Two Trees Systematic Global Macro Fund - UCITS

Supplement to the Prospectus dated 4 October 2019
for Pinnacle ICAV

An umbrella fund with segregated liability between sub-funds

This Supplement contains specific information in relation to Two Trees Systematic Global Macro Fund - UCITS (the **Fund**), an open-ended sub-fund of Pinnacle ICAV (the **ICAV**) an Irish collective asset-management vehicle umbrella fund with segregated liability between sub-funds which is registered in Ireland by the Central Bank of Ireland and authorised under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended).

This Supplement forms part of and should be read in conjunction with the Prospectus dated 4 October 2019.

The Directors of Pinnacle ICAV, whose names appear in the **Directors of the ICAV** section of the Prospectus, accept responsibility for the information contained in the Prospectus and this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly. The Fund will invest principally in financial derivative instruments to achieve its objective.

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

Given the nature of the Fund, an investment in the Fund should only be made by those persons who could sustain a loss on their investment, should not constitute a substantial portion of an investment portfolio and may not be appropriate for all investors. Please refer to section 9.12 of this Supplement (Emerging Markets Risk).

Date: 4October 2019

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1. INVESTMENT OBJECTIVE

The Fund aims to achieve long term capital appreciation through compound growth.

2. THE INVESTMENT MANAGER'S INVESTMENT METHODOLOGY

The Investment Manager will adopt an active investment strategy by taking long and short positions across global equity indices, government bonds, currencies, and volatility products (includes exchange traded futures on the Chicago Board Options Exchange, such as the Volatility Index (VIX)), as well as making other investments that qualify as transferable securities (such as shares, depositary receipts and bonds) or money market instruments (as outlined below). The Fund will gain exposure to commodities by investing in structured financial instruments and FDI on UCITS compliant indices (as described below under the heading **Commodity Exposure**). The Fund's investment approach will primarily be obtained using exchange traded futures contracts or over the counter derivatives such as currency forward contracts. Investments held by the Fund are global in nature and may be denominated in a number of currencies. The use of derivatives will generally lead to a position of being financially leveraged and any such leverage will be within the limits set down by the Central Bank. The Fund's investment policy allows the Fund to invest in (or have indirect exposure to) emerging market countries and investors should be aware of risks attached to investing in such markets which could have a limited impact on the performance of the Fund. The strategy of the Fund is considered to be an active investment strategy as it aims to generate returns by taking positions in derivatives markets and investing in structured financial instruments (SFI) and attempts to profit by future moves in these markets.

Expected returns vary through time, generally at a business cycle frequency. The business cycle is seen to be slow-moving and typically measured in years, with academic estimates ranging from three to seven years. Risks of, and between, assets can change much more quickly than expected returns. The Investment Manager forecasts expected returns and risks as they vary through time, and mathematically balances the two using a mean-variance optimiser, that explicitly looks to trade off expected returns against risks, including both volatility and correlation. The optimiser tries to do this by assembling a portfolio of positions which maximise the expected return of the whole portfolio while taking into account the risks of the underlying instruments. The mean-variance optimiser the Investment Manager uses takes two inputs (1) the expected returns which combines value and momentum estimates and (2) estimates of the correlations and volatilities of instruments the Investment Manager trades. Several types of risk models are used by investment managers including ones which use historical price data of the instruments to forecast their correlations and volatilities going forward. The Investment Manager uses these market based historical prices to form estimates of correlations and volatilities in the future. Trading costs are inherent to all investment strategies, and the Investment Manager feeds in expected trading costs to the mean-variance optimiser so that it can take into account explicitly the cost of moving the portfolio around.

The Investment Manager believes that the market price of any financial asset reflects the markets' expectations of both future cash flow payments to the owner of such assets and expected returns from such assets. High current prices indicate an expectation of large future cash flows, low future returns, or a combination of both. The Investment Manager specialises in using quantitative techniques to distinguish between these two determinants of price to produce a forecast for the asset's expected returns. The expected returns are then combined with proprietary risk forecasts using a proprietary portfolio construction process to produce portfolio exposures for all of the assets traded. The resultant exposures trade off the forecasted returns and risks of each asset, as well as providing diversification across the range of the investment universe.

The Investment Manager will utilise its proprietary investment models and portfolio construction techniques (as described below) to take tactical positions in global equity, bond, currency, commodity and volatility markets. The models at the core of the Fund's systematic process are based on the Investment Manager's understanding of the economic factors that drive market behaviour. The Investment Manager believes the two major economic factors which drive market behaviour are valuation and momentum. Value reflects the expected returns of each asset, and reveals both the potential for a capital gain or loss, and the expected yield from holding the asset. Momentum reveals the change in value, or simply, the fact that asset prices can trend beyond fair value. The portfolio construction process aims to produce a diversified portfolio across a broad range of assets and asset classes and effectively account for and manage the risk of each asset in the portfolio, in order to generate consistent absolute returns.

The Investment Manager's proprietary investment models use a combination of a value strategy (identifying the expected returns of assets) and a momentum strategy (identifying the change in value) to construct forecasts for each asset. The investment models forecast future returns using valuation and momentum inputs across all of the assets in which the Fund will invest. The Investment Manager also uses statistical models to forecasts the volatilities (the degree of variation of an asset's price over time) and the correlation (the degree of association between the variation of different assets' prices over time) between assets and tracks such measures as they change through time. The Investment Manager accordingly endeavours to identify the portfolio with the best risk-adjusted return at each point in time. In order to achieve the highest risk-adjusted return, the Investment Manager's portfolio construction technique explicitly tries to maximise the portfolio's return subject to a series of penalties which include both market-based measures of risk (so as to have high risk-adjusted returns) but also assumptions on the cost of trading (to reflect real world costs). For a position to be included in the portfolio, the potential for a gain must be weighed against its risk.

