

FundLogic Alternatives plc

**Promoter and Distributor
Morgan Stanley & Co. International plc**

Supplement dated 21 July 2017

for

MS LONG TERM TRENDS UCITS FUND

This Supplement contains specific information in relation to the **MS Long Term Trends UCITS Fund** (the "**Sub-Fund**"), a sub-fund of **FundLogic Alternatives plc** (the "**Fund**"), an umbrella fund with segregated liability between sub-funds and authorised by the Central Bank of Ireland (the "**Central Bank**") pursuant to the Regulations. The Sub-Fund is managed by FundLogic SAS (the "**Investment Manager**").

This Supplement forms part of and should be read in conjunction with the Prospectus for the Fund dated 21 July 2017 (the "Prospectus").

The Sub-Fund's principal economic exposure will be effected through investment in transferable securities, cash deposits and near cash instruments.

An investment in the Sub-Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. The Sub-Fund may invest substantially in deposits with credit institutions and investors should be aware of the difference between the nature of a deposit and the nature of an investment in the Sub-Fund, in particular investors should note that the principal invested in the Sub-Fund is capable of fluctuation.

The Directors of the Fund whose names appear in the section entitled **Directors of the Fund** in the Prospectus accept responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement. In the event of any conflict between the Prospectus and this Supplement, this Supplement shall prevail.

TABLE OF CONTENTS

| | | |
|----|--|----|
| 1 | INVESTMENT OBJECTIVE AND POLICIES | 3 |
| 2 | INVESTMENT RESTRICTIONS OF THE SUB-FUND | 6 |
| 3 | INVESTMENT MANAGER | 6 |
| 4 | RISK MANAGER | 7 |
| 5 | RISK FACTORS AND INVESTMENT CONSIDERATIONS | 7 |
| 6 | DIVIDEND POLICY | 9 |
| 7 | KEY INFORMATION FOR PURCHASES AND SALES OF SHARES..... | 9 |
| 8 | CHARGES AND EXPENSES..... | 13 |
| 9 | HOW TO SUBSCRIBE FOR SHARES | 14 |
| 10 | HOW TO SELL SHARES | 14 |
| 11 | HOW TO EXCHANGE SHARES..... | 14 |
| 12 | ESTABLISHMENT CHARGES AND EXPENSES | 14 |
| 13 | OTHER CHARGES AND EXPENSES..... | 14 |
| 14 | OTHER INFORMATION..... | 15 |

1 INVESTMENT OBJECTIVE AND POLICIES

1.1 Investment Objective

The Sub-Fund's investment objective is to provide Shareholders with returns based on (i) exposure to the Winton Diversified Program; (ii) investments in transferable securities and money market instruments issued by government issuers; and (iii) investments in cash deposits and cash equivalent securities as set out under the heading **Investment Policy** at 1.2 below. Due to investment in the instruments noted in the Investment Policy below, the Sub-Fund is likely to have a medium to high level of volatility

Further information in respect of the Winton Diversified Program and the manner in which the Sub-Fund gains exposure to the Winton Diversified Program is set out in more detail under the heading **Description of the Winton Diversified Program** at 1.4 below.

1.2 Investment Policy

In order to achieve the Sub-Fund's investment objective, the Investment Manager intends to invest the net proceeds of any issue of Shares in some or all of the instruments (each a "**Fund Asset**" and together the "**Fund Assets**") set out below. Due to investment in the instruments noted below the Sub-Fund is likely to have a medium to high level of volatility.

