitted to it within the customary settlement dates.

c) ensure that the income of each Sub-Fund is applied in accordance with the Articles.

As Domiciliary Agent and Listing Agent, Citibank is responsible for establishing the registered office of the Fund in Luxembourg and listing the Shares of each Sub-Fund on the Luxembourg Stock Exchange or on any other stock exchange as decided by the Board of Directors at its absolute discretion (if applicable).

Without prejudice to its liabilities, the Custodian may entrust all or part of the assets of a Sub-Fund, in particular securities traded abroad or listed on a foreign stock exchange or admitted to a clearing system, to such clearing system or to such correspondent banks or other agents as may be determined by the Custodian from time to time. As Paying Agent, Citibank is responsible for making payments of dividends to Shareholders (the Registrar and Transfer Agent is responsible for making payments of redemption proceeds to Shareholders).

Pursuant to the FASA Agreement, the Management Company has appointed, upon recommendation and with the consent of the Fund, Citibank as the Administrator. As Administrator, Citibank is responsible for certain administrative duties required by Luxembourg law, in particular for the bookkeeping and for the calculation of the net asset value of the Shares of each Sub-Fund. The rights and duties of Citibank in respect of its functions carried out on behalf of the Fund are governed by the CPASA Agreement and the FASA Agreement. For its services under both the CPASA and FASA Agreements, Citibank receives a fee payable out of the assets of the Sub-Funds. Further to the above, and as part of its custodian functions, Citibank may administer a commission recapture programme for the Fund and receives a fee (included in its fees under the CPASA Agreement) for such services. In addition, Citibank is entitled to be reimbursed by the Sub-Funds for its reasonable out-of-pocket expenses and disbursements: see “Fees and Expenses”.

As Custodian, Citibank is liable for its failure to exercise reasonable care in the performance of its duties under the CPASA Agreement and for any loss arising from its negligence or wilful misconduct. As Administrator, Citibank is liable for its failure to exercise reasonable care in the performance of its duties under the FASA Agreement. Citibank shall not be responsible for any loss or damage suffered by the Fund as a result of Citibank performing such duties unless the same results from an act of bad faith, gross negligence, fraud or wilful misconduct. Under the CPASA Agreement, the Fund indemnifies and holds harmless Citibank and its employees, officers and directors from any and all costs, liabilities and expenses resulting directly or indirectly from their actions performed in accordance with their obligations under the CPASA Agreement except to the extent that Citibank has acted with negligence, bad faith or wilful misfeasance in the performance of such obligations.

The CPASA Agreement is subject to the right of the Fund or Citibank to terminate the agreement (a) subject to 90 days prior written notice or (b) immediately in the event of (i) a party being declared bankrupt or becoming subject to a similar procedure or compulsory liquidation or (ii) a party being in material breach of its obligations under the agreement which it has failed to remedy (where capable of remedy) within 30 days of service of notice by the other party requiring it to do so. In addition, the CPASA Agreement may only be terminated where a replacement custodian assumes the responsibilities and function of the Custodian in accordance with Luxembourg law.

The FASA Agreement is subject to the right of the Management Company or Citibank to terminate the agreement subject to 90 days prior written notice or in certain circumstances with immediate effect. Either party may terminate the FASA Agreement forthwith and at any time, upon written notice to the other party, in the event that the party, to which notice shall be given, shall be in breach of any material provision contained in the FASA Agreement which is not remedied within 30 days of written notice thereof. In addition, the Management Company may at any time, and in accordance with article 110 of the Law, terminate the FASA Agreement with immediate effect, when this is in the interest of the Shareholders of the Fund. The FASA Agreement may further be terminated if the Management Company Agreement is terminated provided that the Management Company shall notify the Citibank, as soon as practically possible, of any termination notice of the Management Company Agreement sent or received by the Management Company.

8. Registrar and Transfer Agent

The Management Company has appointed, upon recommendation and with the consent of the Fund, Citibank as Registrar and Transfer Agent with responsibility for the processing of subscriptions and transfers of Shares and requests for redemptions and exchanges of Shares, the safekeeping of the register of Shareholders of the Fund, the co-ordination of its services with those of the Administrator and Paying Agent, and the provision of services with regard to the mailing of statements, reports, notices and other documents to the Shareholders.

The rights and duties of the Registrar and Transfer Agent are governed by the FASA Agreement. For its services, Citibank receives a fee payable out of the assets of the Sub-Funds. In addition, Citibank is entitled to be reimbursed by the Sub-Funds for its reasonable out-of-pocket expenses and disbursements. Citibank may, in accordance with the conditions set out in the FASA Agreement, and subject to compliance at all times with applicable law and regulation, delegate its duties under the FASA Agreement to its affiliates.

Citibank is liable under the FASA Agreement for its acts or omissions that constitute gross negligence, bad faith, fraud or wilful misconduct in the execution of the Agreement, or a breach of its duties and obligations under, or of a material term of, the Agreement.

Under the FASA Agreement, each party indemnifies the other party and the officers and directors of the other party from any and all claims, demands, liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever resulting directly or indirectly from the fact that it, its officers and/or its directors have acted in accordance with the FASA Agreement, except in the case of the other party's gross negligence, bad faith, fraud or wilful misconduct.

The FASA Agreement is subject to the right of the Management Company or Citibank to terminate the agreement subject to 90 days prior written notice or in certain circumstances with immediate effect. Either party may terminate the FASA Agreement forthwith and at any time, upon written notice to the other party, in the event that the party, to which notice shall be given, shall be in breach of any material provision contained in the FASA Agreement which is not remedied within 30 days of written notice thereof. In addition, the Management Company may at any time, and in accordance with article 110 of the Law, terminate the FASA Agreement with immediate effect, when this is in the interest of the Shareholders of the Fund. The FASA Agreement may further be terminated if the Management Company Agreement is terminated provided that the Management Company shall notify the Citibank, as soon as practically possible, of any termination notice of the Management Company Agreement sent or received by the Management Company.

9. Distributor

The Management Company may upon recommendation and with the consent of the Fund appoint one or more distributors of the Shares. Distributors must be suitably qualified and regulated financial sector professionals in their country of origin and authorised to perform distribution activities in any country in which they intend to distribute the Shares of the Fund. Distributors may be appointed on terms which may differ from distributor to distributor. The Fund and/or Management Company agree to indemnify and hold harmless any appointed distributors against any costs, liabilities, damages, expenses and claims resulting from or arising out of a misrepresentation or alleged misrepresentation or any breach or alleged breach by the Fund and/or the Management Company of the terms set out in any such distribution agreement, except in those circumstances where such costs, liabilities and claims arise out of or result from the gross negligence, bad faith, or wilful default of the distributors, its associates and their partners, directors, officers, employees and persons controlled by or who control the distributors, their affiliates or their respective partners, directors and officers. In principle, the parties are entitled to terminate the appointment of any distributor, subject to 90 days prior written notice and to applicable law. In its capacity as a distribution agent, any appointed distributor may receive distribution fees payable out of the assets referable to the applicable Share Classes and will be entitled to reimbursement for its reasonable out-of-pocket expenses and disbursements. See “Description of Share Classes”.

Subject to applicable law and regulations, distributors and the Investment Managers may, at their discretion on a negotiated basis enter into private arrangements with a holder or prospective holder of Shares (or an agent thereof) under which a Distributor or Investment Manager makes payments to or for the benefit of such holder of Shares which represent a rebate of all or part of the fees paid by the Fund to the distributor or the respective Investment Manager in respect of that part of the value of a Sub-Fund which may, for this purpose only, be deemed to be represented by some or all of the Shares owned by that holder. Such arrangements reflect terms privately agreed between parties other than the Fund, and for the avoidance of doubt, neither the Fund nor the Management Company can be, and the parties to any such arrangement are not, under any duty to enforce equality of treatment between Shareholders by these other entities, including those service providers of the Fund that have been appointed by the Management Company. Furthermore, neither the Fund nor the Management Company will incur any obligation or liability whatsoever in relation to the selection by the distributors or Investment Managers of those holders or prospective holders of Shares with whom they intend to enter into such private arrangements. Neither the distributors nor the Investment Managers shall be under any obligation to make such arrangements available on equal terms to any investors. Investors should note that should such rebate arrangements be terminated this may lead to redemptions being made from the Fund which could cause higher dealing costs to be incurred by the Fund.

Where the distributors hold Shares in their own or a nominee’s name for and on behalf of Shareholders they will act as nominees in respect of such Shares. Whether investors elect to make use of such nominee service is their own decision. Investors are advised to inform themselves of, and when appropriate consult with their nominee regarding the rights that they have in respect of Shares held through the relevant nominee service. In particular, investors should ensure that their arrangements with such nominees deal with information being given regarding corporate actions and notifications arising in respect of the Fund's Shares as the Fund is only obliged to deliver notice to parties inscribed as a Shareholder in the Fund's register and can have no obligation to any third party.

10. Shareholder Services Agent

The Management Company has appointed, upon recommendation and with the consent of the Fund, 1741 Asset Management Ltd. to provide the Fund, its distributors and its Shareholders with certain shareholder administrative oversight and ongoing servicing functions. In particular, the Shareholder Services Agent shall provide daily support to Shareholders in respect of telephone, e-mail and fax enquiries pertaining to the Fund and shall liaise with the Registrar and Transfer Agent in the processing of Shareholder trade orders and certain Shareholder payment processes. Furthermore the Shareholder Services Agent shall prepare certain marketing materials, sales brochures, fact sheets, due diligence questionnaires and coordinate requests for proposals, complaints by Shareholders, the translation in the respective languages and the provision of information to data service providers on behalf of the Fund.

In its capacity as Shareholder Services Agent, 1741 Asset Management Ltd. is entitled to a fee payable by and from the net assets of the Fund. The maximum amount of the fee for these services shall be 0.075% per annum calculated on a daily basis on the total net assets of the Fund.

The Management Company has agreed to indemnify and hold harmless the Shareholder Services Agent, its associates and their partners, directors, officers, employees and persons controlled by or who control the Shareholder Services Agent, its affiliates and agents against any costs, liabilities and expenses resulting directly or indirectly from the provision of such services, except in those circumstances where the Shareholder Services Agent, its associates and their partners, directors, officers, employees and persons controlled by or who control the Shareholder Services Agent, its affiliates and agents shall have acted with gross negligence, in bad faith or with wilful malfeasance in the performance of their obligations.

The Management Company is entitled to terminate the appointment of 1741 Asset Management Ltd., in its capacity as Shareholder Services Agent, subject to 90 days prior written notice and to applicable law and to appoint a replacement including, subject to applicable law, another affiliate of 1741 Asset Management Ltd.

The Management Company may, subject to certain restrictions designed to protect the interests of the Fund and in compliance with applicable laws and regulations including, without limitation, those in relation to the prevention of market timing and related practices as well as those prohibiting insider dealing, authorise the Shareholder Services Agent to disclose on a confidential basis information pertaining to the Fund's positions. The Shareholder Services Agent shall not be obliged to effect such disclosure but if it does so it shall make it available to all Shareholders upon equal terms. The Shareholder Services Agent shall not be obliged to make such information available to any Shareholder that is unwilling to provide undertakings to keep the information confidential upon terms acceptable to the Shareholder Services Agent, which terms shall specify that such information may not be utilised contrary to the interests of the Fund. The Shareholder Services Agent shall not be obliged to supply information to any Shareholder in circumstances where it reasonably believes that such disclosure involves a material risk of information being utilised contrary to the best interests of the Fund or where disclosure would be made to persons who are, or are representatives of, a resident of a jurisdiction that does not have a legal and regulatory regime considered by the Shareholder Services Agent, at its reasonable discretion to adequately protect the Fund in the event of the abuse of the information so disclosed. The Shareholder Services Agent may advise the Management Company to discontinue such disclosure at its absolute discretion and, in the event of it doing so, the sole remedy of a Shareholder previously in receipt of such information shall be to request redemption of Shares held by them in accordance with the terms of this Prospectus.

11. Purchase of Shares

11.1. General

The minimum initial subscription for Shares in each of the Share Classes issued in respect of a Sub-Fund is set out in the relevant currency of denomination of that Share Class in the tables in the Supplement.

Subsequent transaction amounts for Shares are specified in the Supplement. The Fund reserves the right to accept or reject subscriptions in any amount, to accept or reject subscriptions in whole or in part, to suspend at any time and without prior notice the issue of Shares of a Sub-Fund, to modify the minimum initial and subsequent transaction amounts and the manner in which Shares are offered and to change or eliminate the sales charge applicable to the purchase of Shares. In the event of a policy change, the Prospectus will be amended to reflect the changes.

Shares of the Sub-Funds are issued in registered form. The inscription of a Shareholder's name in the register of Shares evidences a right of ownership of such nominative Shares. The Fund will not issue certificated Shares. Fractions of registered Shares may be issued to one ten-thousandth of a Share. The Fund may make a round down of any fractional amount smaller than one ten-thousandth in the favour of the Fund. Written confirmation detailing the purchase of Shares will be sent to Shareholders. All Shares must be fully paid-up, notwithstanding the right of the Fund to issue fractional Shares. The Shares are of no par value and carry no preferential or pre-emptive rights.

The Shares of each Sub-Fund may be listed for trading on the Luxembourg Stock Exchange or on any other stock exchange as decided by the Board of Directors.

Purchases and exchanges of Shares should be made for investment purposes only. The Fund does not permit market-timing or other excessive trading practices. Excessive, short-term (market-timing) trading practices may disrupt portfolio management strategies and harm the performance of the Fund. To minimise harm to the Fund and the Shareholders, the Board of Directors or an authorised agent of the Fund (including distributors and/or the Registrar and Transfer Agent) on their behalf may, at their absolute discretion, reject any order for the purchase or exchange of Shares, or levy a fee of up to 2% of the value of the order for the benefit of the Fund from any investor who is, in the opinion of the Board of Directors, engaging in excessive trading or has a history of excessive trading or if an investor's trading has been or may be disruptive to the Fund or any of the Sub-Funds. In making this judgment, the Board of Directors may consider trading done in multiple accounts under common ownership or control. The Board of Directors also have the power to redeem all Shares held by an investor who they believe is or has been engaged in excessive trading. The Board of Directors may apply such measures at its absolute discretion and neither the Board of Directors nor the Fund or its agents will be held liable for any loss resulting from rejected orders or mandatory redemptions or from their bona fide decision not to effect such measures. In addition, the Board of Directors is authorised to take any further measures deemed appropriate to prevent the above mentioned practices, without prejudice however to the provisions under Luxembourg law.

Pursuant to international rules and Luxembourg laws and regulations (comprising but not limited to the law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended) as well as circulars of the CSSF, obligations have been imposed on all professionals of the financial sector to prevent the use of undertakings for collective investment for money laundering and financing of terrorism purposes. As a result of such provisions, the registrar and transfer agent of a Luxembourg undertaking for collective investment must in principle ascertain the identity of the subscriber in accordance with Luxembourg laws and regulations. The registrar and transfer agent may require subscribers to provide any document it deems necessary to effect such identification.

In case of delay or failure by an applicant to provide the documents required, the application for subscription (or, if applicable, for redemption) will not be accepted. Neither the Fund nor the registrar and transfer agent have any liability for delays or failure to process deals as a result of the applicant providing no or only incomplete documentation.

Shareholders may be requested to provide additional or updated identification documents from time to time pursuant to ongoing client due diligence requirements under relevant laws and regulations.

The Fund and its agents may monitor electronic communications and may record telephone conversations between investors and the Fund's agents (such recording may take place without the use of a warning tone). The Fund may use such recordings in evidence in connection with any disputes arising from purchases, exchanges or redemptions of Shares or applications for such purchases, exchanges or redemptions. The Fund may hold and process the resulting information, together with any information relating to investors obtained during the course of a purchase, exchange or redemption of Shares (or applications therefore), or otherwise acquired from another source, for purposes connected with the purchase, exchange or redemption of Shares, for administrative or other purposes, for such additional purposes as investors agree with the Fund from time to time and/or for purposes connected with complying with applicable law or regulation and rules of regulatory or self-regulatory bodies. Any information may be transferred to any affiliates of the Fund or Investment Manager which exist within and outside the European Economic Area and the Fund may transfer such information to third parties to process on the Fund's instructions, subject to appropriate confidentiality arrangements and in compliance with any applicable laws on professional and bank secrecy and data protection requirements.

11.2. Initial Offering

Investors subscribing for Shares in a Sub-Fund must complete and submit the Account Opening Form to the Registrar and Transfer Agent on or before 12:00 (noon) Central European Time ("CET") on the initial Purchase Date. Such agreement may be sent by fax, provided that the signed original is mailed promptly thereafter together with any other required documents. Shares may be purchased through the distributors or bought directly from the Fund upon notice to the Registrar and Transfer Agent. Investors must deliver to the Custodian the aggregate purchase price (net of all transfer costs/charges) by wire transfer of immediately available funds for value on or by the initial Purchase Date, to the designated account of the Fund as referred to on the Account Opening Form, except in the case of subscriptions in kind. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not apply a Swing Factor on the initial issue price.

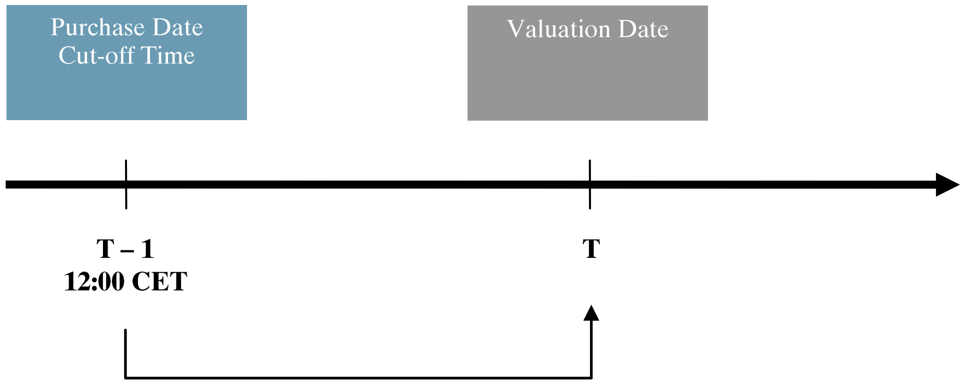
If the Custodian does not receive the funds in time the purchase order may be cancelled and any funds subsequently received returned (without interest) to the investor. The investor will be liable for the costs (including, at the discretion of the Board of Directors, interest) of late or non-payment, in which case the Board of Directors will have the power to redeem all or part of the investor's holding of Shares in the Fund in order to meet such costs. The Fund will, subject to the terms of this Prospectus, the Account Opening Form and the Articles, issue Shares corresponding to amounts actually received.

The Board of Directors may determine at its discretion that if subscriptions for Shares of a Sub-Fund received in an initial offering do not exceed ten million Euro (EUR 10,000,000) (or, as appropriate, its equivalent in the Base Currency where not expressed in EUR), the Sub-Fund will not begin operations and any money received for Shares in the Sub-Fund, including any applicable Sales Charge, will normally be returned to the subscribers of such Shares within five (5) Business Days of the initial Purchase Date, without payment of interest thereon.