The investment strategy takes both long and short positions across all assets and asset classes to achieve the best risk-adjusted return. The Investment Manager's investment models seek to do the following across the assets it invests in: (1) estimate an asset's future return potential (2) measure and forecast the volatilities of and correlations between these assets and (3) take long and short positions at the same time across assets to achieve the target return of the strategy while at the same time achieving a diversified portfolio of investments and minimising risk. By trading from both the long and short side the strategy is able to achieve a higher risk-adjusted portfolio return than it could otherwise. Positions will be taken either long or short either to add to the portfolio's expected return, to reduce the portfolio's expected risk, or both. The positions of the Fund will change due to changing return and risk forecasts on a daily basis, with the expectation that there will be roughly between ten and forty trades per day. The Fund is medium-term in outlook, with the average holding period per asset measured between weeks and months, and so is not high-frequency.

The Investment Manager's global macro strategy is systematic and predominantly automated, with the expectation that almost all of the investment decisions will be the direct output of the investment process. The Investment Manager believes that the investment strategy is best employed in a systematic manner and without second guessing the target portfolio that is output from the forecasting, risk and portfolio construction models. However, in extraordinary circumstances (such as wars, earthquakes, or other similar events), where the Investment Manager believes assumptions of the investment models have been violated and may cause severe and permanent risk to investor capital the Investment Manager reserves the right to make investment decisions that could reduce exposures in extreme situations by making investment decisions that go beyond the output of the investment models, and/or override the output of the system, in order to protect the interests of the Fund. These decisions will be discussed by the investment team, with the expectation that a consensus be reached. If this is not possible, then ultimate responsibility for the portfolio lies with the managing director. As part of the ongoing research process, the Investment Manager will continue to enhance, adjust and change elements of the system on an ongoing basis, and may also add or eliminate strategies or assets based on changing market conditions, new research, new data or other factors. The ability of the Investment Manager to generate returns depends upon a number of factors, including but not limited to the quality of the research of the investment team and the predictive power of the investment process.

The Fund will invest in securities listed or traded on the stock exchanges listed in Appendix I of the Prospectus for the ICAV.

3. INVESTMENT POLICIES

The Investment Manager will adopt an active investment strategy by taking long and short positions across global equity indices, government bonds, currencies, and volatility products, as well as making other investments that qualify as transferable securities or money market instruments and as further detailed below. The Fund will further achieve diversification by using both value and momentum factors to construct the expected return forecasts, and by actively modelling and reacting to changing volatilities and correlations. The Fund will typically hold between 25 and 100 positions, both long and short, but is not limited to this range. Exposure to these markets will primarily be obtained using exchange traded futures contracts or over the counter derivatives such as currency forward contracts and swaps. Please see Section 5 "Financial Derivative Instruments" for a full list of FDI that may be used.

It is expected that the majority of the Fund's market positions will be held through FDIs. In terms of how the Fund's capital will be deployed, only a portion of the Fund's capital will be utilised as margin in respect of such FDIs (as such FDIs are leveraged, only a portion of capital is required to achieve a large market exposure). It is intended that the balance of the Fund's capital (that is, a large portion of the Fund's capital and depending on market conditions, up to 100% of NAV) will be deployed in liquid assets (as described below) such as treasury bills. It should be noted that liquid assets such as treasury bills are "ancillary assets" in respect of the Fund because they are not expected to generate the active return of the Fund, nor are they used to achieve the investment objective (rather, they are used for risk management purposes).

The Investment Manager does not set target allocations to investment sectors or geographical locations, as these can vary depending on market opportunities. Individual market limit exposures are typically +/- 50% for equity index futures, bond futures, and foreign currency forwards, and +/- 10% for exposure to commodities. The bonds used for active investment purposes will typically be implemented through derivatives such as bond futures rather than cash equivalent instruments. These derivative positions are part of the active risk of the portfolio, and aim to improve the risk-adjusted return of the Fund

The Fund's investment policy allows the Fund to invest in emerging markets and asset classes which may cause the Net Asset Value of the Fund to have a high volatility.

3.1. Ancillary Asset Classes

Although the Fund primarily invests in equity, bond, currency and volatility markets via futures, forwards and swaps in order to achieve its objective, the Fund may invest in a number of other asset classes as detailed below.

Collective Investment Schemes (CIS)

The Fund may invest in CIS (including exchange traded funds). Any investment in CIS will be in accordance with the Central Bank UCITS Regulations and is limited as set out in Section 7 below.

Cash Management, Debt Securities and Liquid Assets

The Fund may invest in and have exposure to debt securities of various types and maturities issued by government or corporate entities, including, for example, fixed rate, floating rate and variable rate notes (i.e. floating notes or promissory notes), bonds, index linked debt securities, coupon-bearing and deferred interest instruments (such as zero coupon bonds). Such debt securities may be fixed or floating rate and investment grade as rated by a recognised rating agency or unrated. Investment in debt securities for the purpose of cash management are expected to be primarily in short-term government bonds.

The Fund may hold and invest in ancillary liquid assets such as cash, bank deposits, money market instruments including but not limited to commercial paper and certificates of deposit, money market funds or equivalent short term paper including treasury bills.

Cash and cash equivalent instruments (such as treasury bills) can be posted as margin with the Fund's futures clearers and foreign exchange counterparts to support the long and short exposures the strategy is targeting. Any funds which are not used for margin purposes are typically invested in cash instruments which seek to earn short term cash returns.

There is no maximum or minimum amount of liquid assets that the Fund may hold at any one time. The Fund's investment approach will primarily be obtained using exchange traded futures contracts, over the counter derivatives such as currency forward contracts or swaps. A maximum of 50% of the Fund's Net Asset Value can be held on margin at any one time to gain the desired exposures of the investment strategy.

The Fund may employ exchange-traded or over-the-counter FDI, as more specifically described under Section 5 (**Financial Derivative Instruments**) for the reasons detailed therein and in accordance with the requirements of the Central Bank.

Attention is drawn to the difference between the nature of a deposit and the nature of an investment in the Fund. Please note that the principal invested in the Fund is capable of fluctuation.