- (a) the Sub-Fund shall, in order to gain exposure to the Winton Diversified Program, invest in transferable securities in the form of structured financial instruments ("**SFI**") selected by the Investment Manager. The SFI are a type of debt instrument which fall within the categorisation of 'transferable securities' as contemplated by the Regulations. The SFI shall provide the Sub-Fund with exposure to the Winton Diversified Program (see **Description of the Winton Diversified Program** at 1.4 below). The SFI shall be issued by special purpose vehicles (initially two or more such 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 Dominion Fund Administrators Limited) and shall be listed on one or more of the Markets set out in Appendix II of the Prospectus. The SFI shall provide exposure on a 1:1 basis to interests in a Delaware trading company which intends to employ an investment management strategy designed to track the returns of the Winton Diversified Program. The SFI shall not embed leverage or derivatives. The investment by the Sub-Fund in the SFI shall not exceed 20% of the Net Asset Value of the Sub-Fund. Morgan Stanley & Co. International plc (the "**Promoter**"), acting in its capacity as dealer for the SFI (the "**Dealer**"), shall commit to purchase the SFI from the Sub-Fund at their most recent net asset value as calculated by the third-party administrator in the absence of Market Disruption Events which give rise to the temporary suspension or termination of the Sub-Fund (further details of which are set out under the heading **Market Disruption Events** at 1.6 below), subject to receiving two Business Days' prior notice from the Sub-Fund;
- (b) collective investment schemes both UCITS and alternative investment funds in accordance with the requirements of the Regulations and the Central Bank. No more than 10% of the Net Asset Value of the Sub-Fund may be invested in such collective investment schemes;
- (c) units or shares in closed-ended funds constituted as investment companies or as unit trusts, e.g. Delaware domiciled trading companies or unit trusts, which in accordance with the requirements of the Central Bank are deemed to be investments in transferrable securities. No more than 10% of the Net Asset Value of the Sub-Fund may be invested in such instruments;
- (d) fixed income securities and money market instruments issued by government issuers which are listed, traded or dealt in on one or more of the Markets set out in Appendix II of the Prospectus. The fixed income securities and money market instruments in which the Sub-Fund may invest shall include (but not be limited to) treasury bills, fixed and floating rate bonds and zero coupon bonds that will be of investment grade or above. An investment in such fixed income securities and money market instruments may constitute up to 100% of the Net Asset Value of the Sub-

Fund;

- (e) cash deposits and near cash instruments for the purposes of cash management. Cash deposits shall include standard deposits such as bank certificates of deposit and bank deposits with credit institutions. An investment in cash deposits and near cash instruments may constitute up to 100% of the Net Asset Value of the Sub-Fund in the event that the Sub-Fund reduces its investment in SFI. For example, the proportion of the Sub-Fund's assets invested in cash deposits and near cash instruments is likely to be higher when the Investment Manager anticipates higher liquidity needs resulting from potential investor redemptions;
- (f) financial derivative instruments ("FDI") transactions, such as forward currency exchange contracts, currency futures, cross currency asset swaps or currency options for efficient portfolio management purposes. FDI can be used to hedge against the risk of adverse currency movements between the Currency Hedged Share Classes as described under Classes of Shares below. See the section of the Prospectus headed **Efficient Portfolio Management** for more details in this regard; and
- (g) transferable securities and money market instruments other than the securities referred to in paragraph (a) above such as unlisted securities. No more than 10% of the Net Asset Value of the Sub-Fund may be invested in such transferable securities and money market instruments.

1.3 Borrowing and Leverage

The Sub-Fund may invest up to 100% (or up to 110% on a temporary basis due to the Sub-Fund's ability to borrow up to 10% of its net assets as further set out below) of the Net Asset Value of the Sub-Fund in Fund Assets as set out above. The Sub-Fund shall not have any short positions in Fund Assets except through the use of FDIs for the purposes of efficient portfolio management and currency hedging.

The Fund may borrow money in an amount up to 10% of its net assets at any time for the account of the Sub-Fund and the Fund may charge the Fund Assets as security for any such borrowing, provided that such borrowing is only for temporary purposes.

The Sub-Fund may engage in transactions in FDIs (including options, swaps, futures, forwards and foreign exchange transactions) for the purposes of efficient portfolio management and currency hedging within the conditions and limits laid down by the Central Bank from time to time. The level of leverage is expected to be minimal and will in any event not exceed 100% (or up to 110% on a temporary basis) of the Net Asset Value of the Sub-Fund. FDI used for efficient portfolio management and hedging are not expected to have a material effect on the risk profile of the Sub-Fund. The Sub-Fund will use the commitment approach to measure its global exposure, together with leverage, shall not exceed 100% (or up to 110% on a temporary basis) of its Net Asset Value.

The Sub-Fund may enter into repurchase and reverse repurchase agreements subject to the conditions and limits laid down by the Central Bank for efficient portfolio management purposes, but will not enter into total return swaps or stock lending agreements. The Sub-Fund's exposure to repurchase and reverse repurchase agreements is set out below (as a percentage of Net Asset Value):

| | Expected | Maximum |
|---|----------|---------|
| Repurchase Agreements / Reverse Repurchase Agreements | 0% | 100% |

1.4 Description of the Winton Diversified Program

As set out above, the Sub-Fund invests in Fund Assets which provide exposure to the Winton Diversified Program. The Winton Diversified Program in turn provides exposure to a selection of futures contracts in

markets for currencies, fixed-income, equity indices and commodities selected by Winton Capital management (“**Winton**”) the entity that operates the Winton Diversified Program.