11.3. Continuous Offering of 1741 Shares

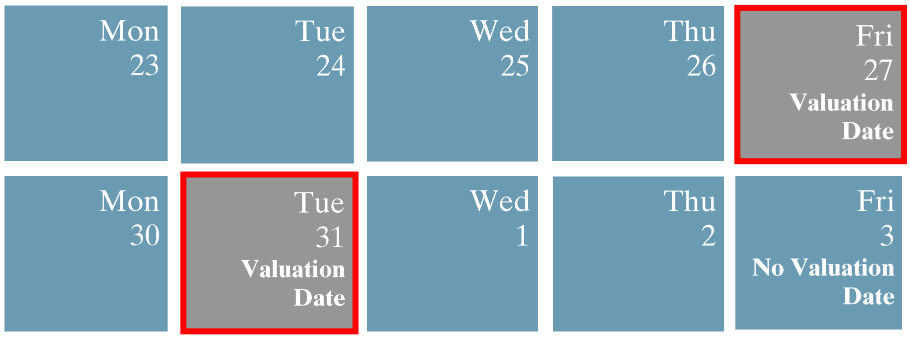
Shares of each Sub-Fund managed by 1741 Asset Management Ltd may be purchased through distributors or bought directly from the Fund upon notice to the Registrar and Transfer Agent, on any Purchase Date, which is the Business Day ("T - 1") preceding a Valuation Date ("T")**,** on which Shares may be purchased at the net asset value per Share of the relevant Class of Shares of the Sub-Fund plus any applicable Sales Charge. Investors must give notice to the Registrar and Transfer Agent not later than 12:00 (noon) CET on T – 1 (the "**Cut-off Time**"):

Illustrative Example: Cut-off Time



The applicable Valuation Date is usually any Business Day. However, the Board of Directors may decide that the net asset value per share of specific Sub-Funds shall be determined on a weekly basis. In case of weekly Valuation Dates, the relevant Valuation Date for each week shall be the last Business Day of each week. However, the last Business Day of a month shall replace in relevant weeks the last Business Day of the week as Valuation Date, in case where they differ:

Illustrative Example: Valuation Dates for Sub-Funds with weekly Valuation Dates



Investors that are clients of distributors may be subject to a different cut-off time which in any case will be earlier than the Cut-off Time. Shares of Sub-Funds not subject to the Swinging Single Pricing (SSP) approach may be purchased at the net asset value per Share of the relevant Class of Shares of the Sub-Fund for a specific Valuation Date plus any applicable Subscription fees credited to the Sub-Fund. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not debit Subscription fees to the investor in addition to the swung net asset value per Share. The notice of purchase must specify the amount or number of shares to be invested.

The Board of Directors will ensure that the relevant Cut-off Time for requests for subscription are strictly complied with and will therefore take all adequate measures to prevent practices known as “late trading”.

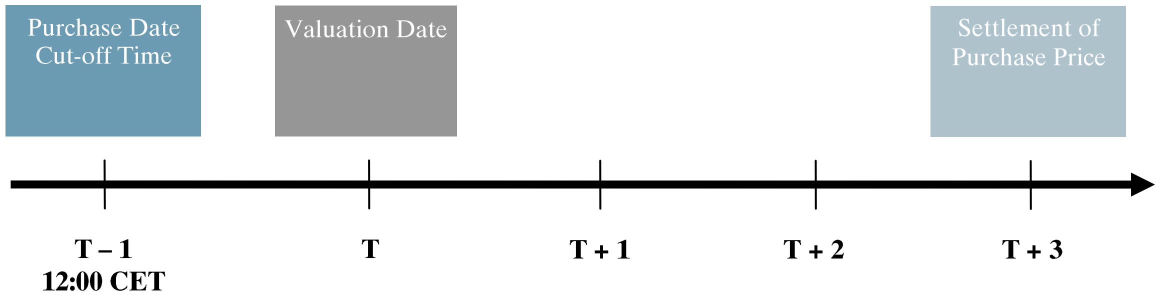
The Fund determines the price of its shares on a forward basis. This means that it is not possible to know in advance the net asset value per Share at which Shares will be bought or sold (exclusive of any Sales Charge and Subscription/Redemption fees credited to the Sub-Fund).

The Board of Directors, having due regard to the equal treatment of Shareholders, may amend the Cut-off Time, either permanently or temporarily, should the circumstances so require.

The notice of purchase by new investors must be in the form of the Account Opening Form and may be sent by fax, provided that the signed original is mailed promptly thereafter together with any other required documents. Existing investors who wish to make additional investments are required to send written notice on a form (the “Dealing Form”) available from the Fund, prior to purchase. The Fund or any distributor may at their discretion permit existing investors to give notice of purchase by fax. In such cases, the signed original must be mailed promptly thereafter. The Fund reserves the right to deny a subsequent request to redeem Shares if the relevant Shareholder fails to submit an original executed Account Opening Form or fails to do so in a form acceptable to the Fund.

Investors must deliver to the Registrar and Transfer Agent the aggregate purchase price (net of all transfer costs/charges), by wire transfer of immediately available funds in the relevant currency to the designated account as referred to on the Account Opening Form or Dealing Form, for value on the relevant Valuation Date within three (3) Business Days, unless the proceeds result from an exchange of shares.

Illustrative Example: Settlement of Purchase Price



If the Administrator does not receive the funds in time the purchase order may be cancelled and the funds returned to the investor without interest. The investor will be liable for the costs of late or non-payment in which the case the Board of Directors will have the power to redeem all or part of the investor's holding of Shares in the Fund in order to meet such costs. In circumstances where it is not practical or feasible to recoup a loss from an applicant for Shares, any losses incurred by the Fund due to late or non-payment of the subscription proceeds in respect of subscription applications received may be borne by the Fund.

Newly issued Shares will be entitled to dividends as and if the Board of Directors of the Fund declares such dividends and the relevant Valuation Date for those Shares was before the ex Dividend Date. If the Registrar and Transfer Agent does not receive the purchase order in time, the purchase order will ordinarily be processed for the next following Valuation Date. Additionally, investors shall bear the risk that the amount actually received by the Fund may vary from the amount set forth in their notice. The Fund will, subject to the terms of this Prospectus, and the Articles, issue Shares corresponding to amounts actually received.

11.4. Continuous Offering of Notenstein Shares

Shares of each Sub-Fund managed by Notenstein Private Bank Ltd. may be purchased through distributors or bought directly from the Fund upon notice to the Registrar and Transfer Agent, on any Purchase Date, which is the Valuation Date ("T")**,** on which Shares may be purchased at the net asset value per Share of the relevant Class of Shares of the Sub-Fund plus any applicable Sales Charge. Investors must give notice to the Registrar and Transfer Agent not later than 12:00 (noon) CET on T (the "**Cut-off Time**"):

The applicable Valuation Date is usually any Business Day. However, the Board of Directors may decide that the net asset value per share of specific Sub-Funds shall be determined on a weekly basis. In case of weekly Valuation Dates, the relevant Valuation Date for each week shall be the last Business Day of each week. However, the last Business Day of a month shall replace in relevant weeks the last Business Day of the week as Valuation Date, in case where they differ:

Investors that are clients of distributors may be subject to a different cut-off time which in any case will be earlier than the Cut-off Time. Shares of Sub-Funds not subject to the Swinging Single Pricing (SSP) approach may be purchased at the net asset value per Share of the relevant Class of Shares of the Sub-Fund for a specific Valuation Date plus any applicable Subscription fees credited to the Sub-Fund. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not debit Subscription fees to the investor in addition to the swung net asset value per Share. The notice of purchase must specify the amount or number of shares to be invested.

The Board of Directors will ensure that the relevant Cut-off Time for requests for subscription are strictly complied with and will therefore take all adequate measures to prevent practices known as “late trading”.

The Fund determines the price of its shares on a forward basis. This means that it is not possible to know in advance the net asset value per Share at which Shares will be bought or sold (exclusive of any Sales Charge and Subscription/Redemption fees credited to the Sub-Fund).

The Board of Directors, having due regard to the equal treatment of Shareholders, may amend the Cut-off Time, either permanently or temporarily, should the circumstances so require.

The notice of purchase by new investors must be in the form of the Account Opening Form and may be sent by fax, provided that the signed original is mailed promptly thereafter together with any other required documents. Existing investors who wish to make additional investments are required to send written notice on a form (the “Dealing Form”) available from the Fund, prior to purchase. The Fund or any distributor may at their discretion permit existing investors to give notice of purchase by fax. In such cases, the signed original must be mailed promptly thereafter. The Fund reserves the right to deny a subsequent request to redeem Shares if the relevant Shareholder fails to submit an original executed Account Opening Form or fails to do so in a form acceptable to the Fund.

Investors must deliver to the Registrar and Transfer Agent the aggregate purchase price (net of all transfer costs/charges), by wire transfer of immediately available funds in the relevant currency to the designated account as referred to on the Account Opening Form or Dealing Form, for value on the relevant Valuation Date within three (3) Business Days, unless the proceeds result from an exchange of shares.

If the Administrator does not receive the funds in time the purchase order may be cancelled and the funds returned to the investor without interest. The investor will be liable for the costs of late or non-payment in which the case the Board of Directors will have the power to redeem all or part of the investor’s holding of Shares in the Fund in order to meet such costs. In circumstances where it is not practical or feasible to recoup a loss from an applicant for Shares, any losses incurred by the Fund due to late or non-payment of the subscription proceeds in respect of subscription applications received may be borne by the Fund.

Newly issued Shares will be entitled to dividends as and if the Board of Directors of the Fund declares such dividends and the relevant Valuation Date for those Shares was before the ex Dividend Date. If the Registrar and Transfer Agent does not receive the purchase order in time, the purchase order will ordinarily be processed for the next following Valuation Date. Additionally, investors shall bear the risk that the amount actually received by the Fund may vary from the amount set forth in their notice. The Fund will, subject to the terms of this Prospectus, and the Articles, issue Shares corresponding to amounts actually received.

11.5. Multi-Currency Dealing

The Fund may, but is not obliged to, accept from investors in Shares payment of the aggregate purchase price in a currency other than the currency in which the relevant Shares to be purchased are denominated. Investors may also request that redemption proceeds be paid in a currency other than the currency in which the relevant Shares to be redeemed are denominated. Where such an arrangement is in place the other currency will be converted by the Custodian into the currency in which the Shares are denominated at the expense and risk of the investors by reference to the prevailing relevant currency exchange rate. Where reasonably practicable, such conversion will be effected, in principle, at those rates prevailing on the Business Day on which the relevant subscription or redemption amount, as appropriate, is delivered. The net proceeds of such conversion shall be deemed to be the aggregate purchase or redemption price, as appropriate, and the Fund will, subject to the terms of this Prospectus, the Account Opening Form and the Articles, issue or redeem Shares corresponding to the net amounts in the currency of the relevant Shares to be purchased or redeemed after such conversion. If any amounts are to be returned to such prospective investors as described above, the amount so returned will be denominated in the currency into which they have been converted and the arrangements described above in relation to the return of such amounts will apply without limitation. Investors should note that a fee may be charged in respect of this service and they will be liable for any cost incurred including but not limited to interest costs relating to failed or delayed settlement of the currency amount from the Investor.

11.6. Subscription in Kind

The Fund may, if a prospective Shareholder requests and the Board of Directors so agrees, satisfy any application for subscription of Shares in specie or in kind. The nature and type of assets to be accepted in any such case shall be determined by the Board of Directors and must correspond to the investment policy of the Sub-Fund in which they are to be invested.

The nature and type of assets to be subscribed in any such case and as accepted by the Board of Directors, will be valued on a fair and equitable basis as confirmed, if required by applicable laws and regulations or the Board of Directors, by the Auditor of the Fund and without prejudice to the remaining Shareholders of that Class. The costs for such contribution in kind, in particular the costs of the special audit report, will be borne by the investor requesting the contribution in kind or by a third party, but will not be borne by the Fund.

However, no Subscription/Redemption fees credited to the Sub-Fund will be levied on subscriptions of Shares in specie or in kind. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not apply a swung net asset value per Share to calculate the number of Shares an investor is entitled for his subscription of Shares in specie or in kind but the unswung net asset value per Share for a specific Valuation Date.

11.7. Sales Charge

The Sales Charge imposed by the distributors may vary, but may not exceed in aggregate with any applicable Subscription / Redemption fees 5% of the purchase price of Shares. The “C” Shares as well as the Institutional Share Classes “I”, “IX”, “IXL”, “IXXL”, “IZ” and “N” do not have a Sales Charge.

Banks and other agents employed as agents of Shareholders may impose administrative or other charges to be paid by Shareholders pursuant to arrangements between Shareholders and those banks or other agents.

Shares of a Sub-Fund may be issued at net asset value without the imposition of a Sales Charge to Notenstein Private Bank Ltd and its affiliates, to partners, directors and employees of Notenstein Private Bank Ltd and its affiliates, to certain investment funds related to Notenstein Private Bank Ltd and to certain other parties designated from time to time by Notenstein Private Bank Ltd.

11.8. Subscription fees credited to the Sub-Fund

Subscription fees credited to the Sub-Fund will be imposed by the Fund for all Share Classes on subscriptions. The relevant amount for each Sub-Fund is set out in the Supplement. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not levy Subscription fees to the investor in case the net asset value per Share is swung.

11.9. Closure to new subscriptions

The Fund may, at its sole discretion, decide to close a Sub-Fund or a specific Class of Shares either temporarily or permanently for new subscriptions without deciding to liquidate or close down the Sub-Fund or the Class of Share. Such closure would in no way affect the rights of existing shareholders, the calculation of the net asset valuation or the investment management of the affected Sub-Fund or Class of Share.

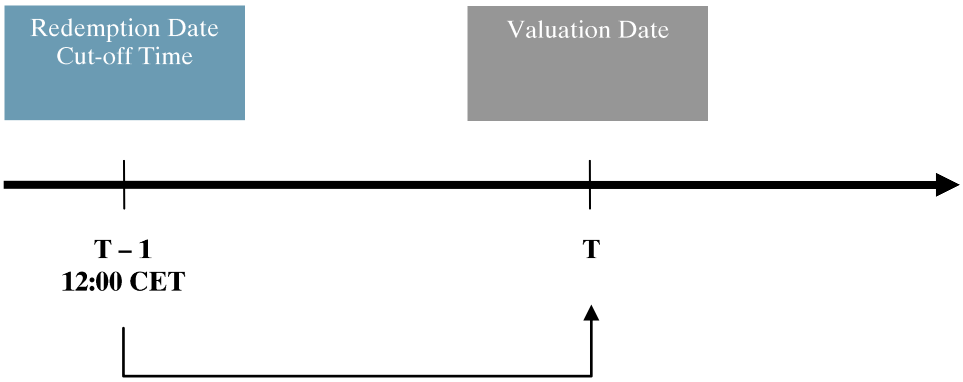
12.Redemption of Shares

In respect of redemptions, Shareholders should take note of the subsequent transaction amounts for Shares as specified in the Supplement.

12.1. Shareholder Request of 1741 Shares

Shares of each Sub-Fund managed by 1741 Asset Management Ltd. may be redeemed on any Redemption Date, which is the Business Day (T - 1) preceding a Valuation Date (T), on which Shares may be redeemed by a Shareholder, at the prevailing net asset value per Share of the relevant Share Class of the Sub-Fund. Such redemption requests must be made upon written notice (which may be sent by fax) to the distributors or the Registrar and Transfer Agent and in a form (the "Dealing Form") available from the Fund by the Shareholder requesting redemption of all or part of its Shares. Redemption requests to the Registrar and Transfer Agent must be given not later than 12:00 (noon) CET on T – 1 (the "**Cut-off Time**"). Shareholders that are clients of a distributor may be subject to a different cut-off time for redemption requests which in any case will be earlier than the Cut-off Time:

Illustrative Example: Cut-off Time



The Board of Directors will ensure that the relevant Cut-off Time for requests for redemption are strictly complied with and will therefore take all adequate measures to prevent practices known as "late trading".

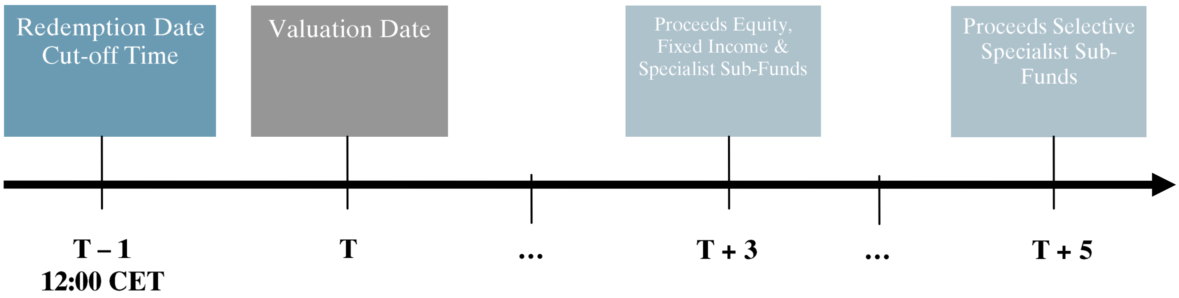
In order to avoid delay, the redeeming Shareholder must specify what Share Class the redemption request relates to. Any request for redemption shall be irrevocable, except in the event of a suspension of the calculation of net asset value. A Shareholder may request the redemption of all or part of the Shares held by such Shareholder, except as set forth below under "Mandatory Sale or Redemption" provided that partial redemptions must ordinarily equal or exceed a Sub-Fund's and/or Share Classes' minimum subsequent transaction amount. In all cases, the signed original redemption order must be mailed promptly thereafter to the Registrar and Transfer Agent.

The Board of Directors, having due regard to the equal treatment of Shareholders, may amend the Cut-off Time, either permanently or temporarily, should the circumstances so require.

The applicable Valuation Date is usually any Business Day. However, the Board of Directors may decide that the net asset value per share of specific Specialist Sub-Funds shall be determined less frequently, but not less than on a weekly basis. For further details please read section 11.3 "Continuous Offering of 1741 Shares" of this Prospectus.

The Fund intends to normally pay redemption proceeds, less Redemption fees credited to the Sub-Fund, any tax or duty imposed on the redemption of the Shares within three (3) Business Days following the relevant Valuation Date except for a few Specialist Sub-Funds, where the Fund intends to generally pay within five (5) Business Days following the relevant Valuation Date. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not debit Redemption fees to the investor in case the net asset value per Share is swung.

Illustrative Example: Settlement of Redemption Proceeds



Shares with respect to which a redemption request has been given will not be entitled to dividends, if the relevant Valuation Date was before the ex Dividend Date. Payment of redemption proceeds will be made by wire transfer, as indicated on a Shareholder’s Account Opening Form, as may be amended in writing from time to time, to the address or account indicated on the register of Shareholders. Where a Shareholder redeems Shares that he has not paid for within the required subscription settlement period, in circumstances where the redemption proceeds would exceed the subscription amount that he owes, the Fund will be entitled to retain such excess for the benefit of the Fund.

Shares will not be redeemed in circumstances where the calculation of the net asset value of the relevant Shares is suspended by the Fund. See “Determination of Net Asset Value”.