Commodity Exposure

Structured Financial Instrument

In order to gain exposure to commodity markets the Fund may invest in transferable securities in the form of structured financial instruments (**SFI**). The SFI are a type of debt instrument which falls within the categorisation of 'transferable securities' as contemplated by the UCITS Regulations. Although the SFI are a type of debt instrument, investments in these securities do not fall within the scope of the Fund's management of Ancillary Asset Classes as detailed in Section 3.1. Furthermore, these SFI instruments are not part of the Fund's day-to-day investments in cash, short-term debt securities or other liquid assets or used for collateral purposes with the Fund's trading counterparts. The SFI shall be issued by special purpose vehicles established in Jersey whose share capital will be held by a charitable trust. The SFI shall be independently valued by a third-party administrator (initially Crestbridge Limited) and shall be listed on one or more Regulated Markets in Ireland or Luxembourg as set out in Appendix 1 to the Prospectus. The SFI shall provide exposure on a 1:1 basis to interests in a Cayman Island domiciled trading company that is managed by the Investment Manager and that shall invest in certain commodity futures such as metals, energies and agriculturals. The SFI shall not embed leverage or derivatives. The investment in the SFIs in aggregate shall not exceed 20% of the Net Asset Value of the Fund.

Only a Market Disruption Event in respect of the SFI would prevent the Dealer from re-purchasing the SFI.

The Fund may also seek indirect exposure to commodities through investment in FDI (as more specifically described under Section 5 (**Financial Derivative Instruments)**) on UCITS compliant commodity indices that meet the requirements of the Central Bank.

The collateral policy of the Fund is set out under the section headed "Collateral Policy" of the Prospectus. In addition, collateral posted to a counterparty will be valued daily at mark-to market value and daily variation margins will apply.

4. RISK MANAGEMENT PROCESS

The ICAV on behalf of the Fund employs a risk management process which helps it to accurately measure, monitor and manage the various risks associated with its investment in FDI (as detailed further below).

The Fund will be trading financial derivatives (including but not limited to) futures contracts and currency forwards which can lead the Fund to being financially leveraged. The Fund will use the absolute value-at-risk (**VaR**) approach to measure global exposure. The Fund may be leveraged through the use of FDIs. Please see Section 5 "Financial Derivative Instruments" for a full list of FDI that may be used.

At the time of the trade of a futures contract, the full value of the contract is not paid or received. Instead, both parties (the buyer and seller) pay an initial cash deposit. This initial deposit is called the futures margin. Futures can get a much larger exposure to an asset class with a relatively small initial outlay. The use of leverage can lead to larger losses as well as larger gains. The Fund will enter into both short and long positions; however, will not commit more than 50% of the NAV as an initial margin. The Investment Manager will adopt an active investment strategy by taking long and short positions across global equity indices, government bonds, commodities, currencies, and volatility products, as well as making other investments that qualify as transferable securities or money market instruments.

The combined value of the long and short positions will frequently be greater than 100% of the assets of the Fund, and so gains and losses of the market will be amplified. The total leverage employed in the Fund varies according to the Fund's estimated expected return and risk forecasts, and so is expected to change over time. The Investment Manager believes that risk is a broad concept and cannot be completely captured by the single metric of leverage, particularly when the Fund invests across different asset classes with different levels of volatility. For instance, volatility estimates for some commodities, such as natural gas and crude oil, obtained via investment in the SFI, can regularly be greater than ten times the estimated volatility of short term bank bills, though only looking at the gross leverage would treat both positions as though they are equally risky. Higher risk is generally reflected in a higher initial margin.

The Fund’s typical maximum gross long positions will be three (3) times the net asset value of the Fund and its typical maximum gross short positions will be three (3) times the net asset value of the Fund. As a result, the Fund expects that the typical maximum gross leverage it will employ, calculated as the gross aggregate sum of the notional amount of all its positions, will be six (6) times (600%) the net asset value of the Fund. However, this is an indicative level only and there may be higher leverage levels from time to time during abnormal market conditions and, for example, at times when there is high volatility.

VaR will be used by the Fund in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 20% of the Net Asset Value of the Fund and the one-tailed confidence interval shall not be less than 99% with a one month holding period. The historical observation period will be not less than 1 year. VaR will be calculated on a daily basis.

The Investment Manager employs a proprietary risk management system that takes into account, but is not limited to, leverage.

The ICAV will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The Fund will only utilise FDI which have been included in the risk management process report that has been prepared and submitted to the Central Bank in accordance with the Central Bank requirements.

5. FINANCIAL DERIVATIVE INSTRUMENTS

The Fund will primarily utilise FDI for investment purposes (to gain exposure to global equity, government bond, currency, commodity (through exposure to UCITS compliant financial indices) and volatility markets, though the Fund could potentially also use currency FDI to hedge non-USD denominated collateral within the conditions and limits set out in the Central Bank UCITS Regulations. The Fund will primarily invest in equity, bond, currency and volatility markets via futures, forwards and swaps. Other FDI used by the Fund may include exchange-traded and over the counter derivative instruments as described herein, may include equity and equity index swaps, Total Return Swaps, currency and forward foreign exchange contracts, futures, and combinations thereof, provided that the underlying risks represent permitted assets.

The Fund may take synthetic short positions (through the use of FDI) to manage risk and exposure and to capitalise on attractive risk/reward opportunities. If the shorted asset falls in price, then the value of the position increases, and vice-versa. Short positions may be held synthetically in order to hedge long exposures or to obtain negative exposures to financial instruments in the asset classes listed above, currencies and market factors.

Specific FDI

The following is a description of the types of FDI which may be used by the Fund:

- **Futures**

Futures in which the Fund may invest may include equity index, currency, volatility, interest rate and bond futures. Futures may be used to increase or reduce equity, currency, volatility, interest rate or credit exposures.

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Frequently using futures to achieve a particular strategy instead of using the underlying or related security or index, or index sector or basket of debt securities results in lower transaction costs being incurred.

- **Forward Foreign Exchange Contracts**

A forward foreign exchange contract locks-in the price at which a currency may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date.

- **Swaps**

In a standard swap transaction, two parties agree to exchange returns (or differentials in rates of return) calculated with respect to a notional amount, e.g. the return on or increase in value of a particular dollar amount invested at a particular interest rate, in a particular foreign currency, or in a basket of securities representing a particular index. The swaps which the Fund may invest in are cross currency, equity, equity index, UCITS compliant commodity index, interest rate, and Total Return Swaps.