The Winton Diversified Program utilizes a systematic approach that blends short-term trading with long-term trend following, using multiple time frames and multiple models while allocating for maximum diversification. The Winton Diversified Program does not rely upon favourable conditions in any particular market, nor on market direction. The strategy seeks to combine highly liquid financial instruments offering generally low correlation over the long term to other markets such as equities and fixed income. The scope of markets that may be accessed by the Winton Diversified Program mainly includes stock indices, bonds, short-term interest rates, currencies, precious and base metals, grains, livestock, energy, and agricultural products.

The Winton Diversified Program tracks the daily price movements and other data such as market sentiment, trade volumes, inventory and company accounts from the markets it follows, and carries out certain computations to determine each day how long or short the strategy should be to maximize profit within a certain range of risk. If rising prices are anticipated, a long position will be established; a short position will be established if prices are expected to fall. As a result of its statistical research, the Winton Diversified Program attempts to have each trade establish a slight statistical advantage leading to sustained profits over time.

1.5 Profile of a Typical Investor

The Sub-Fund is suitable for professional investors seeking capital growth who are prepared to accept a medium to high degree of volatility. The Sub-Fund may suit investors who are seeking to benefit from the potential diversification of the Winton Diversified Program. Typical investors are expected to be informed investors who understand and are willing to accept capital risk. Investors should have at least a 3 to 5-year investment horizon.

1.6 Market Disruption Events

A Market Disruption Event is the occurrence or existence of one or more of the following events, which occur in relation to any Fund Asset:

- (i) it is not possible to obtain a price or value (or an element of such price or value) of any Fund Asset 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);
- (ii) the calculation of the price or value of any Fund Asset is, at the relevant time, in the opinion of the Dealer in respect of SFI and/or the Investment Manager in relation to any Fund Asset impractical or impossible to make;
- (iii) there is in connection with any Fund Assets (save for SFI) a (A) reduction in liquidity in or (B) materially increased cost of maintaining, establishing or unwinding any position in the determination of the Investment Manager;
- (iv) any suspension of or limitation is imposed on trading on any exchanges, quotation systems or over-the-counter market where any Fund Asset is traded; and/or there exists an event or circumstance that prevents or materially limits transactions in any Fund Asset. 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 where 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 determined by the Dealer in respect of SFI and in all other cases by the Investment Manager constitute a Market Disruption Event;
- (v) the occurrence of any event that generally makes it impossible or impractical to convert any currency which was, immediately prior to the occurrence of such event, a foreign exchange currency, as determined by the Dealer in respect of SFI and in all other cases by the Investment Manager;

- (vi) the occurrence of any event that generally makes it impossible or impractical to convert the currency of the country of issue and/or country of payment of any Fund Asset into the Base Currency through customary legal channels, as determined by the Dealer in respect of SFI and in all other cases by the Investment Manager;
- (vii) the occurrence of any event that generally makes it impossible or impractical to deliver or transfer (a) the currency from accounts inside the country of issue and/or country of payment of any Fund Asset to accounts outside such country of issue and/or country of payment or (b) the currency of the country of issue and/or country of payment of any Fund Asset between accounts inside such country of issue and/or country of payment, or to a party that is a non-resident of the country of issue and/or country of payment, as determined by the Dealer in respect of SFI and in all other cases by the Investment Manager;
- (viii) a general moratorium is declared in respect of banking activities in London, Dublin or New York;
- (ix) the occurrence of any early termination event or event of default or illegality affecting a Fund Asset or other breach of obligations by the issuer of a Fund Asset; and/or
- (x) 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 affect the holding, acquisition, trading, transfer or hedging of a Fund Asset.

As set out above, upon the occurrence of a Market Disruption Event the Directors will temporarily suspend the calculation of the Net Asset Value and any subscription, redemption and exchange of Shares; and/or the Directors may, in certain circumstances, terminate the Sub-Fund.

2 INVESTMENT RESTRICTIONS OF THE SUB-FUND

The general investment restrictions as set out in the Prospectus shall apply.

The Directors may from time to time impose such further investment restrictions as shall be either compatible with or in the best interests of Shareholders, in order to comply with the laws and regulations of the countries where Shareholders are located.

3 INVESTMENT MANAGER

The Investment Manager for the Sub-Fund is FundLogic SAS. The Investment Manager is incorporated in France with a registered office is at 61 Rue de Monceau, 75008 Paris, France. The Investment Manager is regulated by the Autorité des Marchés Financiers in France. As at 30 April 2017, FundLogic SAS had approximately \$4.4 billion of assets under management.

The Fund has appointed the Investment Manager as investment manager for the Sub-Fund pursuant to the investment management agreement between the Fund and the Investment Manager dated 27 July 2010 as amended and as may be further amended (the “**Agreement**”).

