PROSPECTUS

If you are in doubt about the contents of this Prospectus, you should consult your stockbroker, accountant, solicitor or other independent financial adviser.

AILIS FUNDS

(an open-ended umbrella unit trust established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended

Manager

FIDEURAM ASSET MANAGEMENT (IRELAND) LIMITED

Dated: 22 December 2015

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INTRODUCTION

THIS PROSPECTUS MAY ONLY BE ISSUED WITH ALL ITS SUPPLEMENTS ATTACHED. EACH SUPPLEMENT CONTAINS SPECIFIC INFORMATION RELATING TO A PARTICULAR SUB-FUND.

The Fund is an open-ended umbrella unit trust authorised by the Central Bank pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

Authorisation of the Fund and of its Sub-Funds by the Central Bank is not an endorsement or guarantee of the Fund or of its Sub-Funds by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The authorisation of the Fund and of its Sub-Funds by the Central Bank shall not constitute a warranty as to the performance of the Fund or of its Sub-Funds and the Central Bank shall not be liable for the performance or default of the Fund or of its Sub-Funds.

The Directors of the Manager of the Fund, whose names appear under the heading "Management of the Fund", accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) 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.

No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, issue or sale of Units, other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Manager. Neither the delivery of this Prospectus nor the offer, issue or sale of any of the Units shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. The distribution of this Prospectus and the offer, issue or sale of Units in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required to inform themselves about, and to observe, such restrictions. Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions for the purchase or holding of Units, (b) any foreign exchange restrictions which may affect them, and (c) the income and other tax consequences which may apply in their own jurisdictions relevant to the purchase, holding or disposal of Units.

The Units have not been and will not be registered under the Securities Act or the securities laws of any state or political subdivision of the United States and may not be offered, sold, or delivered directly or indirectly in the United States (except in accordance with an applicable exemption from the registration requirements of the Securities Act) or to, or for the account or benefit of, any US Person. Applicants will be required to certify that they are not US Persons.

Distribution of this Prospectus is not authorised after the publication of the latest half-yearly report of the Fund unless it is accompanied by a copy of that report, and is not authorised after the publication of the first annual report of the Fund unless it is accompanied by a copy of the latest annual report and any subsequent half-yearly report. Such reports will form part of this Prospectus.

The Directors of the Manager are satisfied that no actual or potential conflict of interest arises as a result of the Manager managing other funds. However, if any conflict of interest should arise, the Directors will endeavour to ensure that it is resolved fairly and in the interest of Unitholders.

Each Investment Manager is satisfied that no actual or potential conflict arises as a result of managing or advising other funds. However, if any conflict of interest should arise, the relevant Investment Manager will endeavour to ensure that it is resolved fairly and in the interest of Unitholders.

Each Investment Manager may enter into transactions by or through the agency of another person with whom that Investment Manager and any entity related to that Investment Manager has arrangements under which that party will from time to time provide or procure for that Investment Manager or any party related to that Investment Manager goods, services or other benefits, such as research and advisory services, computer hardware associated with specialised software or research measures and performance measures etc., the nature of which is such that their provision can reasonably be expected to benefit the Sub-Fund and may contribute to an improvement in the performance of the Sub-Fund and of that Investment Manager or any entity related to that Investment Manager in providing services to a Sub-Fund and for which no direct payment is made but instead that Investment Manager and any entity related to that Investment Manager undertake to place business with that party. Benefits provided must be those which assist in the provision of investment services to the scheme. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments. Any such arrangements shall provide for best execution and a report thereon will be included in the Fund's annual and half-yearly reports.

Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes in that law.

Investors should note that because investments in securities can be volatile and that their value may decline as well as appreciate, there can be no assurance that a Sub-Fund will be able to attain its objective. The price of Units as well as the income therefrom may go down as well as up to reflect changes in the Net Asset Value of a Sub-Fund.

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

Attention is drawn to the section headed "Risk Factors".

DIRECTORY

ADMINISTRATOR REGISTRAR AND TRANSFER AGENT

CACEIS Ireland Limited
One Custom House Plaza
International Financial
Services Centre
Dublin 1
Ireland

MANAGER

Fideuram Asset
Management
(Ireland) Limited
George's Court
Townsend Street
Dublin 2
Ireland

TRUSTEE

Caceis Bank Luxembourg-
Dublin Branch
One Custom House Plaza
International Financial
Services Centre
Dublin 1
Ireland

DISTRIBUTOR

FIDEURAM – Intesa
Sanpaolo Private Banking
Piazzale Giulio
Douhet, 31
Rome
Italy

AUDITORS

KPMG
1 Stokes Place
St Stephen's Green
Dublin 2
Ireland

SUB-CUSTODIAN

Fideuram Bank Luxembourg
SA
11 rue Goethe
L-1637
Luxembourg

CORRESPONDENT BANK

State Street Bank GmbH –
Succursale Italia
Via Ferrante Aporti, 10
20125 Milan
Italy

GLOBAL DISTRIBUTOR

Fideuram Asset
Management
(Ireland) Limited
George's Court
Townsend Street
Dublin 2
Ireland

DISTRIBUTOR IN ITALY AND PROMOTER

FIDEURAM – Intesa
Sanpaolo Private Banking
S.p.A.
Piazzale Giulio Douhet, 31
Rome
Italy

LEGAL ADVISERS

A&L Goodbody
International Financial
Services Centre
Dublin 1
Ireland

DEFINITIONS

The following definitions apply throughout this Prospectus unless the context otherwise requires:-