Equity Swaps

An equity swap contract which gives the holder the economic benefits of a notional holding of an underlying security or basket of securities, in exchange for an interest stream representing the financing cost for the notional value of that security or basket of securities. A swap can be a 'long' exposure, where the holder is receiving the economic benefits of the underlying security from the other party or a 'short' exposure where the holder is paying the economic benefits of the underlying security to the other party. The Fund may enter into equity swaps to achieve both long and short exposure.

Equity swaps may include equity index swaps.

Total Return Swaps

A Total Return Swap is a contract whereby one party (e.g. the total return payer) agrees to make a series of payments to another party (e.g. the receiver) based on the change in the market value of the assets underlying such contract (which can include a security or baskets thereof or eligible index) during the specified period. In exchange, the other party to the contract agrees to make a series of payments calculated by reference to an interest rate and/or some other agreed-upon amount (including the change in market value of other underlying assets).

The Fund may use Total Return Swaps to gain exposure to reference assets addressed in the Investment Policies above without owning it or taking physical custody of the underlying asset. Total Return Swaps may be used to gain/reduce exposure in a cost effective manner. The counterparties to Total Return Swaps will be eligible counterparties for the purposes of the Regulations and the Central Bank UCITS Regulations and will not have discretion over the composition of the management of the Fund's portfolio.

Financial Indices

Exposures to the asset classes set out in this Supplement may be obtained through the use of FDI the returns on which are referenced to the performance of financial indices, provided the indices in question are sufficiently diversified, represent an adequate benchmark for the markets to which they refer, are published in an appropriate manner and, where required, have been cleared in advance by the Central Bank.

Financial indices to which exposures are taken must satisfy the criteria set down in the Central Bank UCITS Regulations. The types of such indices will be consistent with the investment objective and policy of the Fund. Subject to compliance with those conditions, the Investment Manager has full discretion as to which financial indices to take exposure in furtherance of, and in accordance with, the Fund's investment objective and policies. It is not possible to comprehensively list in this Supplement the actual indices to which exposure may be taken as they have not, as of the date of issue of this Supplement, been selected and they may change from time to time. A list of the indices to which the Fund takes exposure will be included in the annual report for the Fund. Details of any financial indices used by the Fund will also be provided to Shareholders by the Investment Manager on request.

The financial indices to which the Fund may gain exposure will be rebalanced/adjusted on a weekly, monthly, quarterly, semi-annual or annual basis (which will be set out in the annual report) in accordance with the requirements of the Central Bank. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced. Active indices may pass on rebalancing costs and this will be included in the price of the index. Where the weighting of a particular constituent in a financial index exceeds the UCITS investment restrictions, the Investment Manager will, as a priority objective, look to remedy the situation taking into account the interests of Shareholders and the Fund.

6. PROFILE OF A TYPICAL INVESTOR

The Fund may be suitable for investors with an investment horizon of over five years that seek capital growth primarily via exposure to global equities, fixed income, currency, volatility and commodity investments, and who are willing to accept the shorter-term fluctuations in price typically associated with such investments.

Investors should have an understanding of investments in the above securities and note that there is a high risk of short-term capital loss compared to other investment types but with the potential to deliver higher investment returns over the minimum suggested timeframe. Investors should be aware that emerging market securities may be subject to higher volatility and lower liquidity than non-emerging market securities. Please refer to section 9.12 below (Emerging Markets Risk).

7. INVESTMENT RESTRICTIONS

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

In addition, the Fund shall not invest more than 10% in aggregate of net assets in shares of other open-ended collective investment schemes.

8. BORROWING

The Fund may borrow up to 10% of its total Net Asset Value on a temporary basis as further described in the section **Borrowing, Leverage, Lending Powers** and **Restrictions** in the Prospectus.

9. RISK FACTORS

Risk can be managed but cannot be completely eliminated and it is important to understand that:

- The value of your investment will go up and down;
- Investment returns will vary and future returns may be different from past returns;
- Returns are not guaranteed and there is always the chance that you may lose money on any investment you make; and
- Laws affecting your investment may change over time.

The general risk factors set out under the heading **Risk Factors** in the Prospectus apply to the Fund.

In addition, the following risk factors apply to the Fund:

9.1. Investment Risk

The investments of the Fund in securities are subject to normal market fluctuations and other risks inherent in investing in securities. Security prices may decline over short or extended periods due to general market conditions (e.g. economic, technological or political).

9.2. Interest Rate Risk

Changes in interest rates can influence the value and returns of investments.

9.3. Liquidity Risk

The Fund may not be able to purchase or sell a security in a timely manner or at desired prices or achieve its desired weighting in a security market. The risk management guidelines adopted by the Investment Manager are designed to minimise liquidity risk through:

- Ensuring that there is no significant exposure to illiquid or thinly traded financial instruments; and

- Applying limits to ensure there is no undue concentration of liquidity risk to a particular counterparty or market.

9.4. Currency Risk

Investing in assets denominated in a currency other than the Fund's Base Currency may cause losses resulting from exchange rate fluctuations. Foreign governments may impose currency exchange restrictions, which could limit the Fund's ability to buy and sell certain foreign investments and could reduce the value of the foreign securities such Fund holds.

9.5. Leverage Risk

The Fund may use leverage for the purpose of obtaining the desired investment exposures. The use of leverage creates particular risks and may significantly increase a Fund’s investment risk. Leverage creates an opportunity for great yield and total return but at the same time can increase a Fund’s exposure to capital risk. The use of leverage in a market that moves adversely could result in substantial losses to the Fund.

9.6. Commodity Related Investments

Indirect exposure to the commodities markets via investment in the SFI may subject the Fund to greater volatility than investments in traditional securities. Prices of commodities may fluctuate significantly over short periods due to a variety of factors, including: changes in supply and demand relationships, changes in interest or currency exchange rates, population growth and changing demographics and factors affecting a particular industry or commodity, such as drought, floods or other weather conditions, transportation bottlenecks or shortages, competition from substitute products, fiscal, monetary and exchange control programs, disease, pestilence, acts of terrorism, embargoes, tariffs and international economic, political, military, legal and regulatory developments. Further, a lack of liquidity, participation of speculators and government regulation and intervention, among other factors, may subject commodity markets to temporary distortions or other disruptions, which may, in turn, subject the Fund to losses.