Subject to controls imposed by the Directors under the Agreement, all relevant laws and regulations, this Supplement, the Prospectus and the Articles, the Investment Manager has discretion to take day-to-day investment decisions and to deal in investments and to conduct the investment management of the Sub-Fund.

The Agreement provides that the Investment Manager shall be responsible for loss to the Sub-Fund and/or the Fund to the extent such loss arises out of negligence, wilful default or fraud by itself, its directors, officers, servants, employees and appointees. The Investment Manager, its directors, officers, servants, employees and appointees shall not be liable for loss to the Sub-Fund and/or the Fund on account of anything done or suffered by the Investment Manager in good faith in accordance with or in pursuance of any request or advice of the Sub-Fund and/or the Fund.

The Agreement shall continue in force until terminated pursuant to the terms set out therein. Except as set forth in the Agreement, either party may terminate the Agreement on giving not less than 90 days’ prior written notice (or such other period as may be agreed between the parties).

4 RISK MANAGER

Pursuant to a risk management agreement dated 26 August 2010, as amended (the “**Risk Management Agreement**”), the Promoter has agreed to provide certain sub-funds of the Fund, including the Sub-Fund, with risk management and compliance reporting services in accordance with the Risk Management Agreement and the risk management processes in respect of the sub-funds.

The Risk Management Agreement provides that the Promoter shall not be liable for any loss, damage or expense (including, without limitation, reasonable legal counsel and professional fees and other costs and expenses incurred in connection with the defence of any claim, action or proceedings) directly suffered or incurred by the Fund or the Sub-Fund arising directly out of any act or omission done or suffered by the Promoter (its directors, officers, servants, employees, delegates or sub-contractors) in the performance or non-performance of its duties thereunder, save for such loss, damage or expense as shall directly result from the negligence, bad faith, wilful default or fraud of the Promoter (its directors, officers, servants, employees, delegates or sub-contractors) in the performance or non-performance of its duties under the Risk Management Agreement. In no circumstance shall the Promoter be liable for any indirect, special or consequential losses of the Fund or the Sub-Fund or any other party arising from the performance or non-performance of its duties thereunder.

The Risk Management Agreement shall continue in force until terminated pursuant to the terms set out therein. Either party may terminate the Risk Management Agreement on giving not less than 90 days’ written notice at any time.

5 RISK FACTORS

The risk factors set out in the section entitled **Risk Factors** in the Prospectus apply.

The following additional risk factors also apply:

General Risks

- *Currency Risk*

The Base Currency of the Sub-Fund is USD. Shareholders may subscribe in USD, Euro, Pound Sterling, or Swiss Franc into the USD, EUR, GBP or CHF denominated Share Classes respectively.

The EUR, GBP and CHF denominated Shares are Hedged Share Classes. To the extent that Share Class currency hedging is successful, the performance of a Hedged Share Class is likely to move in line with the performance of the Sub-Fund’s underlying assets; however, Shareholders in a Hedged Share Class will not benefit if the currency of that Hedged Share Class falls against the Base Currency and/or the currency in which assets of the Sub-Fund are denominated. Shareholders in the Hedged Share Classes are urged to read the section of the Prospectus entitled **Hedged Share Classes** for information on the currency risks associated with investment in those Share Classes.

Depending on a Shareholder’s currency of reference, currency fluctuations between that currency and the Base Currency may adversely affect the value of an investment in the Sub-Fund. Changes in exchange rates may have an adverse effect on the value, price or income of the Sub-Fund.

- *Counterparty Risk*

The Sub-Fund will purchase or enter into Fund Assets, including SFI, from several counterparties (not excluding the Promoter), which will expose the Sub-Fund to the issuer or credit risk of such counterparties and their ability to satisfy the terms of such contracts.

Risks and Investment Considerations Associated with the Winton Diversified Program and the Investment Manager

- *The Sub-Fund may be exposed to Entities Which Use Margin Funding*

The Sub-Fund shall obtain exposure to the Winton Diversified Program by investing (in accordance with the Investment Policy) in SFI and unlisted securities. Such instruments may provide the Sub-Fund with direct or indirect exposure to entities which use debt financing or trade on margin (i.e. borrowing against the assets purchased) to obtain an optimum return on their equity capital. The use of such techniques may therefore increase the volatility of the price of the SFI and unlisted securities and as a result may impact the returns of the Sub-Fund.