The Board of Directors may, at the request of a Shareholder, agree to make, in whole or in part, a distribution in kind of securities of the Sub-Fund to that Shareholder in lieu of paying to that Shareholder redemption proceeds in cash. The Board of Directors will agree to do so if they determine that such a transaction would not be detrimental to the best interests of the remaining Shareholders of the relevant Sub-Fund. Such redemption will be effected at the net asset value of Shares of the relevant Class of the Sub-Fund which the Shareholder is redeeming, and thus will constitute a pro rata portion of the Sub-Fund’s assets attributable in that Class in terms of value. The assets to be transferred to such Shareholder shall be determined by the Board of Directors, with regard to the practicality of transferring the assets and to the interests of the Sub-Fund and continuing participants therein and to the Shareholder. The selection, valuation and transfer of assets shall be subject to the review and approval, if required by applicable laws and regulations or the Board of Directors, of the Fund’s Auditors at the requesting Shareholder’s expense. The costs for such redemptions in kind, in particular the costs of the special audit report, will be borne by the Shareholder requesting the redemption in kind or by a third party, but will not be borne by the Fund. However no Redemption fees credited to the Sub-Fund will be levied, in satisfaction of such a redemption. Such redemptions in kind will be made, for Sub-Funds subject to the Swinging Single Pricing (SSP) approach, at the unswung net asset value per Share. The net proceeds from this sale by the redeeming Shareholder of such securities may be more or less than the corresponding redemption price of Shares in the relevant Sub-Fund due to market conditions and/or differences in the prices used for the purposes of such sale or transfer and the calculation of the net asset value of Shares of the Sub-Fund. The redemption of Shares of a Sub-Fund may be temporarily suspended by the Fund upon certain conditions described below under “Determination of Net Asset Value”. In addition, if on any given date requests for redemption of Shares received by the Fund relate to more than 10% of the Shares in a given Sub-Fund or Class, and either the Fund’s available cash, together with amounts the Fund is permitted to borrow, is insufficient to meet such requests or the Board of Directors determines that it is not advisable to apply such cash and borrowings to meet such requests, then the Board of Directors may decide that part or all of such requests for redemption will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund provided that any such deferral period would not normally exceed ten (10) Business Days. On the next Redemption Date following such period of deferral, redemption requests so deferred will be given priority over requests subsequently received. The price at which any such deferred redemptions are effected shall be the net asset value per Share of the Sub-Fund on the Valuation Date for which such requests are met.

12.2. Shareholder Request of Notenstein Shares

Shares of each Sub-Fund managed by Notenstein Private Bank Ltd. may be redeemed on any Redemption Date, which is a Valuation Date (T), on which Shares may be redeemed by a Shareholder, at the prevailing net asset value per Share of the relevant Share Class of the Sub-Fund. Such redemption requests must be made upon written notice (which may be sent by fax) to the distributors or the Registrar and Transfer Agent and in a form (the "Dealing Form") available from the Fund by the Shareholder requesting redemption of all or part of its Shares. Redemption requests to the Registrar and Transfer Agent must be given not later than 12:00 (noon) CET on T (the "**Cut-off Time**"). Shareholders that are clients of a distributor may be subject to a different cut-off time for redemption requests which in any case will be earlier than the Cut-off Time.

The Board of Directors will ensure that the relevant Cut-off Time for requests for redemption are strictly complied with and will therefore take all adequate measures to prevent practices known as "late trading".

In order to avoid delay, the redeeming Shareholder must specify what Share Class the redemption request relates to. Any request for redemption shall be irrevocable, except in the event of a suspension of the calculation of net asset value. A Shareholder may request the redemption of all or part of the Shares held by such Shareholder, except as set forth below under "Mandatory Sale or Redemption" provided that partial redemptions must ordinarily equal or exceed a Sub-Fund's and/or Share Classes' minimum subsequent transaction amount. In all cases, the signed original redemption order must be mailed promptly thereafter to the Registrar and Transfer Agent.

The Board of Directors, having due regard to the equal treatment of Shareholders, may amend the Cut-off Time, either permanently or temporarily, should the circumstances so require.

The applicable Valuation Date is usually any Business Day. However, the Board of Directors may decide that the net asset value per share of specific Specialist Sub-Funds shall be determined less frequently, but not less than on a weekly basis. For further details please read section 11.4 "Continuous Offering of Notenstein Shares" of this Prospectus.

The Fund intends to normally pay redemption proceeds, less Redemption fees credited to the Sub-Fund, any tax or duty imposed on the redemption of the Shares within three (3) Business Days following the relevant Valuation Date except for a few Specialist Sub-Funds, where the Fund intends to generally pay within five (5) Business Days following the relevant Valuation Date. Sub-Funds subject to the Swinging Single Pricing (SSP) approach will not debit Redemption fees to the investor in case the net asset value per Share is swung.

Shares with respect to which a redemption request has been given will not be entitled to dividends, if the relevant Valuation Date was before the ex Dividend Date. Payment of redemption proceeds will be made by wire transfer, as indicated on a Shareholder's Account Opening Form, as may be amended in writing from time to time, to the address or account indicated on the register of Shareholders. Where a Shareholder redeems Shares that he has not paid for within the required subscription settlement period, in circumstances where the redemption proceeds would exceed the subscription amount that he owes, the Fund will be entitled to retain such excess for the benefit of the Fund.

Shares will not be redeemed in circumstances where the calculation of the net asset value of the relevant Shares is suspended by the Fund. See "Determination of Net Asset Value".

The Board of Directors may, at the request of a Shareholder, agree to make, in whole or in part, a distribution in kind of securities of the Sub-Fund to that Shareholder in lieu of paying to that Shareholder redemption proceeds in cash. The Board of Directors will agree to do so if they determine that such a transaction would not be detrimental to the best interests of the remaining Shareholders of the relevant Sub-Fund. Such redemption will be effected at the net asset value of Shares of the relevant Class of the Sub-Fund which the Shareholder is redeeming, and thus will constitute a pro rata portion of the Sub-Fund's assets attributable in that Class in terms of value. The assets to be transferred to such Shareholder shall be determined by the Board of Directors, with regard to the practicality of transferring the assets and to the interests of the Sub-Fund and continuing participants therein and to the Shareholder. The selection, valuation and transfer of assets shall be subject to the review and approval, if required by applicable laws and regulations or the Board of Directors, of the Fund's Auditors at the requesting Shareholder's expense. The costs for such redemptions in kind, in particular the costs of the special audit report, will be borne by the Shareholder requesting the redemption in kind or by a third party, but will not be borne by the Fund. However no Redemption fees credited to the Sub-Fund will be levied, in satisfaction of such a redemption. Such redemptions in kind will be made, for Sub-Funds subject to the Swinging Single Pricing (SSP) approach, at the unswung net asset value per Share. The net proceeds from this sale by the redeeming Shareholder of such securities may be more or less than the corresponding redemption price of Shares in the relevant Sub-Fund due to market conditions and/or differences in the prices used for the purposes of such sale or transfer and the calculation of the net asset value of Shares of the Sub-Fund. The redemption of Shares of a Sub-Fund may be temporarily suspended by the Fund upon certain conditions described below under "Determination of Net Asset Value". In addition, if on any given date requests for redemption of Shares received by the Fund relate to more than 10% of the Shares in a given Sub-Fund or Class, and either the Fund's available cash, together with amounts the Fund is permitted to borrow, is insufficient to meet such requests or the Board of Directors determines that it is not advisable to apply such cash and borrowings to meet such requests, then the Board of Directors may decide that part or all of such requests for redemption will be deferred for such period as the Board of Directors considers to be in the best interests of the Sub-Fund provided that any such deferral period would not normally exceed ten (10) Business Days. On the next Redemption Date following such period of deferral, redemption requests so deferred will be given priority over requests subsequently received. The price at which any such deferred redemptions are effected shall be the net asset value per Share of the Sub-Fund on the Valuation Date for which such requests are met.

12.3. Mandatory Sale or Redemption

None of the Shares may be offered or sold, directly or indirectly, to any US Person. Accordingly, if a transferee who is a US Person applies to register a transfer of Shares, or if the Board of Directors or the Registrar and Transfer Agent otherwise becomes aware that a Shareholder is a US Person, or if the sale or transfer to any person would cause the Fund to be required to register the Shares, to be subject to tax or to violate the laws of any jurisdiction (which shall include where a Shareholder who has invested in "PZ", "I", "IX", "IXL", "IXXL", "IZ" or "N" Shares does not qualify or ceases to qualify as being eligible to invest in such Shares), the Registrar and Transfer Agent, on behalf of and subject to the ultimate discretion of the Board of Directors, may direct such person to sell their Shares (or, in the case of an ineligible Shareholder of "PZ", "I", "IX", "IXL", "IXXL", "IZ" or "N" Shares, to exchange such Shares for Shares of another Class of the same Sub-Fund for which the Shareholder is eligible) and to provide to the Registrar and Transfer Agent evidence of such transaction, within 30 days of notice from the Registrar and Transfer Agent. If such person fails to comply with the direction, the Board of Directors or the Registrar and Transfer Agent on its behalf may effect a redemption of the Shares as agent for that person as provided for in the Articles of Incorporation of the Fund and will account for the redemption proceeds (less expenses including Subscription/Redemption fees credited to the Sub-Fund) to such person.

A Shareholder's Shares may, at the absolute discretion of the Board of Directors but subject to Luxembourg law, be mandatorily redeemed in a similar manner if the net asset value of the Shares of such Shareholder falls below the level set out under the minimum initial investment subscription specified in the Supplement. Where the Shares are denominated in a currency other than their Base Currency, the prescribed level will be calculated by converting such currency into the Base Currency at the prevailing currency exchange rate. It is expected that such redemptions will not be implemented if the value of the Shareholder's account falls below the minimum initial subscription level solely as a result of market conditions. The Fund will give prior written notice to Shareholders whose Shares are being redeemed to allow them to purchase sufficient additional Shares of the Sub-Fund so as to avoid such redemption.

If for any reason the value of the assets of any Sub-Fund on a given Valuation Date shall be less than ten million Euro (EUR 10,000,000) (or, as appropriate, its equivalent in the Base Currency where not expressed in EUR) then the Board of Directors may, at its discretion, elect to redeem all, but not part, of the Shares of such Sub-Fund then outstanding at the net asset value per Share of such Sub-Fund calculated on the Valuation Date for which such Shares are redeemed. The Fund shall provide at least 30 days prior notice of redemption to all registered Shareholders of the Shares to be so redeemed.

If for any reason the value of the assets of any Share Class in any Sub-Fund on a given Valuation Date shall be less than ten million Euro (EUR 10,000,000) (or, as appropriate, its equivalent in the Base currency of the relevant share Class where not expressed in EUR) then the Board of Directors may, at its discretion, elect to redeem all, but not part, of the Shares in such Share Class in such Sub-Fund then outstanding at the net asset value per Share of such Sub-Fund calculated on the Valuation Date for which such Shares are redeemed. The Fund shall provide at least 30 days prior notice of redemption to all registered Shareholders of the Shares in the Share Class to be so redeemed.

Shareholders should note that in all of the above cases Subscription/Redemption fees credited to the Sub-Fund will be applied on mandatory redemptions.

13. Transfer of Shares

All transfers of Shares shall be effected by a transfer in writing in any usual or common form or any other form approved by the Board of Directors and every form of transfer shall state the full name and address of the transferor and the transferee. The instrument of transfer of a Share shall be signed by or on behalf of the transferor and the transferee must also accept the transfer in writing. The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered on the Share register in respect thereof. The Directors may decline to register any transfer of Shares if, in consequence of such transfer, the value of the holding of the transferor or transferee does not meet the minimum subscription or holding levels of the relevant Share Class and/or Sub-Fund as set out in the relevant Supplement unless such Shares are traded on the Luxembourg Stock Exchange or on any other stock exchange. The registration of transfer may be suspended at such times and for such periods as the Board of Directors may from time to time determine, provided, however, that such registration shall not be suspended for more than 30 days in any calendar year. The Board of Directors may decline to register any transfer of Shares unless the original instruments of transfer, and such other documents that the Board of Directors may require, including a duly completed Account Opening Form, are deposited at the registered office of the Fund or at such other place as the Board of Directors may reasonably require, together with such other evidence as the Board of Directors may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee unless such Shares are traded on the Luxembourg Stock Exchange or on any other stock exchange. Such evidence may include a declaration as to whether the proposed transferee is a US Person or acting for or on behalf of a US Person.

The Board of Directors may decline to register a transfer of Shares:

i) if, in the opinion of the Board of Directors, the transfer will be unlawful or will result or be likely to result in any adverse regulatory, tax or fiscal consequences to the Fund or its Shareholders; or

ii) if the transferee is a US Person or is acting for or on behalf of a US Person;

Investors acquiring their shares via trading on the Luxembourg Stock Exchange or on any other stock exchange are made aware that, although the transfer of shares will be effected in the Shareholder Register, the Board of Directors may require such shareholders to provide evidence (i) that they meet the minimum subscription or holding levels of the relevant Share Class and/or Sub-Fund as set out in the relevant section of the Supplement, or (ii) that they qualify as an Eligible Investor or (iii) of the identity of the new shareholders (the “transferee” as referred to above). Failing such evidence, the Board of Directors may compulsorily redeem such shareholdings or take any other steps it deems to be in the best interest of the Fund and its shareholders.

14. Exchange of Shares

Shares of a Sub-Fund may be exchanged, at the net asset value per Share of the relevant Share Class of the Sub-Fund for (i) Shares of another Share Class of the same Sub-Fund without the imposition of Subscription/Redemption fees credited to the Sub-Fund or (ii) Shares of the same or another Share Class of any other Sub-Fund subject to the imposition of Subscription/Redemption fees credited to the Sub-Fund. Shares of a Sub-Fund subject to the Swinging Single Pricing (SSP) approach may be exchanged, at the unswung net asset value per Share of the relevant Share Class of the Sub-Fund for Shares of another Share Class of the same Sub-Fund without the imposition of additional Subscription/Redemption fees credited to the Sub-Fund. For Shares of the same or another Share Class of any other Sub-Fund the exchange of Shares will be calculated based on the swung net asset value per Share.

Subject to the foregoing, the number of Shares in the newly selected Share Class and/or Sub-Fund will be determined by reference to the respective net asset values of the relevant Shares, calculated for the relevant Valuation Date, taking into account the current exchange rate of the different currencies in which the Sub-Funds may be denominated (or the currency in which a Share Class is priced, if applicable) and, if applicable, any foreign exchange costs and/or excessive trading penalties. The Fund may make a round down of any fractional amount smaller than one hundredth in the favour of the Fund. Such facility remains subject to restrictions imposed by applicable law or the Fund. The facility will not be available, for example, where, as a result of such exchange, the newly selected Sub-Fund becomes subject to additional registration or qualification under the laws of any jurisdiction. Shareholders should be aware that the Fund reserves the right to accept or reject an exchange of Shares at its discretion. In particular, Shareholders should note that Shares may only be exchanged for “A”, “PZ”, “I”, “IX”, “IXL”, “IXXL”, “IZ” or “N” Shares provided that the Shareholder qualifies as being eligible to acquire such Shares.

A Shareholder should obtain and read the Prospectus and the Supplement relating to any Sub-Fund or any Class of Shares of a Sub-Fund and consider its investment objective, policies and applicable fees before requesting any exchange into that Sub-Fund or any Class of Shares of a Sub-Fund.

Subject to the Fund’s approval, Base Shares, Other Currency Shares, “A”, “PZ”, “I”, “IX”, “IXL”, “IXXL”, “IZ” or “N” Shares may only be exchanged at the net asset value per Share of the relevant Base Shares, Other Currency Shares, “A”, “PZ”, “I”, “IX”, “IXL”, “IXXL”,“IZ” or “N” Shares of the Sub-Fund without being subject to an additional Sales Charge (subject to any foreign exchange costs, Subscription/Redemption fees credited to the Sub-Fund or excessive trading penalties and to the provisions described below) for Base Shares, Other Currency Shares, “A”, “PZ”, “I”, “IX”, “IXL”, “IXXL”,“IZ” or “N” Shares of any other Sub-Fund having the same or a lower Sales Charge, as the Base Shares, Other Currency Shares, “A”, “PZ”, “I”, “IX”, “IXL”, “IXXL”,“IZ” or “N” Shares to be exchanged subject to restrictions imposed by applicable law or the Fund, provided that, as a result of such exchange, the newly selected Sub-Fund does not thereby become subject to registration or qualification under the laws of any jurisdiction other than where such Sub-Fund shall already be duly registered or qualified at the time of the proposed exchange in which circumstances no exchange rights shall apply.

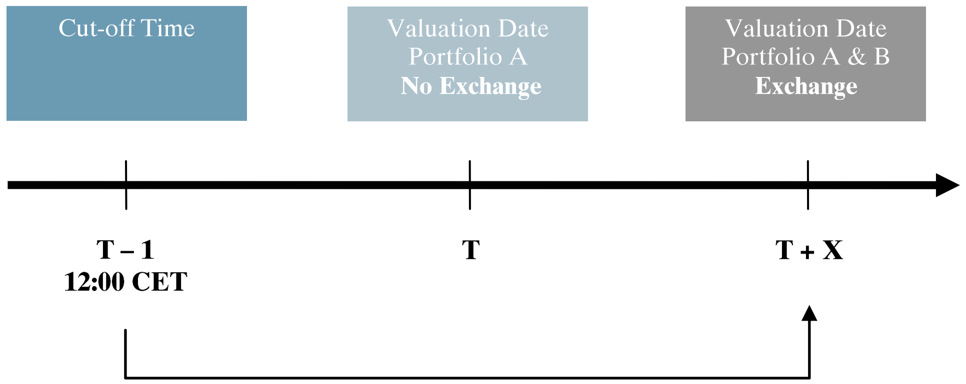
Subject to the Board of Directors’ approval, Shares of a Sub-Fund may be exchanged at the net asset value per Share for another Class of Shares in either the same or a different Sub-Fund with a higher Sales Charge. In such circumstances the Shares may, on acquisition, be subject to a Sales Charge equal to the difference between the Sales Charge of the Shares being exchanged and the new Shares being received (in addition to any foreign exchange costs or excessive trading penalties and to the provisions described below).

1741 Shares may be exchanged on any day, which is the Business Day (T - 1) preceding a Valuation Date (T) directly through the Fund, upon notice to the Registrar and Transfer Agent given not later than 12:00 (noon) CET. Such notice must be given in writing, on a form (the “Dealing Form”) available from the Fund and may be sent by fax. In the case of use of fax the signed original must be mailed promptly thereafter.

Notenstein Shares may be exchanged on any day, which is a Valuation Date (T) directly through the Fund, upon notice to the Registrar and Transfer Agent given not later than 12:00 (noon) CET. Such notice must be given in writing, on a form (the “Dealing Form”) available from the Fund and may be sent by fax. In the case of use of fax the signed original must be mailed promptly thereafter.

If the Valuation Dates for the Share Classes to be exchanged do not match, the Fund may defer the execution of the Exchange at its discretion until the Valuation Dates can be matched. The same applies if the settlement terms for the Share Classes to be exchanged differ.

Illustrative Example for 1741 Shares: Cut-off Time



In the event that an exchange request is received after the applicable Cut-off Time such request will be deferred to the following Valuation Date.

In the event that the notice to exchange Shares is given on a day that is not a Business Day for any of the Share Classes or Sub-Funds included in the notice, then the instruction will be deferred to the next possible Valuation Date.

The Board of Directors will ensure that the relevant Cut-off Time for requests for exchange are strictly complied with and will therefore take all adequate measures to prevent practices known as “late trading”.

The Board of Directors, having due regard to the equal treatment of Shareholders, may amend the Cut-off Time, either permanently or temporarily, should the circumstances so require.

All exchanges must satisfy the minimum investment requirements of the Sub-Fund into which the Shares are being converted and will not normally be accepted where the purchase of Shares of the Sub-Fund from which the conversion is taking place has not yet been settled by the Shareholder. If the exchange privilege is modified or withdrawn, the Prospectus will be amended to reflect the changes.

The exchange of Shares of a Sub-Fund may be temporarily suspended by the Fund upon the occurrence of certain events described below under “Determination of Net Asset Value”. An exchange of Shares may have tax consequences for a Shareholder. Shareholders should consult with their normal tax advisor if they are in any doubt as to such tax consequences.