9.7. Counterparty Risk

Counterparty risk occurs when a party to a contract fails to honour and defaults on its obligations thereunder. Funds which are party to these risks can incur considerable losses. The Fund and the Investment Manager aims to keep this risk to a minimum by regularly monitoring the counterparties. The Fund will seek, where possible, to use counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Fund will be successful in eliminating this risk for the Fund.

9.8. Derivatives Risk

As further set out in the Prospectus, investment in derivatives may cause losses associated with changes in market conditions, such as fluctuation in interest rates, equity prices or exchange rates and changes in the value of a derivative may not correlate perfectly with the underlying asset. Derivative transactions may be highly volatile and can create investment leverage, which could cause the Fund to lose more than the amount of assets initially contributed to the transaction. As over the counter derivatives are customised instruments, the Fund may be unable to liquidate the derivative contract at a fair market price within a reasonable timeframe. Trading in over the counter derivatives generally requires the lodgement of collateral with the counterparty which gives rise to counterparty risk, further details of which are set out in the Prospectus. Financial transactions that are conducted over the counter generally carry greater counterparty risk than securities traded on a recognized exchange (where the other party to the transaction is the exchange's clearing house).

9.9. Short selling risk

Short selling means that a person sells a derivative contract or currency exposure it does not own to try to profit from a decrease in the value of that investment. This may involve simply acquiring a short exposure via a market transaction. The short selling of a derivative or currency exposure may, but need not necessarily, involve a greater risk than buying that same derivative or currency exposure. Short selling is designed to benefit portfolio value when markets are falling but may detract from portfolio value if markets rise.

9.10. Forward Trading

Forward contracts are not traded on exchanges and are not standardised; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and cash trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Fund.

Foreign Exchange Transactions

Where a Fund utilises FDI which alter the currency exposure characteristics of transferable securities held by the Fund, the performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

Hedging Costs relating to Foreign Exchange Risk

The value of certain of the Fund's investments may be expressed in a currency other than the currency of the Shares, creating a risk that movements in the exchange rate between the two currencies may adversely affect the value of the Fund's investments. The Fund may hedge this risk, with the costs of such hedging deducted from the assets of the Fund and so will affect the Net Asset Value of the Shares.

9.11. Market Disruption Events

Morgan Stanley & Co International plc acting in its capacity as dealer for the SFI (the **Dealer**) will enter into a legally binding agreement with the Fund to sell and purchase the SFI from the Fund at their most recent net asset value. The agreement is subject to there being no Market Disruption Events relating to the SFI (as set out below). Only a Market Disruption Event in respect of the SFI would prevent the Dealer from re-purchasing the SFI.

A Market Disruption Event is the occurrence or existence of one or more of the following events in relation to the SFIs:

9.11.1. it is not possible to obtain a price or value (or an element of such price or value) of the SFIs according to the rules or normal accepted procedures for the determination of such price or value (whether due to the non-publication of such price or value or otherwise);

9.11.2. the calculation of the price or value of the SFIs is, at the relevant time, in the reasonable opinion of the Dealer impractical or impossible to make;

9.11.3. any suspension of or limitation is imposed on trading on any exchanges, quotation systems or over-the-counter market where the SFIs are traded; and/or there exists an event or circumstance that prevents or materially limits transactions in the SFIs. For the purpose of this definition, a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange, provided however that a limitation on trading imposed during the course of the day by reason of movements in price otherwise exceeding levels permitted by the relevant exchange may, if so reasonably determined by the Investment Manager constitute a Market Disruption Event;

9.11.4. a general moratorium is declared in respect of banking activities in London, Dublin or New York;

9.11.5. any early termination event or event of default or illegality affecting the SFIs or other breach of obligations by the Issuers of the SFIs; and/or

9.11.6. a change in law or regulations (including, without any limitation, any tax law), or the promulgation of or any change in the interpretation by any court, tribunal or regulatory authority with competent jurisdiction of any applicable law or regulation (including any action taken by a taxing authority), which materially affect the holding, acquisition, trading, transfer or hedging of the SFIs.

9.12. Emerging Markets Risks

The Fund's investment policy allows the Fund to invest in (or have indirect exposure to) emerging market countries and investors should be aware of risks attached to investing in such markets which could have a limited impact on the performance of the Fund.

(a) **Political Risks**

The performance of the Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. The Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

(b) **Settlement, Credit and Counterparty Risks**

Settlement risk occurs when a transaction is not completed as duly agreed between the parties. This may be due to an error or omission in the necessary settlement, clearing or registration processes or due to the lack of creditworthiness of one of the parties to the transaction.

Settlement systems in emerging markets may be less well organised than in developed markets. Thus there may be a risk that settlement may be delayed and that cash or securities of the Fund may be in jeopardy because of failures of or defects in the systems. In particular, market practice may require that payment shall be made prior to receipt of the security which is being purchased, or that delivery of a security must be made before payment is received. In such cases, default by a broker or bank through whom the relevant transaction is effected might result in a loss being suffered by the Fund investing in or exposed to the performance of emerging market securities.

Counterparty risk occurs when a party to a contract fails to honour and defaults on its obligations thereunder. Funds which are party to these risks can incur considerable losses. The Investment Manager aims to keep this risk to a minimum by regularly monitoring the counterparties. The Fund will seek, where possible, to use counterparties whose financial status is such that this risk is reduced. However, there can be no certainty that the Fund will be successful in eliminating this risk for the Fund, particularly as counterparties operating in emerging markets frequently lack the substance or financial resources of those in developed countries.

There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by or to be transferred to the Funds. Furthermore, compensation schemes may be non-existent or limited or inadequate to meet the Fund's claims in any of these events.