- *Trading in Futures, Forwards and Options is Speculative and Volatile*

The rapid fluctuations in the market prices of futures, forwards, and options make an investment in the Winton Diversified Program Strategy volatile. Volatility is caused by, among other things: changes in supply and demand relationships; weather; agriculture, trade, fiscal, monetary and exchange control programs; domestic and foreign political and economic events and policies; and changes in interest rates. The Winton Diversified Program may not take account of all of these factors. In addition, governments from time to time intervene, directly and by regulation, in certain markets, often with the intent to influence prices. The effects of governmental intervention may be particularly significant at certain times in the financial instrument and currency markets, and this intervention may cause these markets to move rapidly.

- *Exposure to Commodities Involves Certain Risks*

Indirect exposure to the commodities markets via investment in the SFI may subject the Sub-Fund to greater volatility than investments in traditional securities. The performance of the Winton Diversified Program may be affected by changes in overall market movements, commodity index volatility, changes in interest rates, or sectors affecting a particular industry or commodity, such as drought, floods, weather, embargoes, tariffs and international economic, political and regulatory developments.

- *Markets or Positions May Be Correlated and May Expose the Sub-Fund to Significant Risk of Loss*

Different markets traded or individual positions may be highly correlated to one another at times. Accordingly, a significant change in one such market or position may affect other such markets or positions. The Investment Manager cannot always predict correlation. Correlation may expose the Sub-Fund to significant risk of loss.

- *Increases in Assets Under Management Obtaining Exposure to the Winton Diversified Program Could Lead to Diminished Returns*

Winton does not intend to limit the amount of additional equity that it may manage, and it will continue to seek major new accounts which track the Winton Diversified Program. However, in general, the rates of returns often diminish as a trading advisor's assets under management increase. This can occur for many reasons, including the inability to execute larger position sizes at desired prices and because of the need to adjust the Winton Diversified Program to avoid exceeding speculative position limits. These limits are established by the U.S. Commodity Futures Trading Commission and the exchanges on the number of speculative futures and options contracts in a commodity that one trader may own or control.

- *The Sub-Fund's success is dependent on the performance of the Winton Diversified Program*

Therefore, the success of the Sub-Fund depends on the judgment and ability of Winton in selecting the futures contracts for the Winton Diversified Program. The Winton Diversified Program may not prove successful under all or any market conditions. If the Winton Diversified Program is unsuccessful, the Sub-Fund may incur losses.

The Sub-Fund's objective is to provide Shareholders with returns based on the exposure to the Winton Diversified Program, as such the performance of Winton has an indirect impact on the Sub-Fund's ability to meet its objective. Winton, in turn, is dependent on the services of a limited number of persons to develop and refine its trading approaches and strategies and execute the trading transactions. The loss of the

services of any of the Winton's principals or key employees, or the failure of those principals or key employees to function effectively as a team, may have an adverse effect on Winton's ability to manage its trading activities successfully, or may cause Winton to cease operations entirely. This, in turn, could negatively impact the Sub-Fund's performance.

- *The Sub-Fund Places Significant Reliance on the Relationships of the Sub-Fund with Third Parties*

The Sub-Fund is dependent on the services of independent third parties to obtain exposure to the Winton Diversified Program. The loss of the services of any such third parties, including any licence to use the Winton Diversified Program, may have an adverse effect on the Investment Manager's ability to implement the Investment Policy of the Sub-Fund and achieve the Investment Objective of the Sub-Fund.

- *Exposure to Currencies Involves Certain Risks*

The Sub-Fund's indirect exposure to foreign currencies subjects the Sub-Fund to currency risk. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates and the imposition of currency controls or other political developments in the relevant countries. In addition, the Sub-Fund may incur transaction costs in connection with conversions between various currencies.

- *There Are Disadvantages to Making Trading Decisions Based on Technical Analysis.*

The Winton Diversified Program will base trading decisions on mathematical analyses of technical factors relating to past market performance rather than fundamental analysis. The buy and sell signals generated by a technical, trend-following trading strategy are derived from a study of actual daily, weekly and monthly price fluctuations, volume variations and changes in open interest in the markets. The profitability of any technical, trend-following trading strategy depends upon the occurrence in the future of significant, sustained price moves in some of the markets traded. A danger for trend-following trading strategies is whip-saw markets, that is, markets in which a potential price trend may start to develop but reverses before an actual trend is realized. A pattern of false starts may generate repeated entry and exit signals in technical systems, resulting in unprofitable transactions. In the past, there have been prolonged periods without sustained price moves. Presumably these periods will continue to occur. Periods without sustained price moves may produce substantial losses for the Winton Diversified Program. Further, any factor that may lessen the prospect of these types of moves in the future, such as increased governmental control of, or participation in, the relevant markets, may reduce the prospect that the Winton Diversified Program will be profitable in the future.