15. Determination of Net Asset Value

The net asset value per Share of each Share Class of each Sub-Fund shall be determined by the Administrator under the supervision of the Board of Directors. The net asset value per Share of a particular Class will be calculated by dividing (i) the total assets of the Sub-Fund attributable to that Share Class less the total liabilities of the Sub-Fund attributable to that Share Class by (ii) the total number of Shares of that Class of the Sub-Fund outstanding. Shares of each Sub-Fund and Share Class and any additional sub-funds in the Fund are expected to perform differently, and each Sub-Fund (and Share Class if appropriate) will bear its own fees and expenses (to the extent specifically attributable to the Sub-Fund (or Share Class)). In particular, the costs associated with the conversion of monies in connection with the purchase, redemption and exchange of Shares of a Sub-Fund denominated in one currency but also offered in another currency will normally be borne by the relevant Share Class and will be reflected in the net asset value of such Class of Shares. Consequently, the net asset value per Share of each Sub-Fund and of the different Share Classes of a single Sub-Fund, if appropriate, is expected to differ.

For those Sub-Funds the Board of Directors has decided to apply the Swinging Single Pricing (SSP) approach, the balance of subscriptions, redemptions or exchanges of Shares for a specific Sub-Fund and Valuation Date determines whether or not the net asset values per Share of the Share Classes of such Sub-Fund for that specific Valuation Date will be swung or not. This approach prevents existing investors from suffering any dilution of their Shares due to the costs (bid/ask spreads, market impacts, transaction costs, commissions, duties etc.) triggered by net in- or outflows. The impact on the determination of the net asset value per Share is as follows:

i) if inflows into a Sub-Fund exceed outflows for a specific Valuation Date, the net asset value per Share of all Share Classes of that Sub-Fund will increase by a Swing Factor in order to meet the costs on average (bid/ask spreads, market impacts, transaction costs, commissions, duties etc.) triggered by the net inflows. The swung net asset value per Share will be higher than the unswung net asset value per Share.

ii) if outflows from a Sub-Fund exceed inflows for a specific Valuation Date, the net asset value per Share of all Share Classes of that Sub-Fund will decrease by a Swing Factor in order to meet the costs on average (bid/ask spreads, market impacts, transaction costs, commissions, duties etc.) triggered by the net outflows. The swung net asset value per Share will be lower than the unswung net asset value per Share.

iii) if inflows into a Sub-Fund equal outflows for a specific Valuation Date no costs are triggered for the Sub-Fund due to the netting effect. In this case no Swing Factor will be applied to the unswung net asset value per Share and the swung net asset value per Share is identical to the unswung net asset value per Share. The same applies to subscriptions and redemptions in kind or conversions within the same Sub-Fund.

The Swing Factor will not exceed 1% of the unswung net asset value per Share. The Board of Directors will determine the Swing Factor for each Sub-Fund individually based on the assessment of the costs on average (bid/ask spreads, market impacts, transaction costs, commissions, duties etc.) triggered by the net in- or outflows and review the Swing Factor periodically. The Board of Directors may determine the thresholds for the level of net in- or outflows relevant for the application of the Swing Factor. For Subscriptions, Redemptions or Exchanges of Shares in Sub-Funds the Board of Directors has decided to apply the Swinging Single Pricing (SSP) approach no additional Subscription/Redemption fees will be debited to the investors.

The Administrator, in respect of each Sub-Fund and in consultation with the respective Investment Manager, will compute the net asset value per Share of each Share Class for each Valuation Date to at least two (2) decimal places. For a Share Class which is expressed in a currency other than the Base Currency of the relevant Sub-Fund, the net asset value per Share of that Class shall be the net asset value attributable to the Shares of the Class of that Sub-Fund calculated in the Base Currency of the Sub-Fund and then converted into the other currency at the relevant currency exchange rate applicable on the relevant Valuation Date.

The Fund may temporarily suspend the determination of the net asset value per Share of a Sub-Fund or Share Class and the issue, redemption or exchange of Shares of a Sub-Fund or Share Class upon the occurrence of one or more of the following events:

a) during any period when any market or stock exchange, on which a material part of the investments of the relevant Sub-Fund (being an accumulation of approximately 20% or more of the investments) for the time being is quoted, is closed (other than for ordinary holidays), or during which dealings are substantially restricted or suspended;

b) during the existence of any state of affairs which constitutes an emergency as a result of which disposal or valuation of assets owned by the Fund attributable to such Sub-Fund would be impracticable;

c) during any breakdown or restriction in the use of the means of communication normally employed to determine the price or value of any of the investments attributable to such Sub-Fund or the current prices or values of any stock exchange;

d) during any period when the Fund is unable to repatriate funds for the purpose of making payments on the redemption of such Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of such Shares cannot in the opinion of the Board of Directors be effected at normal rates of exchange;

e) during any period when in the opinion of the Board of Directors of the Fund there exist unusual circumstances where it would be impracticable or unfair towards the Shareholders to continue dealing with Shares of any Sub-Fund of the Fund or any other circumstance or circumstances where a failure to do so might result in the Shareholders of the Fund, a Sub-Fund or a Share Class incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Shareholders of the Fund, a Sub-Fund or a Share Class might not otherwise have suffered;

f) if the Fund, a Sub-Fund or a Share Class is being or may be wound-up, on or following the date on which such decision is taken by the Board of Directors or notice is given to Shareholders of a general meeting of Shareholders at which a resolution to wind-up the Fund, a Sub-Fund or a Share Class is to be proposed;

g) in the case of a merger of the Fund or a Sub-Fund, if the Board of Directors deems this to be necessary and in the best interest of Shareholders; or

h) in the case of a suspension of the calculation of the net asset value of one or several funds in which a Sub-Fund has invested a substantial portion of assets.

A suspension of the determination of the net asset value of any Sub-Fund or Share Class shall be notified to those Shareholders who have made an application for subscription, redemption or exchange of Shares in respect of the relevant Sub-Fund or Share Class. Such subscriptions, redemptions and exchanges shall be transacted on the next Valuation Date following the lifting of such suspension.

A suspension of the determination of the net asset value of any Sub-Fund or Share Class shall have no effect on the calculation of the net asset value per Share, or the issue, redemption and exchange of any other Share Class of that Sub-Fund or other Sub-Funds of the Fund unless they are equally affected.

For the purpose of calculating the net asset value per Share of a Sub-Fund, the following valuation principles will be observed.

The value of any cash on hand or on deposit, bills and demand notes and accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received is deemed to be the full amount thereof, unless in any case the same is unlikely to be paid or received in full, in which case the value thereof is arrived at after making such discount as may be considered appropriate in such case to reflect the true value thereof.

The value of transferable securities, Money Market Instruments and any financial liquid assets listed or dealt in on a stock exchange or on a Regulated Market, or any other regulated market, are generally valued at the last available known price in the relevant market prior to the time of valuation. Fixed Income securities not traded on such markets are generally valued at the last available price or yield equivalents obtained from one or more dealers or pricing services approved by the Board of Directors.

If such prices are not representative of their value, such securities are stated at market value or otherwise at the fair value at which it is expected they may be resold, as may be determined in good faith by or under the direction of the Board of Directors.

The liquidating value of futures, forward or options contracts not traded on a stock exchange or on Regulated Markets, or on other regulated markets shall mean their net liquidating value determined, pursuant to the policies established by the Board of Directors, on a basis consistently applied for each different variety of contracts. The value of futures, forward or options contracts traded on a stock exchange or on Regulated Markets, or on other regulated markets shall be based upon the last available settlement or closing prices as applicable to these contracts on a stock exchange or on Regulated Markets, or on other regulated markets on which the particular futures, forward or options contracts are traded on behalf of the Fund; provided that if a future, forward or options contract could not be liquidated on the day with respect to which assets are being determined, the basis for determining the liquidating value of such contract shall be such value as the Board of Directors may deem fair and reasonable.

All other transferable securities, Money Market Instruments and other financial liquid assets, including equity and debt securities, for which prices are supplied by a pricing agent but are not deemed to be representative of market values, but excluding Money Market Instruments with a remaining maturity of ninety days or less and including restricted securities and securities for which no market quotation is available, are valued at fair value as determined in good faith pursuant to procedures established by the Board of Directors. Money Market Instruments held by a Sub-Fund with a remaining maturity of 12 months or less will be valued by the amortised cost method, which approximates market value. Under this valuation method, the relevant Sub-Fund’s investments are valued at their acquisition cost as adjusted for amortisation of premium or accretion of discount rather than at market value.

Interest rate swaps will be valued on the basis of their market value established by reference to the applicable interest rate curve.

Credit default swaps and total return swaps will be valued at fair value under procedures approved by the Board of Directors. As these swaps are not exchange-traded, but are private contracts into which the Fund and a swap counterparty enter as principals, the data inputs for valuation models are usually established by reference to active markets. However it is possible that such market data will not be available for credit default swaps and total return swaps near the date on which valuation is undertaken. Where such markets inputs are not available, quoted market data for similar instruments (e.g. a different underlying instrument for the same or a similar reference entity) will be used provided that appropriate adjustments be made to reflect any differences between the credit default swaps and total return swaps being valued and the similar financial instrument for which a price is available. Market input data and prices may be sourced from exchanges, a broker, an external pricing agency or a counterparty.

If no such market input data are available, credit default swaps and total return swaps will be valued at their fair value pursuant to a valuation method adopted by the Board of Directors which shall be a valuation method widely accepted as good market practice (i.e. used by active participants on setting prices in the market place or which has demonstrated to provide reliable estimate of market prices) provided that adjustments that the Board of Directors may deem fair and reasonable be made. The Fund’s auditor will review the appropriateness of the valuation methodology used in valuing credit default swaps and total return swaps. In any event the Fund will always value credit default swaps and total return swaps on an arm-length basis.

All other swaps will be valued at fair value as determined in good faith pursuant to procedures established by the Board of Directors.

Units or shares of open-ended UCIs will be valued at their last determined and available net asset value or, if such price is not representative of the fair market value of such assets, then the price shall be determined by the Fund on a fair and equitable basis. Units or shares of a closed-ended UCI will be valued at their last available stock market value.

The Board of Directors may, at its discretion, permit some other method of valuation to be used if it believes that such other method provides a valuation, which more accurately reflects the fair value of any asset of the Fund. Any such valuation shall be based on the probable realisable value which must be estimated with care and in good faith. In the event that any such change in valuation method is permanent and/or materially affects the net asset valuation of a Sub-Fund, the Board of Directors shall be obliged to provide adequate notice to the Shareholders.

The respective Investment Manager may upon the request of the Fund provide advice in relation to the valuation of investments, but shall not have a duty or obligation to do so.

The Sub-Funds may utilise “fair value” prices provided by an independent fair value service and where they do this valuation will supersede, and be instead of, the method of valuation set out above although that method of valuation would form the basis of the valuation to which the fair value adjustment would be applied. Fair value prices may be used to ensure appropriate accounting for events that could affect the values of certain Sub-Fund holdings that may occur between the close of the market on which those holdings are traded and the time of determining the net asset value, and which would not otherwise be reflected in the net asset value.

One effect of using an independent fair value service may be to reduce stale pricing arbitrage opportunities presented by the pricing of Shares. However, this involves the risk that the values used by the Fund to price its securities may be different from those used by other investment companies and investors to price the same securities.

Generally, Sub-Fund security trades (but not necessarily other trades) are accounted for and valued in a Sub-Fund’s net asset value on a trade date plus one basis. However, where events affecting the values of such securities occur between the time of trade execution and the calculation of net asset value the Administrator, in consultation with the respective Investment Manager, may determine that such trades be accounted for in the Sub-Fund’s net asset value on trade date if in their opinion such events would materially affect the net asset value of that Sub-Fund.

All account statements and annual and semi-annual reports of a Sub-Fund will be stated in its Base Currency.

Where, as the result of a miscalculation of the net asset value per Share of any Class of any Sub-Fund, a Shareholder has received a payment or Shares in excess of the correct value, the Shareholder agrees, upon determination on behalf of the Fund of the correct net asset value of such Shares, to repay or surrender such excess value to the Fund. In cases where excess Shares have been issued as a result of such error the Shareholder authorises the Fund to cancel or redeem such Shares in order to correct such error and effect such repayment.

16. Dividend Policy

It is not the intention of the Fund to pay dividends and the Sub-Funds emphasise long-term capital appreciation except in the case of distribution Shares, such Shares will bear the suffix “Dist”. Net capital gains realised on a Sub-Fund’s investments are expected to be retained by the Sub-Fund, which will result in an increase in the net asset value of the Shares. The Board of Directors of the Fund nevertheless retains the right to declare dividends at its discretion. If required for tax or other reasons the Fund may declare any substantial net investment income of each Sub-Fund as a dividend to be paid at least annually to the Shareholders of the Sub-Fund. In addition, at the discretion of the Board of Directors of the Fund, the Sub-Fund may also distribute to its Shareholders the Sub-Fund’s capital gains, if any, and capital attributable to such Shares. If re-investment mechanics are applied, no Subscription fees credited to the Sub-Fund will be levied on re-investment of the distribution.

Any dividend paid on a Share of a Sub-Fund that has not been claimed within five years of its declaration shall be forfeited for the benefit of the Sub-Fund. No interest shall be paid on a dividend declared by the Fund in respect of a Sub-Fund and kept by the Fund at the disposal of its beneficiary.

17.Fees and Expenses

Upon the issue of Shares, Sub-Funds not subject to the Swinging Single Pricing (SSP) approach will receive net proceeds in an amount per Share equal to the purchase price of such Shares plus Subscription/Redemption fees (but not including any Sales Charge) credited to the Sub-Fund. Upon the issue of Shares, Sub-Funds subject to the Swinging Single Pricing (SSP) approach will receive net proceeds in an amount per Share equal to the swung net asset value per Share. Certain organisational expenses, including legal and accounting expenses, expenses related to the creation of new Sub-Funds, expenses incurred in the preparation and publication of this Prospectus, costs incurred in obtaining a listing for Shares on the Luxembourg Stock Exchange (or any other stock exchange) if applicable, printing costs, certain offering expenses, shareholder servicing costs and other expenses (jointly incorporation costs) may be capitalised and amortised over a period not exceeding five years following the offering of the Shares at the discretion of the Board of Directors. The initial set-up costs were not capitalised.

Charges relating to the creation of a new Sub-Fund may be written off over a period not exceeding one year against the assets of that Sub-Fund. The newly created Sub-Fund shall not bear a pro rata portion of the costs and expenses incurred in connection with the formation of the Fund and the initial issue of Shares, which have not already been written off at the time of the creation of the new Sub-Fund. Charges that are not specifically attributable to a particular Sub-Fund may be allocated among the Sub-Funds based on their respective net assets or any other reasonable basis given the nature of the charges. Charges that may reasonably be attributed to one of the relevant Sub-Funds (or Share Class as applicable) will be charged exclusively to such Sub-Fund or Share Class, as appropriate. Currency conversion costs incurred in connection with conversion of currency on the purchase, redemption and exchange of Shares of a Share Class of a Sub-Fund which is priced in a currency other than the Base Currency denomination of that Sub-Fund will be borne by that Share Class.

The Fund is also responsible for any ongoing expenses such as fees payable to the Directors, permanent representatives and other agents of the Fund, and certain other expenses, such as the fees of the, Management Company, Investment Managers, distributors, Shareholder Services Agent, Custodian, Paying Agents, Administrator, Registrar and Transfer Agent other agents of the Fund and fees and expenses for the Fund's fair valuation service provider(s), auditors and legal Advisors, tax advisors and any fees or expenses involved in registering and maintaining the registration of the Fund with any governmental agency or stock exchange in the Grand Duchy of Luxembourg and in any other country, reporting and publishing expenses, including the costs of printing, preparing, advertising and distributing prospectuses, explanatory memoranda, periodical reports or registration statements and the costs of reports to Shareholders, all taxes, duties, governmental and similar charges, and all other operating expenses, including the cost of buying and selling assets, interest, bank charges and brokerage, postage, telephone and telefax. The fees payable to the Administrator, Domiciliary Agent, Listing Agent, Custodian and Paying Agent, Registrar and Transfer Agent are at such rates and/or amounts as may be agreed from time to time. The fees payable to the Custodian for the supervision of the assets shall be subject to 0.5 bps per annum with a minimum fee of EUR 30,000 per annum. The fees payable to the Custodian and Paying Agent for the safekeeping of securities may vary between 0.70 bps and 80 bps depending on the market. Transaction fees may vary between EUR 15,- and EUR 150,- per transaction depending on the market. The fees payable to the Administrator for the provision of its administrative duties shall be subject to a maximum of 10 bps with a minimum of EUR 36,000 per Sub-Fund per annum. The fees payable to the Transfer Agent are subject to a minimum annual fee of EUR 3'000 per Sub-Fund.

The Fund may accrue a Sub-Fund's expenses of a regular or recurring nature based on an estimated amount rateably for yearly or other periods. In addition to the fees payable to the Management Company, Investment Managers, distributors, Shareholder Services Agent, Custodian, Paying Agents, Administrator, Registrar and Transfer Agent, and the other agents of the Fund, each Sub-Fund will bear its own expenses as described above. The Investment Managers and any distributor may, during any period, elect to waive a portion of their respective fees with respect to any of the Sub-Funds without notice to investors. The Fund is responsible for all of its extraordinary expenses which could include, but are not limited to, costs and expenses of litigation and newly imposed taxes.

The Investment Managers and any distributor will receive a quarterly fee for their respective services payable out of the assets of each Sub-Fund. These quarterly fees shall be charged on an annual percentage basis by reference to the Sub-Fund's, or in the case of the fees relating to a Class, the Class's, average daily unswung net asset value. For a summary of these fees please see the Supplement and section entitled "Description of Share Classes" in this Prospectus. The fees payable to the Shareholder Services Agent for its provision of shareholder services shall be subject to a maximum of 7.5 bps per annum.

Each Sub-Fund may invest in other UCITS or UCIs which are managed directly or indirectly by the respective Investment Manager or by a company to which it is linked by joint management or control or by a direct or indirect participation exceeding 10% of the capital or voting rights. In this event, no sales commissions will be charged on such investments to the relevant Sub-Fund.

For Sub-Funds investing a substantial proportion of their assets in other UCITS and/or other UCIs, the management fees charged by such other UCITS and/or UCIs may not exceed 2% p.a., exclusive of any performance fees. The annual reports shall indicate the maximum proportion of management fees charged by the UCITS and/or UCIs in which such Sub-Funds may invest.

A detailed list of expenses together with the total expense ratio for each Share Class is published in the annual and semi-annual accounts.

18. Termination and Liquidation

18.1 Liquidation and Merger of Sub-Funds

Notwithstanding the powers conferred on the Board of Directors to redeem all of the Shares of a Sub-Fund or Class (see “Redemption of Shares – Mandatory Sale or Redemption”), the general meeting of Shareholders of any one Sub-Fund may, upon proposal by the Board of Directors, by resolution adopted at such meeting, cancel the Shares issued in the relevant Sub-Fund and refund to the Shareholders the net asset value of their Shares (taking into account actual realisation prices of investments and realisation expenses) calculated as of the day at which such resolution shall take effect, all in compliance with the delays, terms and conditions set forth in the Articles.

Any merger of a Sub-Fund with another Sub-Fund of the Fund or with another UCITS (whether subject to Luxembourg law or not) shall be decided by the Board of Directors unless the Board of Directors decides to submit the decision for the merger to the meeting of Shareholders of the Sub-Fund concerned. In the latter case, no quorum is required for this meeting and the decision for the merger is taken by a simple majority of the votes cast. In the case of a merger of a Sub-Fund where, as a result, the Fund ceases to exist, the merger shall, notwithstanding the foregoing, be decided by a meeting of Shareholders resolving in accordance with the quorum and majority requirements for an amendment of the Articles.

18.2 Dissolution and Liquidation of the Fund

The Fund may at any time be dissolved by a resolution of the general meeting of Shareholders subject to the quorum and majority requirements as referred to in the Articles.

Whenever the Share capital falls below two thirds of the minimum capital (EUR 1,250,000), a proposal to dissolve the Fund shall be referred to the general meeting by the Board of Directors. The general meeting for which no quorum shall be required shall decide by simple majority of the Shares represented at the meeting.