(c) **Liquidity Risk**

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

(d) **Currency Risk**

The Net Asset Value per Share will be computed in the Base Currency of the Fund, whereas the Fund's investments may be acquired in a wide range of currencies, some of which may be affected by currency movements of a more volatile nature than those of developed countries and some of which may not be freely convertible. It may not be possible or practical to hedge against the consequent currency risk exposure and in certain instances the Investment Manager may consider it desirable not to hedge against such risk. Cross currency hedging transactions may be entered into solely for the purpose of efficient portfolio management.

(e) **Regulatory Risks and Accounting Standards**

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently, some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

(f) **Custody Risks**

Local custody services may be underdeveloped in the emerging market countries in which the Fund may invest and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances the Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging market countries evidence of title to shares is maintained in "book-entry" form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of the Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by the Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.

(g) **Increased Risk of Fluctuation in Value**

The value of the Fund may fluctuate more than those that invest predominantly in developed markets.

10. INVESTMENT MANAGER

The ICAV has appointed Two Trees Investment Management Pty Limited as investment manager for the Fund (the **Investment Manager**) with a discretionary mandate pursuant to an investment management agreement dated 4 September 2019 between the ICAV and the Investment Manager (the **Investment Management Agreement**) described under the heading **Material Contracts** below.

The Investment Manager is an Australian company limited by shares and registered with the Australian Securities & Investments Commission (Australian Company Number: 616 424 170) on 13 December 2016. The registered office of the Investment Manager is Level 19, 307 Queen Street, Brisbane, Queensland 4000. The Investment Manager is an Australian Financial Services Licence holder No 502096 that is permitted to deal in financial products on behalf of another and provide general financial product advice.

The Investment Manager is a specialist systematic global macro investment manager. The Investment Manager combines a deep understanding of financial economics, quantitative techniques and risk management to construct diversified multi-asset class portfolios seeking to deliver superior performance.

11. MATERIAL CONTRACTS

The Investment Management Agreement provides that the appointment of the Investment Manager as investment manager will continue for an initial term of three years (the **Initial Term**) and then for successive periods of one year thereafter unless the ICAV or the Investment Manager terminate the Investment Management Agreement at the end of the Initial Term or at the end of or during a successive term by the giving of at least 6 months' notice in writing to the other party, although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains certain indemnities in favour of the Investment Manager which are restricted to exclude matters resulting from the fraud, negligence or wilful default of the Investment Manager in the performance or non-performance of its obligations or of its duties thereunder.

12. KEY INFORMATION FOR PURCHASING AND REPURCHASING

Base Currency of the Fund is USD.

Share Class	Initial Issue Price	Minimum Initial Investment Amount*	Minimum Additional Investment Amount*	Minimum Shareholding*
S Share Class USD (Accumulating Shares)	US$10	US$25,000,000	US$500,000	US$5,000,000
I Share Class USD (Accumulating Shares)	US$10	US$1,000,000	US$100,000	US$1,000,000
P Share Class USD (Accumulating Shares)	US$10	US$100,000	US$50,000	US$100,000

*or such greater or lesser amounts as the Directors may, in their sole discretion, decide.

**Shares in the S Share Class USD may be issued at the discretion of the Directors.

The Shares in the S Share Class USD are Non-Voting Shares (as defined below) and in accordance with the Central Bank's requirements, the decision to subscribe for Shares in that class shall be made solely by the investor and Shareholders in that class of Shares may at any time request to exchange those Shares, without fee, for Shares in the I Share Class USD and/or the P Share Class USD, which are Voting Shares (as defined below).

Business Day means every calendar day except a Saturday or a Sunday on which banks in Ireland and Sydney, New South Wales, Australia are open for normal business or such other day(s) as the Directors may determine and notify to Shareholders in advance.

Dealing Day means every Business Day or such other day as the Directors may determine provided there is at least one per fortnight.

Dealing Deadline means 12:00pm (Irish time) on the relevant Dealing Day or such other time as the Directors may determine provided it is prior to the relevant Valuation Point.

Issue Price means, during the initial offer period for the Share Class in question, the Initial Issue Price for the Class in question, and thereafter, subject as hereinafter provided, the Net Asset Value per Share of the relevant Share Class.

Initial Offer Period means:

In respect of the S Share Class USD, 9.00am (Irish time) on 5 September 2019 to 5.00pm (Irish time) on 4 March 2020.

In respect of the I Share Class USD, 9.00am (Irish time) on 5 September 2019 to 5.00pm (Irish time) on 4 March 2020.

In respect of the P Share Class USD, 9.00am (Irish time) on 5 September 2019 to 5.00pm (Irish time) on 4 March 2020.

The Initial Offer Period of any Share Class may be extended or shortened as the Directors may determine and in accordance with the requirements of the Central Bank. After the Initial Offer Period of each Share Class, such Share Class will be available for subscription at the Net Asset Value per Share.

Non-Voting Shares means a particular class of Shares that do not carry the right to notice of or to attend and vote at general meetings of the ICAV or the Fund (save in respect of resolutions to approve a change to the investment objective of the Fund, a material change to the investment policies of the Fund or an increase in the fee payable to the Investment Manager in respect of the Fund).

Voting Shares means a particular class of Shares that carry the right to vote at general meetings of the ICAV and the Fund.

Settlement Date means, in the case of subscriptions, within two Business Days after the Dealing Day in question or such other time as the Directors may agree provided that the Application Form is received by the Dealing Deadline. In the case of redemptions, provided all documentation required by the Administrator, including that required for anti-money laundering purposes, has been received by the Administrator, proceeds will usually be paid (by wire transfer to a specified account at the Shareholder's risk and expense or by negotiable instrument) within four Business Days or such other time as the Directors may agree after the later of (i) the Dealing Day in question; or (ii) the receipt of the relevant duly signed redemption documentation.

Valuation Point means 10.00pm (Irish time) using close of business prices in the relevant markets on the relevant Dealing Day or such other time as the Directors may determine from time to time and notify in advance to Shareholders.

Notification of Prices

The Net Asset Value per Share of each Class of Shares in each Fund will be available from the office of the Administrator and on the following website: www.twotreesim.com and such other place as the Directors may decide from time to time and as notified to Shareholders in advance.