- *Limited Recourse*

A Shareholder will solely be entitled to look to the assets of the Sub-Fund in respect of all payments in respect of its Shares. If the realised net assets of the Sub-Fund are insufficient to pay any amounts payable in respect of the Shares, the Shareholder will have no further right of payment in respect of such Shares nor any claim against or recourse to any of the assets of any other sub-fund or any other asset of the Fund.

6 DIVIDEND POLICY

It is not the intention of the Directors to declare a dividend in respect of any Share Class. Any distributable profits will remain in the Fund Assets and be reflected in the Net Asset Value of the relevant Class of Shares.

7 KEY INFORMATION FOR PURCHASES AND SALES OF SHARES

Base Currency

USD

Classes of Shares

Shares in the Sub-Fund will be available in different Classes as follows:

| Class | Currency Denomination | Hedged Shares | Initial Issue Price per Share | Minimum Initial Subscription | Management Charge | Minimum Subsequent Subscription /Minimum Repurchase Amount | Minimum Holding |
|---------------------------|------------------------------|----------------------|--------------------------------------|-------------------------------------|--------------------------|---|------------------------|
| Class A USD Shares | US Dollar | No | \$1,000 | \$100,000 | 1.35% per annum | \$1,000 | \$100,000 |
| Class A EUR Shares | Euro | Yes | €1,000 | €100,000 | 1.35% per annum | €1,000 | €100,000 |
| Class A GBP Shares | Pound Sterling | Yes | £1,000 | £100,000 | 1.35% per annum | £1,000 | £100,000 |
| Class A CHF Shares | Swiss Franc | Yes | CHF1,000 | CHF100,000 | 1.35% per annum | CHF1,000 | CHF100,000 |
| Class I USD Shares | US Dollar | No | \$1,000 | \$1,000,000 | 0.60% per annum | \$10,000 | \$1,000,000 |
| Class I EUR Shares | Euro | Yes | €1,000 | €1,000,000 | 0.60% per annum | €10,000 | €1,000,000 |
| Class I GBP Shares | Pound Sterling | Yes | £1,000 | £1,000,000 | 0.60% per annum | £10,000 | £1,000,000 |
| Class I CHF Shares | Swiss Franc | Yes | CHF1,000 | CHF1,000,000 | 0.60% per annum | CHF10,000 | CHF1,000,000 |
| Class B USD Shares | US Dollar | No | \$1,000 | \$1,000,000 | 0.30% per annum | \$10,000 | \$1,000,000 |
| Class B EUR Shares | Euro | Yes | €1,000 | €1,000,000 | 0.30% per annum | €10,000 | €1,000,000 |
| Class B GBP Shares | Pound Sterling | Yes | £1,000 | £1,000,000 | 0.30% per annum | £10,000 | £1,000,000 |
| Class B CHF Shares | Swiss Franc | Yes | CHF1,000 | CHF1,000,000 | 0.30% per annum | CHF10,000 | CHF1,000,000 |
| Class E USD Shares | US Dollar | No | \$1,000 | \$100,000 | N/A | \$1,000 | \$100,000 |
| Class E EUR Shares | Euro | Yes | €1,000 | €100,000 | N/A | €1,000 | €100,000 |

The minimum amounts set out above may be raised, lowered or waived at the discretion of the Directors (or their delegate) either generally or in relation to any specific subscription or repurchase. Shareholders will be notified of any permanent change to the Minimum Initial Subscription Amount, the Minimum Subsequent Subscription Amount, the Minimum Holding and/or the Minimum Repurchase Amount. The Sub-Fund has the power to redeem the remaining holding of any Shareholder who redeems its holding of Shares in any Share Class to below the Minimum Holding (or its foreign currency equivalent, where applicable).

The Class B EUR Shares, Class B USD Shares, Class B GBP Shares and Class B CHF Shares will be the initial investor share Classes and therefore it is expected that such Shares will only be available for subscription until such time as the net assets of the Sub-Fund reach USD 100 million, or such other amount as may be determined by the Directors from time to time in their absolute discretion. Confirmation can be obtained from the Distributor as to whether any of these Share Classes are currently being offered for subscription at any time after the initial offer period set out below.

Class E USD Shares and Class E EUR Shares are only available to investors who have agreed separate fee arrangements with the Investment Manager.