A proposal to dissolve the Fund shall further be referred to the general meeting whenever the Share capital falls below one fourth of the minimum capital; in such an event, the general meeting shall be held without any quorum requirement and the dissolution may be decided by Shareholders holding one fourth of the Shares represented at the meeting.

The general meeting will be convened so that it is held within a period of 40 days from the date on which it is ascertained that the share capital of the Fund has fallen below two thirds or one fourth of the legal minimum, as the case may be.

Liquidation shall be carried out by one or several liquidators, who may be physical persons or legal entities, duly approved by the appropriate Luxembourg authority and appointed by the general meeting of Shareholders which shall determine their powers and their compensation.

The net proceeds of liquidation corresponding to each Sub-Fund shall be distributed by the liquidators to the holders of Shares in the Sub-Fund in proportion to their holding of Shares in such Sub-Fund.

Should the Fund be voluntarily or compulsorily liquidated, its liquidation will be carried out in accordance with the provisions of the Law. Such law specifies the steps to be taken to enable Shareholders to participate in the distribution(s) of the liquidation proceeds and provides for a deposit in escrow at the “Caisse de Consignations” at the time of the close of liquidation. Amounts not claimed from escrow within the statute of limitation period shall be liable to be forfeited in accordance with the provisions of Luxembourg law.

19. Meetings of and Reports to Shareholders

Notice of any general meeting of Shareholders of the Fund or of a Sub-Fund or of a Class of Shares of a Sub-Fund shall be provided to the relevant Shareholders in the manner required by law. The annual general meeting takes place in Luxembourg at a place specified in the notice of meeting on the last Friday in the month of August of each year, or if not a Business Day, on the next succeeding Business Day, at 14:00 CET. In accordance with the Articles, Shareholders of a Sub-Fund or a Share Class of the Fund may hold, at any time, a general meeting to decide on any matters which relate exclusively to the Sub-Fund or Share Class.

The annual general meeting of Shareholders may be held at a date, time or place other than those set forth in the preceding paragraph, that date, time or place to be decided by the Board of Directors.

If the Articles are amended, such amendments shall be filed with the Luxembourg Registre de Commerce et des Sociétés and published in the Mémorial.

The Fund publishes annually a detailed report on its activities and on the management of its assets; such report shall include, inter alia, the consolidated accounts relating to all the Sub-Funds, a detailed description of the assets of each Sub-Fund and the report from the Auditor. The accounting year of the Fund shall end on March 31 of each year.

The Fund shall further publish a semi-annual report, including, inter alia, the investments underlying the portfolio of each Sub-Fund and the number of Shares issued and redeemed since the last publication. The Fund shall publish semi-annual reports as of September 30 of each year.

The aforementioned documents may be obtained free of charge by any person at the registered office of the Fund within four months for the annual reports and two months for the semi-annual reports of the date thereof.

The Fund is authorised to publish an abridged version of the financial reports. However, a complete version of the Articles and the annual and semi-annual reports may be obtained free of charge at the registered office of the Fund and at the registered office of the Administrator.

20. Taxation

20.1 General

The following summary is based on the law and practice currently applicable in the Grand Duchy of Luxembourg and is subject to changes therein. Investors should inform themselves of and when appropriate consult their professional advisors on the possible tax consequences of subscription for, buying, holding, exchanging, redeeming or otherwise disposing of Shares under the laws of their country of citizenship, residence or domicile.

It is expected that Shareholders in the Fund will be resident for tax purposes in many different countries. Consequently, no attempt is made in this Prospectus to summarise the taxation consequences for each investor of subscribing, converting, holding or redeeming or otherwise acquiring or disposing of Shares of a Sub-Fund of the Fund. These consequences will vary in accordance with the law and practice currently in force in a Shareholder's country of citizenship, residence, domicile or incorporation and with his personal circumstances.

20.2 Taxation of the Fund in Luxembourg

The Fund is not liable for any Luxembourg tax on profits or income, nor are dividends paid by a Sub-Fund liable to any Luxembourg withholding tax. The Fund is, however, subject in Luxembourg to a subscription tax of 0.05% per annum of each Sub-Fund's net assets that are attributable to all Share Classes except "I", "IX", "IXL", "IXXL", "IZ" and "N" Shares and to a tax of 0.01% per annum of the net assets attributable to the "I", "IX", "IXL", "IXXL", "IZ" and "N" Shares, such tax being payable quarterly on the basis of the value of the aggregate net assets of the Sub-Funds as of the end of each calendar quarter. No such tax is due on the portion of the Fund's assets invested in other Luxembourg undertakings for collective investment. The benefit of the 0.01% tax is available to Class "I", "IX", "IXL", "IXXL", "IZ" and "N" Shares on the basis of the Luxembourg legal, regulatory and tax provisions as these are known to the Fund at the date of this Prospectus and at the time of admission of subsequent investors. However such assessment is, for the past and for the future, subject to such interpretations on the status of an institutional investor by any competent authorities as will exist from time to time. Any reclassification made by an authority as to the status of an investor may submit the entire Class "I", "IX", "IXL", "IXXL", "IZ" or "N" to a tax of 0.05%. No stamp duty or other tax is payable in Luxembourg on the issue of Shares, except a once and for all tax of Euro 1,250 which was paid upon incorporation. No Luxembourg tax is payable on the realised capital appreciation of the assets of the Fund.

Dividends, interest, income and gains received by a Sub-Fund on its investments may be subject to non-recoverable withholding or other taxes in the countries of origin.

20.3 Luxembourg Taxation of Shareholders

Under current legislation, Shareholders are not subject to any capital gains, income, withholding or inheritance taxes in Luxembourg except for those domiciled, resident or having a permanent establishment in Luxembourg.

20.4 EU Savings Directive

On 3 June 2003 the EU Council of Economic and Finance Ministers adopted a new directive regarding the taxation of savings income. The directive is applied by Member States with effect from 1 July 2005. Under the directive each Member State will be required to provide to the tax authorities of another Member State details of payments of interest or other similar income (including distributions and redemption payments referable to a Sub-Fund investing in interest bearing instruments) paid by a person within its jurisdiction to, or collected by such a person for, an individual resident in that other Member State (and such other jurisdictions as have agreed to abide by the terms of the directive); however, Austria and Luxembourg may instead apply a withholding system (in respect of distributions and redemption payments referable to a Sub-Fund investing in interest bearing instruments) for a transitional period in relation to such payments, by deducting the withholding tax. The rate of withholding tax is 35%.

A directive amending the EU Savings Directive (Council Directive 2014/48/EU) has been adopted on 24 March 2014. This amending directive enlarges the scope of the EU Savings Directive, by specifying that the 15% threshold would disappear but leaving the possibility for the EU Member States, including Luxembourg, to opt to maintain the 15% threshold. This amending directive must be transposed into Luxembourg law by 1 January 2016.

The Luxembourg government announced its intention to elect out of the withholding system in favour of automatic exchange of information on 10 April 2013, with effect from 1 January 2015.

On 18 March 2014, a bill of law, number 6668, has been introduced with the Luxembourg parliament in order to replace the withholding tax regime by an exchange of information regime. If this bill of law is enacted, the withholding tax will disappear.

EACH TAXPAYER SHOULD SEEK ADVICE BASED ON HIS/HER/ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR IN RESPECT OF INVEST MENT IN THE FUND.

Appendix A: Investment Restrictions

In making its investments as described elsewhere in this Prospectus, each Sub-Fund is subject to the investment restrictions described below. The following restrictions have been adopted by the Board of Directors of the Fund in compliance with Luxembourg law, although they may be amended by the Board of Directors without a vote of the Shareholders.

In order to achieve the Fund's investment objectives and the investment objectives and policies of each Sub-Fund, the following investment powers and restrictions shall apply to all investments by each Sub-Fund of the Fund.

1. Investments of each Sub-Fund shall consist of:

a) Transferable Securities and Money Market Instruments admitted to or dealt on a Regulated Market;

b) Transferable Securities and Money Market Instruments dealt in on another regulated market in a Member State which operates regularly and is recognised and open to the public;

c) Transferable Securities and Money Market Instruments admitted to official listing on a stock exchange or dealt in on another regulated market which operates regularly and is recognised and open to the public in any other country in Europe, Asia, Oceania, the American continents and Africa;

d) Recently issued Transferable Securities and Money Market Instruments provided that:

i) the terms of issue include an undertaking that application will be made for admission to official listing on a stock exchange or to another regulated market referred to under a) to c) above; and

ii) such admission is secured within one year of the issue;

e) Shares or units of UCITS authorised according to the UCITS Directive and/or other UCI within the meaning of the first and second indent of Article 1(2) of the UCITS Directive, should they be situated in a Member State or not, provided that:

i) such other UCIs are authorised under laws which provide that they are subject to supervision considered by the Luxembourg Supervisory Authority to be equivalent to that laid down in Community law and that cooperation between authorities is sufficiently ensured;

ii) the level of protection for share- or unit-holders in such other UCIs is equivalent to that provided for share- or unit-holders in a UCITS, and in particular that the rules on asset segregation, borrowing, lending and uncovered sales of Transferable Securities and Money Market Instruments are equivalent to the requirements of the UCITS Directive;

iii) the business of the other UCI is reported in half-yearly and annual reports to enable an assessment to be made of the assets and liabilities, income and operations over the reporting period.;

iv) no more than 10% of the UCITS' or the other UCI's assets, whose acquisition is contemplated, can be, according to its instruments of incorporation, be invested in aggregate in shares or units of other UCITS or other UCIs unless a specific exception hereto is mentioned for a specific Sub-Fund;

f) Deposits with credit institutions which are repayable on demand or have the right to be withdrawn, and maturing in no more than 12 months, provided that the credit institution has its registered office in a Member State or if the registered office of the credit institution is situated in a non-Member State, provided that it is subject to prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in Community law;

g) Financial derivative instruments, including equivalent cash settled instruments, dealt in on a regulated market referred to under in a), b) and c) above, and/or financial derivative instruments dealt in over-the-counter ("OTC derivatives"), provided that:

i) the underlying consist of instruments covered by Section 1., above, financial indices, interest rates, foreign exchange rates or currencies, in which the Sub-Fund may invest in accordance with its investment objectives as stated in its instruments of incorporation;

ii) the counterparties to OTC financial derivative instrument transactions are institutions subject to prudential supervision, and belonging to the categories approved by the Luxembourg Supervisory Authority; and

iii) OTC financial derivative instruments are subject to reliable and verifiable valuation on a daily basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair market value at the Sub-Fund's initiative;

h) Money market instruments other than those dealt in on regulated markets, if the issue or issuer of such instruments is itself regulated for the purpose of protecting investors and savings, and provided that they are:

i) issued or guaranteed by a central, regional or local authority, a central bank of a Member State, the European Central Bank, the European Union or the European Investment Bank, a non-Member State or, in the case of a Federal State, by one of the members making up the federation, or by a public international body to which one or more Member States belong; or

ii) issued by an undertaking any securities of which are dealt in on Regulated Markets referred to under (a), (b) or (c) above; or

iii) issued or guaranteed by an establishment subject to prudential supervision, in accordance with criteria defined by Community law, or by an establishment which is subject to and complies with prudential rules considered by the Luxembourg Supervisory Authority as equivalent to those laid down in Community law; or

iv) issued by other bodies belonging to the categories approved by the Luxembourg Supervisory Authority provided that investments in such instruments are subject to investor protection equivalent to that laid down in the first, second and third indent of this section (h), and provided that the issuer (i) is a company whose capital and reserves amount at least to ten million Euro (EUR 10,000,000) and (ii) which presents and publishes its annual accounts in accordance with Directive 78/660/EEC, (iii) is an entity which, within a Group of Companies which includes one or several listed companies, is dedicated to the financing of the group, or (iv) is an entity which is dedicated to the financing of securitisation vehicles which benefit from a banking liquidity line.

2. Moreover each Sub-Fund may:

a) invest up to 10% of its assets in transferable securities and money market instruments other than those referred to under Section 1) above, but fully compliant with the Grand-Ducal Regulation of 8 February 2008. For the avoidance of doubt, the Sub-Funds will not trade any physical commodities or derivatives based directly on physical commodities and will not take physical delivery of any commodities;

b) hold ancillary liquid assets (which restriction may exceptionally and temporarily be exceeded if the Directors consider this to be in the best interests of the Shareholders);

c) borrow the equivalent of up to 10% of its assets provided that the borrowing is on a temporary basis; and

d) acquire foreign currencies by means of back-to-back loans.

3. Moreover, the following investment restrictions shall be observed by each Sub-Fund in respect of each issuer:

a) Rules for risk spreading

For the calculation of the limits defined in Paragraphs 3 a) i) to v) and viii) below, companies belonging to the same Group of Companies shall be treated as a single issuer.

Transferable Securities and Money Market Instruments

i) Each Sub-Fund may not invest more than 10% of its assets in Transferable Securities or Money Market Instruments issued by the same body. The total value of the Transferable Securities and Money Market Instruments held by each Sub-Fund in the issuing bodies in each of which it invests more than 5% of its assets must not exceed 40% of the value of its assets. This restriction does not apply to deposits with financial institutions that are governed by prudential regulations or to transactions in OTC financial derivative instrument with these institutions.

ii) The 10% limit laid down in paragraph i) is raised to 20% in the case of Transferable Securities and Money Market Instruments issued by the same Group of Companies.

iii) The 10% limit laid down in paragraph i) is raised to a maximum of 35% if the Transferable Securities or Money Market Instruments are issued or guaranteed by a Member State, by its local authorities, by a non-Member State or by public international bodies to which one or more Member States are members.

iv) The 10% limit laid down in paragraph i) is raised to 25% for certain debt securities issued by a credit institution whose registered office is in a Member State of the European Union and which is subject by law to special public supervision designed to protect the holders of debt securities. In particular, sums deriving from the issue of such debt securities must be invested pursuant to the law in assets which, during the whole period of validity of the debt securities, are capable of covering claims attaching to the debt securities and which, in event of bankruptcy of the issuer, would be used on a priority basis for the reimbursement of the principal and payment of accrued interest. To the extent that a Sub-Fund invests more than 5% of its assets in such debt securities, issued by the same issuer, the total value of such investments may not exceed 80% of the value of that Sub-Fund's assets.

v) The values mentioned in iii) and iv) above are not taken into account for the purpose of applying the 40% limit referred to under paragraph i) above.

vi) Notwithstanding the limits indicated above, and in accordance with the principle of risk-spreading, each Sub-Fund is authorised to invest up to 100% of its assets in Transferable Securities and Money Market Instruments issued or guaranteed by a Member State, its local authorities, a state accepted by the Luxembourg supervisory authority (being at the date of this Prospectus OECD member states, Singapore, Brazil, Russia, Indonesia and South Africa) or public international bodies of which one or more Member States of the European Union are members, provided that:

- these securities consist of at least six different issues; and
- securities from any one issue may not account for more than 30% of the Sub-Fund's assets.

vii) Without prejudice to the limits laid down in 3) b) below, the limits laid down in i) above are raised to maximum 20% for investment in shares and/or debt securities issued by the same body and when the Sub-Fund's investment policy is aimed at duplicating the composition of a certain share or debt securities index, which is recognised by the Luxembourg Supervisory Authority and meets the following criteria:

- the index's composition is sufficiently diversified;
- the index represents an adequate benchmark for the market to which it refers;
- the index is published in an appropriate manner.

The 20% limit is increased to 35% where that proves to be justified by exceptional conditions, in particular in Regulated Markets where certain Transferable Securities or Money Market Instruments are highly dominant. The investment up to this limit is only permitted for one single issuer.

Bank deposits

viii) Each Sub-Fund may not invest more than 20% of its assets in deposits made with the same body.

Financial derivative instruments

ix) The risk exposure to a counterparty of the Sub-Fund in an OTC financial derivative instrument transaction may not exceed 10% of the relevant Sub-Fund's assets when the counterparty is a credit institution referred to in Paragraph 1(f) above, or 5% of its assets in the other cases.

x) Each Sub-Fund may invest in financial derivative instruments provided that the exposure to the underlying assets does not exceed in aggregate the investment limits laid down in Paragraphs 3) a) i) to v), viii), ix), xvi) and xvii) herein. When a Sub-Fund invests in index based financial derivative instruments, these investments do not have to be combined to the limits laid down in Paragraphs 3 a) i) to v), viii), ix), xvi) and xvii).

xi) When a Transferable Security or Money Market Instrument embeds a financial derivative instrument, the latter must be taken into account when applying the provisions laid down in Paragraphs 3) a) x) and xii) and when determining the risks arising on transactions in financial derivative instruments.

xii) With regard to financial derivative instruments, the Fund, for each Sub-Fund, will ensure that its global exposure relating to financial derivative instruments does not exceed the total net value of the Sub-Fund. The risks exposure is calculated taking into account the current value of the underlying assets, the counterparty risk, future market movements and the time available to liquidate the positions.

Shares or units in open-ended funds

xiii) Each Sub-Fund may not invest more than 20% of its assets in shares or units of a single UCITS or other UCI referred to in Paragraph 1) e) above.

xiv) Furthermore, for each Sub-Fund, investments made in UCIs other than UCITS, may not exceed, in aggregate, 30% of the assets of the relevant Sub-Fund.

xv) To the extent that a UCITS or UCI is composed of several sub-funds and provided that the principle of segregation of commitments of the different sub-funds is ensured in relation to third parties, each sub-fund shall be considered as a separate entity for the application of the limit laid down in (xiii) hereabove.

xvi) A Sub-Fund (the "Investing Sub-Fund") may subscribe, acquire and/or hold securities to be issued or issued by one or more Sub-Funds (each, a "Target Sub-Fund") without the Fund being subject to the requirements of the Law of 10 August 1915 on commercial companies, as amended, with respect to the subscription, acquisition and/or the holding by a company of its own shares, under the condition however that:

- the Target Sub-Fund(s) do(es) not, in turn, invest in the Investing Sub-Fund invested in this(these)Target Sub-Fund(s); and
- no more than 10% of the assets that the Target Sub-Fund(s) whose acquisition is contemplated may be invested in units of other UCITS or UCIs; and
- voting rights, if any, attaching to the Shares of the Target Sub-Fund(s) are suspended for as long as they are held by the Investing Sub-Fund concerned and without prejudice to the appropriate processing in the accounts and the periodic reports; and
- in any event, for as long as these securities are held by the Investing Sub-Fund, their value will not be taken into consideration for the calculation of the net assets of the Fund for the purposes of verifying the minimum threshold of the net assets imposed by the Law; and
- there is no duplication of management/subscription or repurchase fees between those at the level of the Investing Sub-Fund having invested in the Target Sub-Fund(s), and this (these)Target Sub-Fund(s).

xvii) Under the conditions and within the limits laid down by the Law, the Fund may, to the widest extent permitted by the Luxembourg laws and regulations (i) create any Sub-Fund qualifying either as a feeder UCITS (a "Feeder UCITS") or as a master UCITS (a "Master UCITS"), (ii) convert any existing Sub-Fund into a Feeder UCITS or Master UCITS, or (iii) change the Master UCITS of any of its Feeder UCITS.

A Feeder UCITS shall invest at least 85% of its assets in the units of another Master UCITS. A Feeder UCITS may hold up to 15% of its assets in one or more of the following:

- ancillary liquid assets in accordance with paragraph 2 b) above;
- financial derivative instruments, which may be used only for hedging purposes;

For the purposes of compliance with paragraph 3 a) xii) above, the Feeder UCITS shall calculate its global exposure related to financial derivative instruments by combining its own direct exposure under the second indent of the preceding paragraph with either:

- the Master UCITS actual exposure to financial derivative instruments in proportion to the Feeder UCITS investment into the Master UCITS; or
- the Master UCITS potential maximum global exposure to financial derivative instruments provided for in the Master UCITS management regulations or instruments of incorporation in proportion to the Feeder UCITS investment into the Master UCITS.