13. FEES AND EXPENSES

Administration Fee

The Administrator shall be entitled to receive an annual fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to 0.004% of the Net Asset Value of the Fund (plus VAT thereon, if any) subject to an annual minimum fee of €27,300. The Administrator is also entitled to a fee of €24,000 for the provision of registrar and transfer agency services to the ICAV plus additional fees charged at normal commercial rates where the scope of the services exceeds the thresholds initially agreed. The Administrator is also entitled to be repaid all of its reasonable agreed upon transaction and other charges (which will be at normal commercial rates) and other out-of-pocket expenses (plus VAT thereon, if any).

Depositary Fee

The Depositary shall be entitled to receive an annual fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to 0.03% of the Net Asset Value of the Fund (plus VAT thereon, if any) subject to a minimum oversight annual fee of €11,400. In addition, an annual fee of €6,000 shall be payable for cash flow monitoring and reconciliation services to the Fund.

The Depositary is also entitled to receive out of the assets of the Fund, a safekeeping fee at a rate, depending on the custody markets, ranging from 0.0053% up to 1.08% on the Net Asset Value of the Fund, subject to a minimum safekeeping fee of €10,000 per annum of the Fund (plus VAT thereon, if any). These fees accrue and are calculated on each Dealing Day and payable monthly in arrears.

The Depositary shall also be entitled to be reimbursed for the fees paid by the Depositary to any sub-custodian (where not covered above) and agreed upon transactions charges (which in all cases shall be charged at normal commercial rates) and other out-of-pocket expenses (plus VAT thereon, if any).

Operating and Service Providers' Fees and Expenses

The preliminary expenses incurred in connection with the establishment and initial issue of Shares in the Fund will be borne by the Global Distributor.

The fees and out-of-pocket expenses of the Administrator (in its role as same and as registrar and transfer agent), the Depositary and any sub-custodians, the Global Distributor and any Sub-Distributors, auditors, tax and legal advisors, the company secretary of the ICAV, the fees and expenses of any other service provider, any costs incurred in respect of meetings of Shareholders, marketing and distribution costs and other costs as a result of registering the Fund in other jurisdictions, such as local regulatory fees, the Facilities Agent, Paying Agent fees and any other service providers appointed for such jurisdictions, the regulatory levy of the Fund and regulatory compliance costs, listing fees, all printing, publication, translation and communication costs (including reports, accounts and any explanatory memoranda), any costs incurred as a result of periodic updates of the Prospectus and/or this Supplement or the KIIDs of the Fund, or of a change in law or the introduction of any new law, the Directors' fees, expenses and payroll costs, directors' and officers' liability insurance cover and other insurance-related costs and any taxes related to the above fees and out-of-pocket expenses as applicable (**Covered Costs**) shall be payable out of the assets of the Fund up to an amount equal to 0.20% of the Net Asset Value of the Fund calculated on each Dealing Day.

Any Covered Costs in excess of this shall be paid/reimbursed to the ICAV in respect of the Fund by the Investment Manager (who has agreed to discharge the Covered Costs over 0.20% out of its own fee) and shall not be payable out of the assets of the Fund.

The Investment Manager reserves the right to determine that it shall no longer discharge all or part of the Covered Costs over 0.20% of the Net Asset Value and that some or all of the Covered Costs will be payable out of the assets of the Fund. In such case the Supplement will be updated to disclose the maximum fee payable by Shareholders in respect of the elements of Covered Costs (where disclosure of fee arrangements is required) and reasonable notice will be given to Shareholders prior to implementation of this change of policy.

The Fund will bear expenses incurred in connection with the acquisition, disposal or maintenance of investments including the ongoing cost of holding SFIs (being an annual fee payable to the Dealer of such SFIs which shall accrue on a daily basis at normal commercial rates), brokerage costs, clearing house fees, taxes and other transaction charges, if any, which will always be payable out of the assets of the Fund. In addition, other operating and service providers' fees, costs and expenses incurred in the operation of the Fund, other than those expressly included under Covered Costs as being payable by the Shareholders or the Investment Manager (as applicable) and described above, will be met out of the assets of the Fund. This includes the investment management fee referred to below as well as the performance fee (where applicable).

Investment Management Fee

The Investment Manager shall be entitled to receive out of the assets of the Fund an annual fee not exceeding 0.50% of the Net Asset Value of the S Share Class USD, 1.00% of the Net Asset Value of the I Share Class USD, and 1.20% of the Net Asset Value of the P Share Class USD (plus VAT thereon, if any). The investment management fee shall accrue and be calculated on each Dealing Day and be payable monthly in arrears out of the relevant assets. The investment management fee shall be deemed to cover out of pocket costs and expenses of the Investment Manager.

Performance Fee

Depending on how well the Fund performs, the Investment Manager may be entitled to a performance fee (the **Performance Fee**) in respect of the S Share Class USD, I Share Class USD and the P Share Class

USD calculated as set out below which will be paid out of the net assets of the relevant Share Class. Such Performance Fee will be calculated by the Administrator and verified by the Depositary.

The Performance Fee will be calculated daily in respect of an annual performance period ending on 30 June each year (or the immediately preceding Business Day if not a Business Day) (each a **Performance Period**). The Performance Fee will accrue on each Dealing Day and be payable within one month of the end of the relevant Performance Period. The first calculation period shall begin at the end of the Initial Offer Period for the relevant Share Class (using the Issue Price) and shall finish on the next following 30 June, whichever is sooner.

A Performance Fee shall only be payable if the relevant Share Class outperforms both (i) the previous highest Net Asset Value per Share of the relevant Share Class on which a Performance Fee was paid (or the Issue Price, if higher) (the **High Water Mark**) and (ii) an additional hurdle of the Barclays 3 Month Treasury Bill Index (the **Index**).

No Performance Fee is accrued or paid until the Net Asset Value per Share exceeds: (a) the High Water Mark and the Index hurdle, where the Index hurdle is higher than the High Water Mark or (b) the Issue Price, if higher; and the Performance Fee is only payable or paid on the increase of the Net Asset Value per Share over the amount in (a) or (b) above, whichever is higher.