The EUR, GBP and CHF denominated Share Classes are Hedged Share Classes. In respect of the Hedged Share Classes the Investment Manager will seek to hedge against the risk of currency movements between the Base Currency and the currency in which the relevant Currency Hedged Share Class is denominated. Shareholders in EUR, GBP and CHF denominated Share Classes are referred to the description and risks related to Hedged Share Classes in the section of the Prospectus headed **Risk Factors**. All hedging transactions will be clearly attributable to the specific Hedged Share Class(es) and therefore currency exposures of different Share Classes shall not be combined or offset and currency exposures of assets of the Sub-Fund shall not be allocated to separate Share classes.

Investors must subscribe into a Share Class in the currency in which that Share Class is denominated. Repurchase payments are also made in the currency in which the relevant Share Class is denominated.

Initial Offer Period for each Share Class

Class A USD, Class A CHF, Class A EUR, Class B USD, Class B CHF, Class B EUR, Class B GBP and Class E EUR Shares in the Fund are available at their Net Asset Value per Share on each Dealing Day.

As the E USD Share Class in the Fund was previously launched and then subsequently redeemed, this Share Class is now available at the initial offer price set out in the table above from 9.00 a.m. (Irish time) on 24 July 2017 until 5.30 p.m. (Irish time) on 23 January 2018. Such offer period may be shortened or extended by the Directors in accordance with the requirements of the Central Bank.

The initial offer period for all Share Classes other than those mentioned in the preceding two paragraphs has been extended from 9.00 a.m. (Irish time) on 24 July 2017 until 5:30 p.m. (Irish time) 23 January 2018 (the **"Initial Offer Period"**) as may be shortened or extended by the Directors in accordance with the requirements of the Central Bank.

Business Day

Every day (except legal public holidays in the United Kingdom, Ireland, France or the United States of America and days on which the stock markets in London, Dublin, Paris or the United States of America are closed) during which banks in Ireland, France, the United Kingdom and the United States of America are open for normal business and such other day or days as the Directors may from time to time determine and notify in advance to Shareholders.

Dealing Day

Every Friday that is a Business Day and such other day or days as the Directors may from time to time determine and notify in advance to Shareholders, provided that in any event there shall be at least one Dealing Day per fortnight.

Dealing Deadline

12 midday Irish time 3 Business Days prior to the relevant Dealing Day.

The Directors may, in their discretion and on an exceptional basis only, waive the Dealing Deadline either generally or in relation to any specific subscription provided that applications are received prior to the Valuation Point for that particular Dealing Day.

Settlement Date

In the case of subscriptions, 12 midday Irish time one Business Day prior to the relevant Dealing Day.

In the case of repurchases, within 5 Business Days after the relevant Dealing Day.

In respect of subscriptions, Shareholders will be liable for any interest, losses or other costs incurred as a result of failing to settle an order within this time frame.

Valuation Point

Close of business on the relevant Dealing Day in the relevant markets.

For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after the Dealing Deadline.

8 CHARGES AND EXPENSES

Initial, Exchange and Repurchase Charges

With respect to Class A Shares, the Sub-Fund may on any Dealing Day require a Shareholder to pay an initial charge of up to 5% of the issue price of such Shares on that Dealing Day. Any initial charge received by the Sub-Fund may be paid to the Distributor, or any sub-distributor or any intermediary, who has the discretion to waive or rebate such charge.

No repurchase charge shall be payable in respect of the Shares.

The Sub-Fund may also impose an anti-dilution levy or adjustment on net subscriptions or repurchases of Shares as further described in the section of the Prospectus entitled **Issue and Repurchase Prices/Calculation of Net Asset Value/Valuation of Assets**.

Management Charge

The Fund will pay to the Investment Manager from the assets attributable to each Class of Shares of the Sub-Fund the following fees which are based on a percentage of net assets attributable to such Class of Shares, which is accrued daily and paid monthly in arrears at an annual rate set out below:

In respect of the Class I Shares: 0.60% per annum.

In respect of the Class A Shares: 1.35% per annum.

In respect of the Class B Shares: 0.30% per annum.

No management fee is payable in respect of the Class E USD Shares and Class E EUR Shares.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to intermediaries and/or Shareholders part or all of the management charge. Any such rebates may be applied in paying up additional Shares to be issued to the Shareholder.

Risk Management, Administrator's and Depositary's Fees

The Fund will pay the Promoter, out of the assets of the Sub-Fund, a fee which will not exceed 0.40% per annum of the net assets of the Sub-Fund and will be accrued daily and paid monthly in arrears.

The Promoter will, inter alia, pay the fees and expenses of the Administrator and Depositary in full out of this fee and will be entitled to retain any excess after payment of such fees for risk management services provided by the Promoter.