Combined limits

xviii) Notwithstanding the individual limits laid down in Paragraphs 3) a) i), viii) and ix) herein, each Sub-Fund may not combine:

- investments in Transferable Securities or Money Market Instruments issued by;
- deposits made with; and/or
- exposures arising from OTC financial derivative instruments transactions undertaken with; a single body in excess of 20% of its assets.

xix) The limits set out in Paragraphs 3) a) i) to v), viii) and ix) herein cannot be combined. Thus, investments by each Sub-Fund in Transferable Securities or Money Market Instruments issued by the same body or in deposits or financial derivative instruments made with this body in accordance with Paragraphs 3) a) i) to v), viii) and ix) may not exceed a total of 35% of the assets of that Sub-Fund.

b) Restrictions with regard to control

i) A Sub-Fund may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

ii) Each Sub-Fund may acquire no more than:

- 10% of the outstanding non-voting shares of the same issuer;
- 10% of the outstanding debt securities of the same issuer;
- 25% of the shares or units of the same UCITS and/or other UCI;
- 10% of the Money Market Instruments of the same issuer;

The limits set in Paragraphs 3) b) ii) to iv) may be disregarded at the time of acquisition if at that time the gross amount of debt securities or Money Market Instruments, or the net amount of the securities in issue, cannot be calculated.

iii) The limits laid down in Paragraphs 3) b) i) and ii) herein are waived as regards:

- Transferable Securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;
- Transferable Securities and Money Market Instruments issued or guaranteed by a non-Member State;
- Transferable Securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;

- Shares held in the capital of a company incorporated in a non-Member State which invests its assets mainly in securities of issuing bodies having their registered office in that State, where under the legislation of that State, such holding represents the only way in which the Fund, for each Sub-Fund, can invest in the securities of issuing bodies of that State and provided that the investment policy of the company complies with regulations governing risk diversification and restrictions with regard to control laid down herein;
- Shares held in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country/state where the subsidiary is located, in regard to the repurchase of the shares at the shareholders request exclusively on its or their behalf.

iv) Furthermore, the following restrictions will have to be complied with:

- Each Sub-Fund may not acquire either precious metals or certificates representing them.
- Each Sub-Fund may not acquire real estate, except when such acquisition is essential for the direct pursuit of its business.
- Each Sub-Fund may not issue warrants or other instruments giving holders the right to purchase shares in such Sub-Fund.
- Without prejudice to the possibility of a Sub-Fund to acquire debt securities and to hold bank deposits, each Sub-Fund may not grant loans or act as guarantor on behalf of third parties. This restriction does not prohibit a Sub-Fund from acquiring Transferable Securities, Money Market Instruments or other financial instruments referred to in Paragraphs 1) e), g) and h) above that are not fully paid-up.
- Each Sub-Fund may not carry out uncovered sales of Transferable Securities, Money Market Instruments or other financial instruments referred to in Paragraphs 1) e), g) and h) above.

v) Notwithstanding the above provisions:

- Each Sub-Fund need not necessarily comply with the limits referred to herein when exercising subscription rights attaching to Transferable Securities or Money Market Instruments which form part of its assets;
- If the limits referred to above are exceeded for reasons beyond the control of a Sub-Fund or the Fund or as a result of the exercise of subscription rights, the relevant Sub-Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
- The Fund has access to employ a risk-management process which enables it to monitor and measure at any time the risk of the positions and their contribution to the overall risk profile of each Sub-Fund. The Fund employs a process allowing for accurate and independent assessment of the value of the OTC financial derivative instruments.
- Information relating to the quantitative limits that apply in the risk management of the Fund, to the methods chosen to this end and to the recent evolution of the main instrument categories' risks and yields may be provided to investors upon request.
- The Fund may employ techniques and instruments in respect of Transferable Securities and Money Market Instruments subject always to the parameters published by the CSSF provided always that such techniques and instruments are employed for the purpose of efficient portfolio management. Where such operations concern the use of financial derivative instruments, these parameters shall conform to the Law. Under no circumstances shall these operations cause the Fund to diverge from its investment objectives as laid down in this Prospectus, the Supplement, the Articles and in the respective Investment Management Agreement.

Appendix B: Special Investment Techniques

The primary focus of each Sub-Fund will be on making investments that are intended to meet each Sub-Fund's respective investment objective.

The Fund may, on behalf of each Sub-Fund and subject to the conditions and within the limits laid down in the Law as well as any present or future related Luxembourg laws or implementing regulations, circulars and CSSF's positions, employ techniques and instruments relating to transferable securities and money market instruments provided that such techniques and instruments are used for efficient portfolio management purposes, to provide protection or to generate additional returns. Such techniques and instruments may include, but are not limited to, engaging in transactions in financial derivative instruments such as futures, forwards, options, swaps and swaptions. New techniques and instruments may be developed which may be suitable for use by the Fund and the Fund (subject as aforesaid) may employ such techniques and instruments in accordance with the provisions of the Law and other applicable laws and regulations.

For financial derivative instruments the investment restrictions as outlined in Appendix A will apply.

Currency Transactions

Each Sub-Fund may enter into spot and forward currency contracts in light of anticipated changes in currency exchange rates in an effort to generate additional return as well as for hedging and risk management purposes.

To the extent that a Sub-Fund engages in currency transactions, the Sub-Fund may utilise a number of hedging techniques, including the use of traditional currency hedging transactions, such as selling a particular currency and purchasing the Base Currency of the Sub-Fund forward to hedge the Sub-Fund 's investment in securities and other investments denominated in that particular currency.

The Sub-Fund may also use anticipatory hedging where the Sub-Fund expects to buy a security and other investments denominated in a particular currency. With respect to anticipatory hedging, fundamental factors may change, causing the Sub-Fund to decide not to invest in securities and other investments denominated in that currency.

Each Sub-Fund may also engage in proxy and cross-hedging by using forward contracts in one currency to hedge against fluctuations in a different currency. Each Sub-Fund may also use spot and forward currency contracts across two currencies if the respective Investment Manager expects changes in the cross rate. A Sub-Fund may also engage in a number of cross-hedging transactions intended to manage the Sub-Fund's currency positions in light of the relationships of one currency to another. These transactions may be used to hedge liabilities as well as assets of the Sub-Fund.

Those Sub-Funds that invest in securities denominated in multiple currencies may enter into currency transactions to manage the currency risk associated with their Base Currencies and the overall currency position of the Sub-Funds. The Sub-Funds will take into account fundamental factors that influence changes in currency exchange rates, such as fiscal and monetary policies in the countries issuing the currencies and other economic factors, including expectations, which may affect these rates. An Investment Manager's use of these transactions and techniques may vary over time, and there can be no assurance that an Investment Manager will seek to manage the currency risks associated with securities or other investments denominated in currencies other than a Sub-Fund's Base Currency.

Each Sub-Fund may also utilise active currency management techniques which may involve currency positions through the purchase and/or sale of forward currency contracts irrespective of the composition of a Sub-Fund's assets.

A Sub-Fund may hold currency received in connection with investments when, in the judgment of the respective Investment Manager, it would be beneficial to convert such currency into the Base Currency of the Sub-Fund at a later date, based on anticipated changes in the relevant exchange rate.

A Sub-Fund may also enter into spot and forward currency contracts in connection with the purchase, redemption and exchange of Shares of a Class priced in a currency other than the Sub-Fund's Base Currency.

Options on Currencies

Each Sub-Fund may purchase and write put and call options on either the Base Currency or other currencies as part of the implementation of its investment policy or in an effort to protect against relative movements between the currencies and the subsequent changes in the Base Currency equivalent value or cost of investments. Each Sub-Fund may use currency options to cross-hedge, which involves writing or purchasing options on one currency to hedge against changes in exchange rates for a different currency with a pattern of correlation. A Sub-Fund may use cross-options on currency, which involves writing or purchasing options on one currency with a strike price in any other currency. As with other kinds of option transactions, however, the writing of an option as a hedge will constitute only a partial hedge, up to the amount of the premium received. A Sub-Fund could be required to purchase or sell currencies at disadvantageous exchange rates, thereby incurring losses. The purchase of an option on currency may be profitable; however, in the event of exchange rate movements adverse to a Sub-Fund's position, the Sub-Fund may forfeit the entire amount of the premium plus related transaction costs.

A Sub-Fund may purchase and write call or put options on currencies, other than its Base Currency, to protect against an anticipated rise or fall in the Base Currency equivalent price of securities it either intends to purchase or may purchase in the future when securities denominated in that currency do not present attractive investment opportunities at the present time or are not held by the Sub-Fund. Options on currencies to be written or purchased by a Sub-Fund may be traded on exchanges or over-the-counter (and, in the case of over-the-counter options, will be with parties meeting the criteria set forth below under "Options on Securities and Securities Indices"). The risks set out below under "Options on Securities and Securities Indices" apply equally to options on currencies.

Options on Securities and Securities Indices

A Sub-Fund may write and purchase call and put options on any security, or index composed of securities.

There is no assurance that a liquid secondary market on an options exchange will exist for any particular exchange-traded option or at any particular time. If a Sub-Fund is unable to effect a closing purchase transaction with respect to covered options it has written, the Sub-Fund will not be able to sell the underlying investments or dispose of investments held in a segregated account until the options expire or are exercised. Similarly, if a Sub-Fund is unable to effect a closing sale transaction with respect to options it has purchased, it would have to exercise the options in order to realise any profit and will incur transaction costs upon the purchase or sale of the underlying investments. In a closing purchase or sale transaction, a Sub-Fund acquires a position that offsets and cancels an option position then held by the Sub-Fund.

The writing and purchase of options is a highly specialised activity which involves special investment risks. Options may be used for either hedging or cross-hedging purposes, or to seek to generate additional return (which is considered a speculative activity). The successful use of options depends in part on the ability of the respective Investment Manager to manage future price fluctuations and the degree of correlation between the options and securities markets. If the respective Investment Manager is incorrect in its expectation of changes in market prices or determination of the correlation between the instruments or indices on which options are written and purchased and the instruments in a Fund's investment portfolio, the Fund may incur losses that it would not otherwise incur. Each Sub-Fund pays brokerage commissions or spreads in connection with their options transactions.

A Sub-Fund may purchase and write both options that are traded on options exchanges, and options traded over-the-counter with broker-dealers who make markets in these options and who are financial institutions and other eligible parties that are participants in the over-the-counter markets. The ability to terminate over-the-counter options is more limited than with exchange-traded options and may involve the risk that broker-dealers participating in such transactions will not fulfil their obligations.

The composition of the underlying index of index-based financial derivative instruments is reviewed and rebalanced on a regular basis (at least annually). The rebalancing frequency will have no impact in terms of costs in the context of the performance of the investment objective of the relevant Fund.

Futures Contracts and Options on Futures Contracts

A Sub-Fund may purchase and sell various kinds of futures contracts, including single stock futures, and purchase and write call and put options on any of such futures contracts in order to seek to generate additional return by exposure to, or, in order to seek to hedge against, changes in interest rates, securities prices, other investment prices, index prices, or, to the extent a Sub-Fund invests in foreign securities, currency exchange rates, or to otherwise manage its term structure, sector selection and duration in accordance with its investment objective and policies. A Sub-Fund may also enter into closing purchase and sale transactions with respect to any of such contracts and options. The futures contracts may be based on various investments.

These transactions involve brokerage costs and require margin deposits.

While transactions in futures contracts and options on futures may reduce certain risks, such transactions themselves entail certain other risks. Thus, while a Sub-Fund may benefit from the use of futures and options on futures, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Sub-Fund than if it had not entered into any futures contracts or options transactions. Any loss incurred by a Sub-Fund in entering into futures contracts and in writing options on futures is potentially unlimited and may, in the case of the latter, exceed the amount of the premium received.

In the event of an imperfect correlation between a futures position and portfolio position which is intended to be protected, the desired protection may not be obtained and a Sub-Fund may be exposed to risk of loss. In addition, where the future contracts and options on futures are used for hedging purposes it may not be possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in different currencies because the value of such securities is also likely to fluctuate as a result of independent factors not related to currency fluctuations. Perfect correlation between a Sub-Fund’s futures positions and sub-fund positions may be impossible to achieve.

Futures markets are highly volatile and the use of futures may increase the volatility of a Sub-Fund's net asset value. Futures contracts and options on futures may be illiquid, and exchanges may limit fluctuations in futures contract prices during a single day. In addition, as a result of the low margin deposits normally required in futures trading, a relatively small price movement in a futures contract may result in substantial losses to a Sub-Fund.

Repurchase and Reverse Repurchase Agreements

The Fund will, for the time being, not enter into repurchase and reverse repurchase agreements. Should the Fund decide to use such techniques and instruments in the future, the Fund will update this Prospectus accordingly and will comply with CSSF Circular 13/559 relating to ESMA Guidelines on ETFs and other UCITS issues.

Contracts for differences including Interest Rate, Currency, Total Return Swaps, Credit Default Swaps and Interest Rate Swaptions

Each Sub-Fund may also enter into interest rate, currency, total return swaps, credit default swaps and interest rate swaptions agreements. Interest rate swaps involve the exchange by each Sub-Fund with another party of their respective commitments to pay or receive interest, such as an exchange of fixed rate payments for floating rate payments. Currency swaps may involve the exchange of rights to make or receive payments in specified currencies. Total return swaps involve the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments.

Where a Sub-Fund enters into a contract for differences like interest rate or total return swaps on a net basis, the two payment streams are netted out, with each Sub-Fund receiving or paying, as the case may be, only the net amount of the two payments. Interest rate or total return swaps entered into on a net basis do not involve the physical delivery of investments, other underlying assets or principal. Accordingly, it is intended that the risk of loss with respect to interest rate swaps is limited to the net amount of interest payments that each Sub-Fund is contractually obligated to make (or in the case of total return swaps, the net amount of the difference between the total rate of return of a reference investment, index or basket of investments and the fixed or floating payments). If the other party to an interest rate or total return swap defaults, in normal circumstances each Sub-Fund’s risk of loss consists of the net amount of interest or total return payments that each Sub-Fund is contractually entitled to receive. In contrast, currency swaps usually involve the delivery of the entire principal value of one designated currency in exchange for the other designated currency. Therefore, the entire principal value of a currency swap is subject to the risk that the other party to the swap will default on its contractual delivery obligations.

Each Sub-Fund may use credit default swaps. A credit default swap is a bilateral financial contract in which one counterparty (the protection buyer) pays a periodic fee in return for a contingent payment by the protection seller following a credit event of a reference issuer. The protection buyer must either sell particular obligations issued by the reference issuer for its par value (or some other designated reference or strike price) when a credit event (such as bankruptcy or insolvency) occurs or receive a cash settlement based on the difference between the market price and such reference price.

Each Sub-Fund may use credit default swaps in order to hedge the specific credit risk of some of the issuers in its portfolio by buying protection. In addition, each Sub-Fund may buy protection under credit default swaps without holding the underlying assets provided that the aggregate premiums paid together with the present value of the aggregate premiums still payable in connection with credit default swaps purchased may not, at any time, exceed the net assets of the relevant Sub-Fund.

Each Sub-Fund may also sell protection under credit default swaps in order to acquire a specific credit exposure. In addition, the aggregate commitments in connection with such credit default swaps may not, at any time, exceed the value of the net assets of the relevant Sub-Fund.

Each Sub-Fund may also purchase a receiver or payer interest rate swaption contract. These give the purchaser the right, but not the obligation to enter into an interest rate swap at a preset interest rate within a specified period of time. The interest rate swaption buyer pays a premium to the seller for this right. A receiver interest rate swaption gives the purchaser the right to receive fixed payments in return for paying a floating rate of interest. A payer interest rate swaption would give the purchaser the right to pay a fixed rate of interest in return for receiving a floating rate payment stream.

The use of interest rate, currency, total return swaps, credit default swaps and interest rate swaptions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary portfolio securities transactions. If the respective Investment Manager is incorrect in its forecasts of market values, interest rates and currency exchange rates, the investment performance of the Sub-Fund would be less favourable than it would have been if these investment techniques were not used.

Structured Securities

Each Sub-Fund may invest in structured securities. The value of the principal of and/or interest on such securities is determined by reference to changes in the value of specific currencies, interest rates, commodities, indices, financial indicators or other Permitted Investments (the “Reference”) or the relative change in two or more References. The interest rate or the principal amount payable upon maturity or redemption may be increased or decreased depending upon changes in the applicable Reference. The terms of the structured securities may provide that in certain circumstances no principal is due at maturity and, therefore, result in the loss of a Sub-Fund’s investment. Structured securities may be positively or negatively indexed, so that appreciation of the Reference may produce an increase or decrease in the interest rate or value of the security at maturity. In addition, changes in the interest rates or the value of the security at maturity may be a multiple of changes in the value of the Reference. Consequently, structured securities may entail a greater degree of market risk than other types of fixed income securities. Structured securities may also be more volatile, less liquid and more difficult to accurately price than less complex securities.

When-Issued and Forward Commitment Securities

Each Sub-Fund may purchase securities on a when-issued basis. When-issued transactions arise when securities are purchased by the Sub-Fund with payment and delivery taking place in the future in order to secure what is considered to be an advantageous price and yield to the Sub-Fund at the time of entering into the transaction. Each Sub-Fund may also purchase securities on a forward commitment basis. In a forward commitment transaction, the Sub-Fund contracts to purchase securities for a fixed price at a future date beyond customary settlement time.

Alternatively, a Sub-Fund may enter into offsetting contracts for the forward sale of other securities that it owns. The purchase of securities on a when-issued or forward commitment basis involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Although a Sub-Fund would generally purchase securities on a when-issued or forward commitment basis with the intention of actually acquiring securities for its portfolio, the Sub-Fund may dispose of a when-issued security or forward commitment prior to settlement if the respective Investment Manager deems it appropriate to do so.

Collateral

Where a Sub-Fund enters into OTC financial derivative transactions and efficient portfolio management techniques, the Fund will not receive collateral in order to reduce counterparty risk exposure.

1741 Asset Management Funds SICAV

An "umbrella" investment company with variable capital organised as a UCITS under the laws of the Grand Duchy of Luxembourg (SICAV), in particular Part I of the Law.

This Supplement must always be read in conjunction with the Prospectus.

Supplement to the Prospectus
- Equity Sub-Funds
- Fixed Income Sub-Funds
- Specialist Sub-Funds

Date: November 2014

This Supplement

The purpose of this Supplement is to describe in more detail the Sub-Funds of the 1741 Asset Management Funds SICAV (the "**Fund**"). The following are separate investment portfolios of the Fund managed by the respective Investment Manager, as detailed for each Sub-Fund in this Supplement.

This Supplement must always be read in conjunction with the Prospectus. The Prospectus contains detailed information on the following aspects of the Fund: a description of Share Classes; the risks associated with an investment in the Fund; information on the management and administration of the Fund and in respect of those third parties providing services to the Fund; the purchase and redemption of Shares and rights of exchange; the determination of Net Asset Value; dividend policy; fees and expenses of the Fund; information on the Fund; meetings of and reports to Shareholders; and taxation. In addition, the Prospectus contains, in its Appendices, information on special investment techniques and applicable investment restrictions.

For those Sub-Funds where no launch date has been stated, please contact the respective Investment Manager or the Transfer Agent to determine whether the Sub-Fund has been launched since the date of this Prospectus.