The Performance Fee shall be equal to 10% of the difference in the S Share Class USD's daily return, 20% of the difference in the I Share Class USD's daily return, and 20% of the difference in the P Share Class USD's daily return (net of management fees and all other fees other than performance fees) relative to the higher of the Index return and the High Water Mark.

The Performance Fee operates so as to ensure that no Performance Fee is payable unless both of the above are outperformed and it shall only be payable on outperformance of the higher of the two.

Index performance shall be expressed in the currency of the relevant Share Class.

If the Index ceases to be published, the Directors will nominate an equivalent replacement index and notify Shareholders.

The Investment Manager will only be paid the Performance Fee if the relevant Share Class' net daily performance fee accrual is positive. That is, any previous negative daily performance fee accruals generated must have been recovered.

The proceeds paid to investors for Shares withdrawn during a Performance Period will be net of any payable Performance Fees accrued.

Where the accrued Performance Fee is negative and Shares are withdrawn, the accrued negative Performance Fee for the relevant Share Class which must be recovered will be proportionately reduced.

Where the accrued Performance Fee is positive and Shares are withdrawn, a proportion of the accrued positive Performance Fee for the relevant Share Class will crystallise and become payable to the Investment Manager at the end of the Performance Period.

The Performance Fee is calculated daily, based on the relative performance of the Fund against the High Water Mark, the Index and daily weighted by the NAV of the Fund. In order to raise a Performance Fee accrual against the Fund, any underperformance of the Fund in preceding periods must first have been clawed back (cleared) before a Performance Fee becomes due in subsequent periods. The Performance Fee is payable only on the amount by which the Fund outperforms the Index and the High Water Mark in accordance with the above. The daily under or over performance is reset at the end of a Performance Period only once if a Performance Fee has been paid for in the prior Performance Period.

In the case that the Investment Management Agreement terminates during a Performance Period, the relevant Performance Period will be deemed to have ended on the date of termination and the Investment Manager shall be entitled to receive any accrued Performance Fee.

Adjustments will further be made for any capital re-organisations such as unit divisions or consolidations.

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

The Investment Manager may, at its own discretion, rebate all or a portion of its fees to any Shareholder. Any such rebate will not entitle other Shareholders to a similar waiver.

Establishment Expenses

The preliminary expenses incurred in connection with the establishment and initial issue of Shares in the Fund will be borne by the Global Distributor.

Anti-Dilution Levy

When there are net subscriptions or net redemptions the Fund may add to the Subscription Price or deduct from the Redemption Proceeds respectively, an Anti-Dilution Levy. Any such levy shall be retained for the benefit of the Fund and the Directors reserve the right to waive such levy at any time.

Anti-Dilution Adjustment

To preserve the value of the underlying assets and to cover dealing costs, when there are net subscriptions or redemptions, an Anti-Dilution Adjustment may be applied on behalf of the ICAV. Any such adjustment shall be retained for the benefit of the Fund.

Subscription Charge

No Subscription Charge will be payable.

Redemption Charge

No Redemption Charge will be payable.

Exchange Charge

No Exchange Charge will be payable.

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

14. DIVIDEND POLICY

Currently the Directors anticipate that there will be no dividend distributions in respect of the Share Classes. Shares in the Share Classes of the Fund are Accumulating Shares. Accordingly, income and capital gains arising in respect of the Share Classes will be re-invested in the Fund and reflected in the Net Asset Value per Share of the relevant Share Class.

Any change to the dividend policy of any of the Share Classes of the Fund will be notified to Shareholders of the relevant Share Class in advance.

The dividend distribution policy in respect of any future Share Classes created together with details of methods of payment of dividends and frequency of payments will be specified in an updated version of the Supplement reflecting the creation of the new Share Classes.

This section should be read in conjunction with the **Dividend Policy** section of the Prospectus.

15. SUBSCRIPTION FOR SHARES

Applications for Shares should be made on the Application Form and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator on or before the Dealing Deadline for the relevant Dealing Day.

The Minimum Shareholding must be maintained by each Shareholder in the Fund (subject to the discretion of the Directors) following any partial redemption, exchange or transfer of Shares.

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Share Class.

The Directors may issue Shares of any Class and, with the consent of the Central Bank and without notice to the Shareholders, create new Classes of Shares on such terms as they may from time to time determine in accordance with the requirements of the Central Bank. Shares of any particular Class may accommodate different subscriptions and/or redemption and/or dividend provisions and/or charges and/or fee arrangements.

This section should be read in conjunction with the section in the Prospectus entitled **Subscription for Shares**.

16. REDEMPTION OF SHARES

When the Fund meets a redemption request in cash, the amount due on the redemption of Shares on a particular Dealing Day will be paid by the relevant Settlement Date by electronic transfer to an account in the name of the Shareholder. Payment of any proceeds of redemption will only be paid after receipt by the Administrator of any relevant redemption documentation (including any anti-money laundering documentation requested).

No Shareholder shall be entitled to request redemption of part only of its holding of Shares of any Class in the Fund if such realisation would result in its holding of Shares of such Class after such realisation being below the applicable Minimum Shareholding (subject to the discretion of the Directors).

In the event that a Shareholder requires payment of redemption proceeds to an account other than that specified in the Application Form, the Shareholder must provide an original request in writing, executed by an authorised signatory of the Shareholder, to the Administrator on or prior to the receipt of the redemption request form. No third party payments will be made.

This section should be read in conjunction with the section in the Prospectus entitled **Redemption of Shares**.

17. EXCHANGE OF SHARES

As applicable, Shares may be exchanged whether for other shares in the Fund or for other shares in another sub-fund of the ICAV as set out under the heading **Exchange and Transfer of Shares** in the Prospectus.

18. MISCELLANEOUS

At the date of this Supplement, there are three other sub-funds of the ICAV in existence, namely Antipodes Global Fund – Long – UCITS, Antipodes Global Fund – UCITS and Plato Global Market Neutral Fund – UCITS.