Notwithstanding the above, any transaction charges, reasonable fees and customary agents' charges due to any sub-custodian (which shall be charged at normal commercial rates) together with value added tax, if any, thereon, shall be paid out of the Fund Assets or, if paid by the Depositary, shall be reimbursed to the Depositary out of the Fund Assets.

Ongoing Charges and Expenses

The additional charges and expenses specified in the section entitled **Ongoing Charges and Expenses** in the Prospectus will, save in respect of the fees of the Distributor, be paid out of the Fund Assets. The Investment Manager will be responsible for discharging the fees of the Distributor and any licensing fees out of its own fees.

Indirect Charges:

The Sub-Fund will incur additional charges associated with obtaining exposure to the Winton Diversified Program. Such indirect charges include, for example and without limitation, fees and expenses of the Delaware trading company which acts as the underlying asset of the SFI which the Sub-Fund invests in and a management fee and a performance fee for Winton, the trading advisor of the Delaware trading company. Such indirect charges shall accrue on a daily basis and not exceed 2.00% of the Net Asset Value of the Sub-Fund per annum and 20% of the trading profits of the Delaware trading company. These indirect charges are not deducted from the Sub-Fund assets; rather they will reduce the returns the Sub-Fund receives from its investment in the SFI.

9 HOW TO SUBSCRIBE FOR SHARES

Requests for the purchase of Shares should be made in accordance with the provisions set out in the section entitled **Applications for Shares** in the Prospectus.

10 HOW TO SELL SHARES

Requests for the sale of Shares should be made in accordance with the provisions set out in the section entitled **Repurchase of Shares** in the Prospectus.

11 HOW TO EXCHANGE SHARES

Requests for the exchange of Shares should be made in accordance with the provisions set out in the section entitled **Exchange of Shares** in the Prospectus.

12 ESTABLISHMENT CHARGES AND EXPENSES

The cost and expenses of establishing the Sub-Fund were paid by the Promoter.

13 OTHER CHARGES AND EXPENSES

Further details of charges and expenses payable out of the assets of the Sub-Fund are set out in the

Prospectus under the headings **Management Charges and Expenses** and **General Charges and Expenses**.

14 OTHER INFORMATION

As at the date of this Supplement, there are fifty other sub-funds of the Fund currently in existence, Emerging Markets Equity Fund, Salar Convertible Absolute Return Fund, MS PSAM Global Event UCITS Fund, Indus Select Asia Pacific Fund, MS Algebris Global Financials UCITS Fund, Indus PacificChoice Asia Fund, MS Ascend UCITS Fund, MS Alkeon UCITS Fund, RiverCrest European Equity Alpha Fund, MS SLJ Macro UCITS Fund, MS QTI UCITS Fund, MS Turner Spectrum UCITS Fund, MS Discretionary Plus UCITS Fund, MS Lynx UCITS Fund, MS Dalton Asia Pacific UCITS Fund, MS Broadmark Tactical Plus UCITS Fund, MS Swiss Life Multi Asset Protected Fund, MS TCW Unconstrained Plus Bond Fund, MS Fideuram Equity Smart Beta Dynamic Protection 80 Fund, MS Nezu Cyclical Japan UCITS Fund, MS Scientific Beta Global Equity Factors UCITS ETF, MS Kairos Enhanced Selection UCITS Fund, MS Scientific Beta US Equity Factors UCITS ETF, MSCI Emerging Markets ESG Equity Fund, MS Tremblant Long/Short Equity UCITS Fund, Global Equity Risk Premia Long/Short UCITS Fund, MS Fideuram Equity Smart Beta Dynamic Protection 80 Fund II, DAX[®] 80 Garant, IPM Systematic Macro UCITS Fund, Quantica Managed Futures UCITS Fund, Smartfund 80% Protected Growth Fund, Smartfund 80% Protected Balanced Fund, MSCI China A International Fund, Mariner Lenus Healthcare UCITS Fund, Smartfund Cautious Fund, Smartfund Balanced Fund, Smartfund Growth Fund, 80% Protected Index Portfolio, Mariner Investment Diversifying Alternative UCITS Fund, Market Neutral Credit UCITS Fund, Academy Quantitative Global UCITS Fund, Arno Fund, QW Equity Market & Sector Neutral UCITS Fund, Abante 80% Proteccion Creciente Fund, Cautious 85% Protected Fund, Moderate 80% Protected Fund, Equity Risk Managed Fund, Cube Global Cross Assets Fund, CZ Absolute Alpha UCITS Fund and Investcorp Geo-Risk Fund.