Hereinafter, the above Sub-Funds are referred to without being preceded by the full name of the Sub-Fund. Capitalised words and phrases contained in this Supplement shall bear the meaning attributed to them in the text or, as the case may be, in the sections entitled "Definitions" in the Prospectus and/or in this Supplement.

No subscriptions will be accepted for Shares in any Sub-Fund if the investor is basing his/her/its decision to invest solely on the information contained in this Supplement.

This Supplement provides summary information on each of the Sub-Funds including details of the Share Classes within each Sub-Fund of the Fund that are available as of the date of the Prospectus.

Further details with regard to fees and expenses (e.g. custody, fund administration, shareholder services, audit, etc.) that are attributable to the Sub-Funds or Share Classes of the Fund can be found in the Prospectus.

Please refer to "Description of Share Classes" in the Prospectus for more details on the type of Share Class or Currency in which a Share Class may be launched.

Definitions

In this Supplement, unless more particularly defined herein or in the Prospectus, the following capitalised words and phrases, which are in addition to and are intended to be read in conjunction with those definitions contained in the Prospectus, will have the following meanings:

"Active Indexing Strategy"	means an investment strategy utilising one or several proprietary quantitative models developed by 1741 Asset Management Ltd., which aim to identify the most and least attractive equity markets and/or sectors within the investment universe as defined for the relevant Sub-Fund.
"Dynamic Indexing Strategy"	means an investment strategy utilising one or several proprietary quantitative models developed by 1741 Asset Management Ltd., which aim to dynamically weight different equity markets and/or sectors within the investment universe based on their perceived potential to generate superior risk-adjusted returns.
"Global Risk Diversification Strategy"	means an investment strategy utilising one or several proprietary quantitative models developed by 1741 Asset Management Ltd. that seek to enhance the risk-adjusted returns of an equal risk weighted portfolio, e.g. by tactically increasing or reducing exposures to certain Permitted Investments.
"Sustainable Investment Strategy"	means an investment strategy developed by Notenstein Private Bank Ltd. that invests predominantly in shares or similar equity instruments, bonds or similar debt instruments, Money Market Instruments or other Permitted Investments of issuers that adhere to sustainability standards. Such standards include the promotion of an environmentally and socially sustainable development, whereas sustainable issuers typically aim to minimise their ecological footprint, consider ecological and ethical criteria as well as a broad range of relevant stakeholders when defining their business strategies. Consequently, single securities sectors or industries may be excluded from the investment universe of relevant Sub-Funds.
"Tactical Exposure Management Strategy"	means an investment strategy utilising one or several proprietary quantitative models which aim to extend the gross and/or net exposure of the Sub-Fund during favourable investment periods and reduce it during adverse investment environments respectively. Thereby, the net exposure may vary between net long and net short exposures by making use of financial derivative instruments having an economic effect similar to that of short positions.

1741 Asset Management Funds SICAV – Investment Objectives and Policies of each Sub-Fund including additional Sub-Fund specific information

The following tables set out the Share Classes within the Sub-Funds of the Fund which are available to investors. For details, please refer to “Description of Share Classes” on page 16 of the Prospectus.

Equity Sub-Funds

The investment objective of each Equity Sub-Fund is long-term capital appreciation through the investment in any Permitted Investments.

Subject to the terms of the Prospectus (and, in particular, Appendices A and B) and the Supplement, the Equity Sub-Funds may engage in transactions in financial derivative instruments as part of their general investment policy and/or for hedging purposes. Please see Appendix B – "Special Investment Techniques" together with the "Risk Considerations" discussed in the main part of the Prospectus and in this Supplement.

Each Equity Sub-Fund listed in this Supplement will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments, which includes common stock, preferred stock, American Depository Receipts ("ADRs"), European Depository Receipts ("EDRs") and Global Depository Receipts ("GDRs").

Each Equity Sub-Fund listed in this Supplement may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds, money market instruments or other fixed income instruments.

Indirect investments encompass financial derivative instruments, units or shares of equity related UCITS or UCIs or structured products whose underlying assets are equities. For the purpose of calculating the above two thirds or one third, indirect investments are considered on a transparent basis. To the extent that liquid assets or short-term fixed income instruments cover commitments from financial derivative instruments whose underlying assets are equities, they shall be taken into account in calculating the above two thirds.

If the Equity Sub-Funds gain exposure to equity risk using financial derivative instruments, the Equity Sub-Funds will normally have their exposure to equities using equity futures, contracts for differences ("CFDs"), e.g. Total Return Swaps (equity swaps), options or similar financial derivative instruments. The financial derivative instruments can be both over-the-counter ("OTC") as well as exchange traded. Subject always to the principles described above, Shareholders should be aware that there may be exposure, including both net long and net short economic exposures, to countries, regions, sectors or currencies that are not referred to in the Sub-Fund's name or investment objective as a consequence of the use of financial derivative instruments. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale.

For example: Each Sub-Fund may invest using CFDs. The value of the principal of and/or interest on such CFDs is determined by reference to changes in the value of specific indices or the relative change in two or more indices. The net outcome upon maturity or settlement may be positive or negative depending upon changes in the applicable reference indices. CFDs may be positively or negatively indexed, so that appreciation of the reference indices may produce a net income or net payment respectively upon maturity or settlement.

If the Equity Sub-Funds gain exposure to equity risk using units or shares of equity related UCITS or UCIs, each Equity Sub-Fund will not invest more than 10% of its net assets in any undertakings for collective investment, unless otherwise stated for specific Sub-Funds in this Supplement.

1741 (Lux) Equity Active Indexing World
Base Currency – EUR

Investment Objective

The Investment Objective of the 1741 (Lux) Equity Active Indexing World Sub-Fund is long-term capital appreciation by investing primarily in developed equity markets worldwide utilising the Active Indexing Strategy and thereby seeking to outperform its benchmark.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers worldwide, predominantly in the developed markets.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds, money market instruments or other fixed income instruments of issuers worldwide denominated in any freely transferable currency.

Please also refer to the descriptions under “Equity Sub-Funds”.

Investment Manager

1741 Asset Management Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI World Net Total Return Index (NDDUWI) converted into the reference currency of the respective Share Class.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Total Return Swaps

The Sub-Fund will enter into total return swaps with one or more counterparties. The underlying asset or index may be comprised of equity, bonds, money market instruments or other fixed income instruments which are consistent with the above investment objective and investment policy. The counterparties to the total return swaps are typically banks, investment firms, broker-dealers or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investors are described in section 4 of the Prospectus, in particular in sub-sections 4.4, 4.6, 4.33 and 4.44. The counterparties to total return swaps do not assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying asset or index. The approval of the counterparties is not required to any portfolio transactions by the Sub-Fund. The identity of the counterparties to these total return swaps will be disclosed in the annual report of the Fund.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 1.00%	1.20%	Nil	20%	5’000 / Nil
Other Currency Shares – CHF Shares	CHF	Up to 1.00%	1.20%	Nil	20%	5’000 / Nil
Class I Share	EUR	Up to 1.00%	0.90%	Nil	20%	0.5 m / Nil
Class IX Share	EUR	Up to 1.00%	0.70%	Nil	20%	5 m / Nil
Class IXL Share	EUR	Up to 1.00%	0.60%	Nil	20%	25m/Nil

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

1741 (Lux) Equity Dynamic Indexing World

Base Currency – EUR

Investment Objective

The Investment Objective of the 1741 (Lux) Equity Dynamic Indexing World Sub-Fund is long-term capital appreciation by investing primarily in developed equity markets worldwide utilising the Dynamic Indexing Strategy and thereby seeking to achieve superior risk-adjusted returns compared to its benchmark.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers worldwide, predominantly in the developed markets.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds, money market instruments or other fixed income instruments of issuers worldwide denominated in any freely transferable currency.

Please also refer to the descriptions under “Equity Sub-Funds”.

Investment Manager

1741 Asset Management Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI World Net Total Return Index (NDDUWI) converted into the reference currency of the respective Share Class.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Total Return Swaps

The Sub-Fund will enter into total return swaps with one or more counterparties. The underlying asset or index may be comprised of equity, bonds, money market instruments or other fixed income instruments which are consistent with the above investment objective and investment policy. The counterparties to the total return swaps are typically banks, investment firms, broker-dealers or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investors are described in section 4 of the Prospectus, in particular in sub-sections 4.4, 4.6, 4.33 and 4.44. The counterparties to total return swaps do not assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying asset or index. The approval of the counterparties is not required to any portfolio transactions by the Sub-Fund. The identity of the counterparties to these total return swaps will be disclosed in the annual report of the Fund.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee	Initial/subsequent transaction amount
Base	EUR	Up to 1.00%	Up to 1.20%	Nil	Nil	5’000 / Nil
Other Currency Shares – CHF Shares	CHF	Up to 1.00%	Up to 1.20%	Nil	Nil	5’000 / Nil
Class I Share	CHF	Up to 1.00%	Up to 0.90%	Nil	Nil	0.5 m / Nil
Class IX Share	CHF	Up to 1.00%	Up to 0.70%	Nil	Nil	5 m / Nil
Class IX Share	USD	Up to 1.00%	Up to 0.70%	Nil	Nil	5 m / Nil
Class N Share	CHF	Up to 1.00%	Up to 0.70%	Nil	Nil	0.1 m / Nil

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

1741 (Lux) Equity Active Indexing Emerging Markets
Base Currency – USD

Investment Objective

The Investment Objective of the 1741 (Lux) Equity Active Indexing Emerging Markets Sub-Fund is long-term capital appreciation by investing primarily in emerging equity markets worldwide utilising the Active Indexing Strategy and thereby seeking to outperform its benchmark.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers established in Emerging Market countries or predominantly carrying out their business activities in such countries or holding as holding companies predominantly participations in companies established in Emerging Market countries. The restriction of the investment universe applies to the economic exposure of the Sub-Fund.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds, money market instruments or other fixed income instruments of issuers worldwide denominated in any freely transferable currency.

Please also refer to the descriptions under “Equity Sub-Funds”.

Investment Manager

1741 Asset Management Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI Emerging Markets Free Net Total Return Index (NDUEEGF) converted into the reference currency of the respective Share Class.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Total Return Swaps

The Sub-Fund will enter into total return swaps with one or more counterparties. The underlying asset or index may be comprised of equity, bonds, money market instruments or other fixed income instruments which are consistent with the above investment objective and investment policy. The counterparties to the total return swaps are typically banks, investment firms, broker-dealers or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investors are described in section 4 of the Prospectus, in particular in sub-sections 4.4, 4.6, 4.33 and 4.44. The counterparties to total return swaps do not assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying asset or index. The approval of the counterparties is not required to any portfolio transactions by the Sub-Fund. The identity of the counterparties to these total return swaps will be disclosed in the annual report of the Fund.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
Base	USD	Up to 1.00%	1.20%	Nil	20%	5’000 / Nil

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in emerging markets equities denominated in different currencies, and can withstand the increased volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund. The specific risks of investing in Emerging Markets are set out on page 24 of the Prospectus.

1741 (Lux) Equity Active Indexing All Country World
Base Currency – EUR

Investment Objective

The Investment Objective of the 1741 (Lux) Equity Active Indexing All Country World Sub-Fund is long-term capital appreciation by investing in developed and emerging equity markets worldwide utilising the Active Indexing Strategy and thereby seeking to outperform its benchmark.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers in developed and emerging equity markets worldwide.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds, money market instruments or other fixed income instruments of issuers worldwide denominated in any freely transferable currency.

Please also refer to the descriptions under “Equity Sub-Funds”.

Investment Manager

1741 Asset Management Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI All Country World Net Total Return Index (NDUEACWF) converted into the reference currency of the respective Share Class.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Total Return Swaps

The Sub-Fund will enter into total return swaps with one or more counterparties. The underlying asset or index may be comprised of equity, bonds, money market instruments or other fixed income instruments which are consistent with the above investment objective and investment policy. The counterparties to the total return swaps are typically banks, investment firms, broker-dealers or other financial institutions or intermediaries. The risk of the counterparty defaulting on its obligations under the total return swap and its effect on investors are described in section 4 of the Prospectus, in particular in sub-sections 4.4, 4.6, 4.33 and 4.44. The counterparties to total return swaps do not assume any discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying asset or index. The approval of the counterparties is not required to any portfolio transactions by the Sub-Fund. The identity of the counterparties to these total return swaps will be disclosed in the annual report of the Fund.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 1.00%	1.20%	Nil	20%	5’000 / Nil
Other Currency Shares – CHF Shares	CHF	Up to 1.00%	1.20%	Nil	20%	5’000 / Nil
Class I Share	EUR	Up to 1.00%	0.90%	Nil	20%	0.1 m / Nil
Class IX Share	EUR	Up to 1.00%	0.70%	Nil	20%	5 m / Nil

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in emerging markets equities denominated in different currencies, and can withstand the increased volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund. The specific risks of investing in Emerging Markets are set out on page 24 of the Prospectus.

Notenstein Sustainable Equity Europe

Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein Sustainable Equity Europe Sub-Fund is long-term capital appreciation by investing primarily in shares or other equity instruments issued by issuers established in a European country utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments issued by issuers established in a European country utilising the Sustainable Investment Strategy.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments not meeting the sustainability criteria or the issuer criteria, bonds or other fixed income instruments as well as Money Market Instruments of issuers worldwide that are denominated in any freely transferable currency.

Please also refer to the descriptions under "Equity Sub-Funds".

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI Europe Net Total Return Index (M7EU) converted into the reference currency of the respective Share Class.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with a consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 0.20%	Up to 1.50%	Nil	Nil	5'000 / Nil
C EUR	EUR	Up to 0.20%	Up to 1.20%	Nil	Nil	5'000 / Nil
I EUR	EUR	Up to 0.20%	Up to 1.10%	Nil	Nil	0.1 m / Nil
IZ EUR	EUR	Up to 0.20%	Nil	Nil	Nil	0.1 m* / Nil
PZ EUR	EUR	Up to 0.20%	Up to 0.70%	Nil	Nil	5'000 / Nil

* The initial transaction amount of the IZ EUR share class is only a recommendation and not mandatory.

These Share Classes may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Notenstein Sustainable Water
Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein Sustainable Water Sub-Fund is long-term capital appreciation by investing primarily in shares or other equity instruments of issuers worldwide, that promote a sustainable deployment of the natural resource water along its entire value chain, utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers worldwide denominated in any freely transferable currency that promote a sustainable deployment of the natural resource water.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments not meeting above criteria, bonds or other fixed income instruments as well as Money Market Instruments of issuers worldwide that are denominated in any freely transferable currency.

Please also refer to the descriptions under "Equity Sub-Funds".

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with a consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Sales Charge	Initial/subsequent transaction amount
Base	EUR	Up to 0.30%	Up to 1.75%	Nil	Nil	Up to 5%	5'000 / Nil
C EUR	EUR	Up to 0.30%	Up to 1.35%	Nil	Nil	Up to 5%	5'000 / Nil
I EUR	EUR	Up to 0.30%	Up to 1.25%	Nil	Nil	Nil	0.1 m / Nil
IZ EUR	EUR	Up to 0.30%	Nil	Nil	Nil	Nil	0.1 m* / Nil
PZ EUR	EUR	Up to 0.30%	Up to 0.80%	Nil	Nil	Nil	5'000 / Nil

* The initial transaction amount of the IZ EUR share class is only a recommendation and not mandatory.

These Share Classes may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Notenstein Sustainable Equity World

Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein Sustainable Equity World Sub-Fund is long-term capital appreciation by investing primarily in shares or other equity instruments worldwide utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers worldwide denominated in any freely transferable currency utilising the Sustainable Investment Strategy.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds or other fixed income instruments as well as Money Market Instruments of issuers worldwide that are denominated in any freely transferable currency.

Please also refer to the descriptions under "Equity Sub-Funds".

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI World Net Total Return Index (NDDUWI) converted into the reference currency of the respective Share Class.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with a consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Sales Charge	Initial/subsequent transaction amount
Base	EUR	Up to 0.20%	Up to 1.50%	Nil	Nil	Up to 5%	5'000 / Nil
C EUR	EUR	Up to 0.20%	Up to 1.20%	Nil	Nil	Up to 5%	5'000 / Nil
I EUR	EUR	Up to 0.20%	Up to 1.10%	Nil	Nil	Nil	0.1 m / Nil
IZ EUR	EUR	Up to 0.20%	Nil	Nil	Nil	Nil	0.1 m* / Nil
PZ EUR	EUR	Up to 0.20%	Up to 0.70%	Nil	Nil	Nil	5'000 / Nil

* The initial transaction amount of the IZ EUR share class is only a recommendation and not mandatory.

These Share Classes may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Notenstein (Lux) Sustainable Equity World ex Switzerland
Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein (Lux) Equity World ex Switzerland Sub-Fund is long-term capital appreciation by investing primarily in shares or other equity instruments worldwide, excluding Switzerland utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly, without taking into account ancillary liquid assets, in shares or other equity instruments of issuers worldwide, excluding Switzerland utilising the Sustainable Investment Strategy.

The Sub-Fund may invest up to one third of its total assets directly or indirectly, without taking into account ancillary liquid assets, in bonds or other fixed income instruments as well as Money Market Instruments of issuers worldwide that are denominated in any freely transferable currency.

Please also refer to the descriptions under “Equity Sub-Funds”.

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the MSCI World ex Switzerland Net Return Index converted into the reference currency of the respective Share Class.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
IZ EUR	EUR	Up to 0.20%	Nil	Nil	Nil	0.1 m / Nil

This Share Class may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Fixed Income Sub-Funds

The investment objective of each Fixed Income Sub-Fund is long-term capital appreciation through the investment in any Permitted Investments.

Each Fixed Income Sub-Fund listed in this Supplement will invest at least two thirds of its total assets directly or indirectly in bonds or similar debt instruments.

Each Fixed Income Sub-Fund listed in this Supplement may invest up to 10% of its total assets directly or indirectly in shares or other equity instruments and up to 25% of its total assets in convertible bonds or bonds with warrants. To the extent that these financial instruments cover commitments from financial derivative instruments whose underlying assets are bonds or similar debt instruments, they shall not be taken into account in calculating the limits above. Investments in equities and convertible instruments shall in aggregate not exceed one third of the total assets of a Fixed Income Sub-Fund. To the extent that these financial instruments cover commitments from financial derivative instruments whose underlying assets are bonds or similar debt instruments, they shall not be taken into account in calculating the limit above.

Indirect investments encompass financial derivative instruments, structured products or other instruments whose underlying assets are fixed income instruments or units or shares of UCIs. For the purpose of calculating the above two thirds or one third, indirect investments are considered on a transparent basis. To the extent that liquid assets or other Permitted Investments cover commitments from financial derivative instruments whose underlying assets are bonds or similar debt instruments, they shall be taken into account in calculating the above two thirds.

If Fixed Income Sub-Funds gain their exposure to bonds and similar debt instruments risk using financial derivative instruments, each Fixed Income Sub-Fund listed in this Supplement will, under normal market conditions, primarily have its exposure to bonds and similar debt related instruments using futures, contracts for differences (“CFDs”), e.g. interest rate swaps, or similar financial derivative instruments. The financial derivative instruments can be both over-the-counter (“OTC”) as well as exchange traded.

Under normal market conditions, each Fixed Income Sub-Fund will invest its assets primarily in the securities of the country, region, sector and/or currency referred to in the Sub-Fund’s name or as defined by the Sub-Fund’s Benchmark. Subject always to the principles described above, Shareholders should be aware that there may be exposures, including both net long and net short exposures, to other countries, regions, sectors or currencies that are not referred to in the Sub-Fund’s name but are within the investment objective of the relevant Sub-Fund.

Fixed Income Sub-Funds in particular may use certain techniques through the use of financial derivative instruments related to the management of currency, credit and interest rate risks associated with the assets held in the relevant Fixed Income Sub-Fund and may engage in transactions in financial derivative instruments, which may result in both net long and net short exposures, and other Permitted Investments as part of their general investment policy, to generate returns and/or for hedging purposes. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale. Please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” discussed in the main part of the Prospectus and in this Supplement.

Permitted Investments for the Fixed Income Sub-Funds may, subject to the aforementioned restrictions, include all types of debt securities subject to such limitations as may apply under Luxembourg law and the relevant Sub-Fund’s investment policy, including, but not limited to, fixed and floating rate, senior and subordinated corporate debt obligations (such as bonds, debentures, notes and commercial paper), Money Market Instruments, Brady bonds and other debt issued by governments, their agencies and instrumentalities, or by central banks, convertible debt obligations, loan participations, preferred stock, and reverse repurchase agreements with respect to securities issued by governments and central banks.

If a security is unrated, a Sub-Fund may invest in such a security if such security is determined by the respective Investment Manager to be of comparable credit quality to the rated securities in which the Sub-Fund is permitted to invest.

As part of a Fixed Income Sub-Fund's overall investment policy, and as part of the range of Permitted Investments which may be utilised to generate exposure to fixed income markets, a Fixed Income Sub-Fund may invest directly or indirectly in units or shares of bond related UCITS or UCIs; however, each Fixed Income Sub-Fund will not invest more than 10% of its net assets in any undertakings for collective investment, unless otherwise stated for specific Sub-Funds in this Supplement.

Notenstein Sustainable Bond EUR

Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein Sustainable Bond EUR Sub-Fund is long-term capital appreciation by investing primarily in fixed income instruments denominated in Euro utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least 90% of its total assets directly or indirectly in Investment Grade, Euro denominated bonds or similar debt instruments worldwide utilising the Sustainable Investment Strategy or in deposits with a credit institution, whereby the latter is limited to 20% of the Sub-Fund's total assets.

The Sub-Fund may invest up to 10% of its total assets directly or indirectly in Investment Grade bonds or other similar debt instruments denominated in EUR not meeting above sustainability criteria as well as Money Market Instruments of issuers worldwide that are denominated in any freely transferable currency.

If the credit rating of a bond or similar debt instrument with a maturity of more than six months no longer fulfils the rating requirements mentioned above, it must be sold in the best interest of the investors within three months. If the maturity is less than six months, it does not have to be sold.

Please also refer to the descriptions under “Fixed Income Sub-Funds”.

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the Citigroup Euro Broad Investment Grad Bond Index converted into the reference currency of the respective Share Class.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with a consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 0.30%	Up to 1.00%	Nil	Nil	5'000 / Nil
C EUR	EUR	Up to 0.30%	Up to 0.75%	Nil	Nil	5'000 / Nil
I EUR	EUR	Up to 0.30%	Up to 0.70%	Nil	Nil	0.1 m / Nil
IZ EUR	EUR	Up to 0.30%	Nil	Nil	Nil	0.1 m* / Nil
PZ EUR	EUR	Up to 0.30%	Up to 0.40%	Nil	Nil	5'000 / Nil

* The initial transaction amount of the IZ EUR share class is only a recommendation and not mandatory.

These Share Classes may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Notenstein (Lux) Sustainable Bond International ex CHF
Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein (Lux) Bond International ex CHF Sub-Fund is long-term capital appreciation by investing primarily in fixed income instruments denominated in any freely transferable currency, excluding CHF utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least two thirds of its total assets directly or indirectly in first class, bonds or similar debt instruments worldwide, denominated in any freely convertible currency, excluding CHF utilising the Sustainable Investment Strategy. A debt instrument qualifies as first class, if a credit rating of at least 'A' or equivalent is issued by a recognised credit rating agency.

The Sub-Fund may invest up to one third of its total assets directly or indirectly in bonds or other fixed income instruments not meeting above criteria as well as Money Market Instruments of issuers worldwide that are denominated in any freely transferable currency, excluding fixed income instruments denominated in CHF.

Please also refer to the descriptions under “Fixed Income Sub-Funds”.

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the Citigroup World Government Bond Index ex Switzerland converted into the reference currency of the respective Share Class.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with a consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
IZ EUR	EUR	Up to 0.30%	Nil	Nil	Nil	0.1 m / Nil

This Share Class may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Specialist Sub-Funds

The investment objectives for the Specialist Sub-Funds are customised for each Specialist Sub-Fund as further detailed below.

While certain Specialist Sub-Funds may conform to the investment principles set out in 3.1 or 3.2 in the Prospectus, where such Sub-Funds may be classified as Equity Sub-Funds or Fixed Income Sub-Funds, respectively, certain Specialist Sub-Funds may not be categorised as Equity Sub-Funds or Fixed Income Sub-Funds and may therefore be subject to other investment principles. These investment principles, in relation to, for example, the proportion of the net assets invested in specific Permitted Investments and/or the proportion of such net assets invested in the country, region, sector and/or currency referred to in the Specialist Sub-Fund's name, are, where relevant, detailed in respect of each Specialist Sub-Fund. Subject always to the principles described above, Shareholders should be aware that there may be exposures, including both net long and net short exposures, to other countries, regions, sectors or currencies that are not referred to in the Sub-Fund's name but are within the investment objective of the relevant Sub-Fund.

Each Specialist Sub-Fund will have a distinct investment policy making use of financial derivative instruments to a considerable degree as further detailed below.

Subject to the terms of the Prospectus (and, in particular, Appendices A and B) and the Supplement, the Specialist Sub-Funds may engage in transactions in financial derivative instruments as part of their general investment policy and/or for hedging purposes. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale. Please see Appendix B – "Special Investment Techniques" together with the "Risk Considerations" discussed in the main part of the Prospectus and in this Supplement.

As part of a Specialist Sub-Fund's overall investment policy, and as part of the range of Permitted Investments which may be utilised to generate market exposure, a Specialist Sub-Fund may invest in units or shares of UCITS or UCIs having similar investment characteristics; however, each Specialist Sub-Fund will not invest more than 10% of its net assets in any undertakings for collective investment, unless otherwise stated for specific Sub-Funds in this Supplement.

1741 (Lux) Global Risk Diversification
Base Currency – EUR

Investment Objective

The Investment Objective of the 1741 (Lux) Global Risk Diversification Sub-Fund is long-term capital appreciation by investing in any Permitted Investments worldwide irrespective of market or asset class utilising the Global Risk Diversification Strategy and thereby seeking to outperform its benchmark.

Investment Policy

Many investors underestimate the power of global risk diversification to improve the return and reduce the risk of a portfolio. Academic research has shown that an equal risk weighting of assets that exhibit a low correlation to each other can generate attractive risk-adjusted returns. The objective of an equal risk weighting is to equalise the risk contribution of the various asset classes that the Sub-Fund invests in. This is necessary because different asset classes tend to have significantly different risk profiles, which prevent the formation of an efficiently diversified portfolio. An equal risk weighting is achieved by (de)leveraging the different asset classes to e.g. the same volatility level. The Global Risk Diversification Strategy utilises quantitative models that seek to further enhance risk-adjusted returns, e.g. by tactically increasing or reducing exposures to certain Permitted Investments. The Sub-Fund may invest directly or indirectly (using in particular financial derivative instruments) in equities, bonds, Money Market Instruments and instruments representing commodities, property or other financial indices in so far as such instruments qualify as Permitted Investments. The financial derivative instruments can be both over-the-counter (“OTC”) as well as exchange traded. The proportion of the Sub-Fund invested in equities, bonds, Money Market Instruments, financial derivative instruments representing financial indices or other Permitted Investments is not fixed and may vary. Up to 10% of the Sub-Fund may be invested in transferable securities other than those referred to in Art. 41 of the Law but fully compliant with the Grand-Ducal Regulation of 8 February 2008.

The Sub-Fund may make use of financial derivative instruments to extend its overall risk exposure to Permitted Investments. Furthermore, the Sub-Fund may make use of financial derivative instruments having an economic effect similar to that of short positions. Subject always to the principles described above, Shareholders should be aware that there may be exposure, including both net long and net short economic exposures, to any Permitted Investments (e.g. asset classes, markets, countries, regions, sectors or currencies) that are not referred to in the Sub-Fund’s name or Investment Objective as a consequence of the use of financial derivative instruments. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale.

Please also refer to the descriptions under “Specialist Sub-Funds” with respect to the use of financial derivative instruments.

Investment Manager

1741 Asset Management Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the 3 month LIBOR rate (EE0003M) converted into the reference currency of the respective Share Class, calculated utilising currency futures unless LIBOR rates with the same characteristics are available for the specific currencies.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Absolute VaR Approach. The expected level of leverage amounts to 500%, whereas higher levels of leverage are possible.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Absolute Return Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 1.00%	Up to 2.00%	Nil	20%	5’000 / Nil
Other Currency Shares – CHF Shares	CHF FX Hedged	Up to 1.00%	Up to 2.00%	Nil	20%	5’000 / Nil
Other Currency Shares – USD Shares	USD FX Hedged	Up to 1.00%	Up to 2.00%	Nil	20%	5’000 / Nil
Class A Share	EUR	Up to 1.00%	Up to 2.00%	Up to 1.00%	20%	1’500 / Nil
Class A Share	CHF FX Hedged	Up to 1.00%	Up to 2.00%	Up to 1.00%	20%	1’500 / Nil
Class I Share	EUR	Up to 1.00%	Up to 1.50%	Nil	20%	0.5 m / Nil
Class I Share	CHF FX Hedged	Up to 1.00%	Up to 1.50%	Nil	20%	0.5 m / Nil
Class IX Share	EUR	Up to 1.00%	Up to 1.00%	Nil	20%	5 m / Nil
Class IX Share	CHF FX Hedged	Up to 1.00%	Up to 1.00%	Nil	20%	5 m / Nil
Class IX Share	USD FX Hedged	Up to 1.00%	Up to 1.00%	Nil	20%	5 m / Nil
Class IXL Share	EUR	Up to 1.00%	0.70%	Nil	20%	15 m/ Nil
Class IXXL Share	EUR	Up to 1.00%	0.60%	Nil	10%	25 m / Nil
Class IZ Share	EUR	Up to 1.00%	Nil	Nil	Nil	25 m / Nil
Class IZ Share	CHF FX Hedged	Up to 1.00%	Nil	Nil	Nil	25 m / Nil
Class N Share	CHF FX Hedged	Up to 1.00%	Up to 1.00%	Nil	20%	0.1 m / Nil

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in any Permitted Investments irrespective of market or asset class including the use of financial derivative instruments to a considerable degree and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund. For the specific risks related to financial derivative instruments please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” in the main part of the Prospectus.

1741 (Lux) Multi-Strategy
Base Currency – EUR

Investment Objective

The Investment Objective of the 1741 (Lux) Multi-Strategy Sub-Fund is long-term capital appreciation by investing in different investment strategies for different asset classes and thereby seeking to outperform its benchmark.

Investment Policy

The Sub-Fund offers investors convenient access to a portfolio of individual investment strategies. The Sub-Fund may gain its exposure to UCITS, UCIs or other Permitted Investments by investing directly or indirectly using financial derivative instruments or pooling techniques. Instead of investing in UCITS, UCIs or other Permitted Investments, the Sub-Fund may replicate the UCITS', UCIs' or other Permitted Investments' investment policies. For this purpose, the Sub-Fund may invest e.g. in equity or other equity instruments, in bonds and similar debt instruments or in index instruments (index funds, exchange traded funds ("ETF"), common trust funds ("CTF")). If the Sub-Fund uses financial derivative instruments, it will normally have its exposure to UCITS, UCIs or other Permitted Investments using contracts for differences ("CFDs"), e.g. total return swaps, or similar financial derivative instruments. However options, futures or forwards may also be used. The financial derivative instruments can be both over-the-counter ("OTC") as well as exchange traded. The Sub-Fund may make extensive use of financial derivative instruments. The Sub-Fund will seek to extend or reduce the gross and/or net exposure of the Sub-Fund, whereas the net exposure may vary between net long and net short economic exposure. For the avoidance of doubt, the Sub-Funds may not carry out uncovered sales of Transferable Securities or Money Market Instruments. However, financial derivative instruments may be used in a manner which has an economic effect comparable to a short sale.

The Sub-Fund may invest more than 10% of its net assets in UCITS or UCIs.

Please also refer to the descriptions under "Specialist Sub-Funds" with respect to the use of financial derivative instruments.

Investment Manager

1741 Asset Management Ltd. acts as Investment Manager of the Sub-Fund.

Benchmark

The Benchmark is the 3 month LIBOR rate (EE0003M) converted into the reference currency of the respective Share Class, calculated utilising currency futures unless LIBOR rates with the same characteristics are available for the specific currencies.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Absolute VaR Approach. The expected level of leverage amounts to 300%, whereas higher levels of leverage are possible.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Absolute Return Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 1.00%	Up to 2.00%	Nil	20%	5'000 / Nil
Other Currency Shares – CHF Shares	CHF FX Hedged	Up to 1.00%	Up to 2.00%	Nil	20%	5'000 / Nil
Class IX Share	USD FX Hedged	Up to 1.00%	Up to 1.00%	Nil	20%	5 m / Nil

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term and are willing to take on the increased risks associated with investing in a Sub-Fund that invests a substantial part of its assets in other UCITS, UCIs and other Permitted Investments and the use of financial derivative instruments to a considerable degree. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund. For the specific risks related to financial derivative instruments please see Appendix B – “Special Investment Techniques” together with the “Risk Considerations” in the main part of the Prospectus.

Notenstein Sustainable Conservative Allocation EUR

Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein Conservative Allocation EUR Sub-Fund is long-term capital appreciation by investing predominantly in fixed income instruments issued by issuers established in a member country of the European Economic Area utilising the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least 51% of its total assets directly or indirectly in Investment Grade bonds or similar debt instruments denominated in EUR utilising the Sustainable Investment Strategy.

The Sub-Fund may invest up to 49% of its total assets directly or indirectly in European shares or other equity instruments, Investment Grade bonds or other similar debt instruments not meeting above sustainability criteria, Money Market Instruments as well as any other Permitted Investments. Up to 10% of the Sub-Fund may be invested in transferable securities other than those referred to in Art. 41 of the Law but fully compliant with the Grand-Ducal Regulation of 8 February 2008.

If the credit rating of a bond or similar debt instrument with a maturity of more than six months no longer fulfils the rating requirements mentioned above, it must be sold in the best interest of the investors within three months. If the maturity is less than six months, it does not have to be sold.

Please also refer to the descriptions under “Specialist Sub-Funds”.

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
Base	EUR	Up to 0.30%	Up to 1.40%	Nil	Nil	5'000 / Nil
C EUR	EUR	Up to 0.30%	Up tp 1.05%	Nil	Nil	5'000 / Nil
I EUR	EUR	Up to 0.30%	Up to 0.95%	Nil	Nil	0.5 m / Nil
IZ EUR	EUR	Up to 0.30%	Nil	Nil	Nil	0.1 m* / Nil
PZ EUR	EUR	Up to 0.30%	Up tp 0.50%	Nil	Nil	5'000 / Nil

* The initial transaction amount of the IZ EUR share class is only a recommendation and not mandatory.

This Share Class may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Notenstein Sustainable Portfolio EUR Plus
Base Currency – EUR

Investment Objective

The Investment Objective of the Notenstein Sustainable Portfolio EUR Plus Sub-Fund is long-term capital appreciation by investing in Permitted Investments irrespective of market or asset class utilising a multi-asset class strategy. The investments are predominantly based on the Sustainable Investment Strategy.

Investment Policy

The Sub-Fund will invest at least 51% of its total assets directly or indirectly in European shares or other equity instruments and bonds or other fixed income instruments, Money Market Instruments denominated in EUR or any other Permitted Investment utilising the Sustainable Investment Strategy. The proportion of the Sub-Fund invested in equities, bonds, Money Market Instruments or other Permitted Investments is not fixed and may vary.

The Sub-Fund may invest up to 49% of its total assets directly or indirectly, in shares or other equity instruments, bonds or other fixed income instruments, Money Market Instruments as well as other Permitted Investments not meeting above criteria. Up to 10% of the Sub-Fund may be invested in transferable securities other than those referred to in Art. 41 of the Law but fully compliant with the Grand-Ducal Regulation of 8 February 2008.

Please also refer to the descriptions under “Specialist Sub-Funds”.

Investment Manager

Notenstein Private Bank Ltd. acts as Investment Manager of the Sub-Fund.

Advisory Committee

The Investment Manager may at its own risk and expense appoint an advisory committee with a consultative role only. The advisory committee may assist the Investment Manager in advancing the Sustainable Investment Strategy, in particular in identifying and developing relevant criteria for the assessment of the sustainability of single issuers, sectors or industries.

Risk Measurement Approach

The global exposure of the Sub-Fund is calculated using the Commitment Approach.

Share Classes

Share Class	Currency	Swing Factor Credited to the Sub-Fund	Management Fee	Distribution Fee	Performance Fee using the Relative Benchmark Approach	Initial/subsequent transaction amount
I EUR	EUR	Up to 0.30%	Up to 1.10%	Nil	Nil	0.5 m / Nil

This Share Class may be made available as accumulation or distribution Shares.

Valuation Date Frequency

The Sub-Fund will have daily Valuation Dates as further explained in detail in the main part of the Prospectus.

Typical Investor

Given the Investment Objective and Policy, the Sub-Fund is only appropriate for investors who seek capital appreciation over the long term, are willing to take on the increased risks associated with investing in equities denominated in different currencies, and can withstand the volatility of the Sub-Fund. Thus, this Sub-Fund may not be appropriate for investors, who plan to withdraw their money within 5 years. The detailed risk considerations in the main part of the Prospectus should be read before investing in this Sub-Fund.

Additional Information for Investors in Germany

1 German Paying and Information Agent

LBBW Landesbank Baden-Württemberg, Große Bleiche 54-56, 55116 Mainz has been appointed as the Paying and Information Agent for the Federal Republic of Germany (the "German Paying and Information Agent").

2 Exchange and Redemption of Shares

Exchange and redemption requests for Shares can be submitted to the German Paying andInformation Agent. Upon the Shareholders' request, redemption proceeds, distributions or other payments to the Shareholders, if any, may also be made via the German Paying and Information Agent.

3 Documents

The following documents and information may be obtained free of charge on request from the German Paying and Information Agent in electronic format:

- Prospectus of 1741 Asset Management Funds SICAV;
- Key Investor Information Document for the respective Sub-Fund of 1741 Asset Management Funds SICAV registered for distribution in Germany;
- Articles of Incorporation of 1741 Asset Management Funds SICAV;
- Annual and semi-annual reports of 1741 Asset Management Funds SICAV;
- Dealing forms;
- Issue and redemption prices.

4 Publication of prices and notices

Issue and redemption prices as well as notices to investors, if any, are published daily on www.1741funds.com.

5 Particular events

An additional notice will be published on the German electronic Federal Gazette about the following events:-

- the suspension of redemption of a Sub-Fund's shares;
- the termination of the management of a Sub-Fund or the liquidation thereof,
- changes being made to the Prospectus which are not in compliance with the existing investment principles or which affect material investor rights or which relate to fees and cost refunds that may be withdrawn from a Sub-Fund;
- the merger of a Sub-Fund; and, where applicable,
- the conversion of a Sub-Fund into a feeder fund and a change of a master.

6 Taxation

For questions on the tax impact of an investment in the Company please contact your tax advisor.

7 Sub-funds not notified for distribution in Germany

The following sub-fund of the Company is not registered in Germany according to Section 310 of the German Investment Code (KAGB) and must be not distributed in Germany:

- **Notenstein Sustainable Portfolio EUR Plus**