"Accounting Date"	the date by reference to which the annual accounts of the Fund and each of its Sub-Funds shall be prepared and shall be December 31 in each year or (in the case of the termination of the Fund or of a Sub-Fund) the date on which monies required for the final distribution shall have been paid to the Unitholders in the relevant Sub-Fund or Sub-Funds
"Accounting Period"	in respect of each Sub-Fund, a period ending on an Accounting Date and commencing (in the case of the first such period) from and including the date of the first issue of Units of the relevant Sub-Fund or (in any other case) from the end of the last Accounting Period
"Administration Agreement"	the Administration Agreement dated March 31, 2004 between the Manager and the Administrator as amended and novated by way of novation and amendment agreement dated 28 June 2013
"Administrator"	CACEIS Ireland Limited or any other person or persons for the time being duly appointed Administrator in succession to the said CACEIS Ireland Limited with the prior approval of the Central Bank
"Administration Expenses"	the sums necessary to provide for all costs, charges and expenses including, but not limited to, courier's fees, telecommunication costs and expenses, out-of-pocket expenses, legal and professional expenses which the Manager incurs whether in litigation on behalf of the Fund or any of its Sub-Funds or in connection with the establishment of or ongoing administration of the Fund or any of its Sub-Funds or otherwise together with the costs, charges and expenses, including translation costs, of any notices including but not limited to reports, prospectuses, listing particulars and newspaper notices given to Unitholders in whatever manner plus value added tax (if any) on any such costs, charges and expenses and all properly vouched fees and reasonable out-of-pocket expenses of the Administrator (as administrator and as registrar and transfer agent) or of any distributor, paying agent and/or correspondent bank incurred pursuant to a contract to which the Manager or the Manager's delegate and such person are party
"***Business Day"***	means every day which is a bank business day in Dublin, Rome and Luxembourg with the exception of Ailis Coupon Fund, Ailis Cedola Dinamica Fund and Ailis Rendimento Misto Fund for which the business day is set out in the relevant supplements appendiced to this Prospectus.
"CIS"	an open-ended collective investment scheme
"Central Bank"	the Central Bank of Ireland

"Central Bank Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015
"Correspondent Bank"	any one or more companies or any successor company appointed by the Manager as correspondent bank for the Fund and its Sub-Funds
"Dealing Day"	means every Business Day with the exception of the Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund and Ailis Rendimento Misto Fund for which the dealing day is set out in the relevant supplements appendiced to this Prospectus
"Dealing Deadline"	means 14.00 (Central European Time) on the Business Day prior to the relevant Dealing Day in respect of the Ailis Euro Currency Fund and 14.00 (Central European time) on the second Business Day prior to the relevant Dealing Day in respect of Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund and Ailis Rendimento Misto Fund
"Disbursements"	includes in relation to the Trustee all disbursements properly made by the Trustee in connection with its trusteeship of the Fund and each of its Sub-Funds under the Trust Deed including (but not limited to) courier's fees, telecommunication costs and expenses and the fees and out-of-pocket expenses of any sub-custodian appointed by it, (which fees and expenses shall be at normal commercial rates), pursuant to the provisions of the Trust Deed and all costs, charges and expenses of every kind which it may suffer or incur in connection with such trusteeship of the Fund and of each of its Sub-Funds (including the establishment thereof) and all matters attendant thereon or relative thereto and all legal and other professional expenses incurred or suffered by it in relation to or in any way arising out of the Fund and of each of its Sub-Funds (including the establishment thereof) and any value added tax liability incurred by the Trustee arising out of the exercise of its powers or the performance of its duties pursuant to the provisions of the Trust Deed
"***Distributor***"	any one or more persons or companies or any successor persons or companies appointed by the Manager as distributor of Units of a Sub-Fund
"EEA"	the European Economic Area (the current members being: the EU, Iceland, Liechtenstein and Norway)
"EEA Member State"	a member state of the EEA
"EMU"	European Economic and Monetary Union
"*Foreign Person"*	a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the Trust with the appropriate declaration under Schedule 2B of the TCA and the Trust is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect

"Fund"	AILIS Funds
"GAFI"	Financial Action Group against Money Laundering
"***Global Distributor***"	Fideuram Asset Management (Ireland) Limited or any other person or persons for the time being duly appointed global distributor of the Units in succession to Fideuram Asset Management (Ireland) Limited
"Group 7"	is comprised of the governments of Canada, France, Germany, Italy, Japan, United Kingdom and United States
"Investment Manager"	any one or more persons or companies or any successor person or company appointed by the Manager and approved by the Central Bank as investment manager of a Sub-Fund
"Manager"	Fideuram Asset Management (Ireland) Limited or any successor company approved by the Central Bank as manager of the Fund
"Member State"	a member state of the European Union
"Net Asset Value of the Fund"	the aggregate Net Asset Values of all the Sub-Funds
"Net Asset Value of a Sub-Fund"	the net asset value of a Sub-Fund calculated in accordance with the provisions of the Trust Deed, as described under "Administration of the Fund - Calculation of Net Asset Value"
"Net Asset Value per Unit"	the net asset value per Unit of a Sub-Fund calculated in accordance with the provisions of the Trust Deed, as described under "Administration of the Fund - Calculation of Net Asset Value"
"OECD"	the Organisation for Economic Co-operation and Development
"OTC derivative"	a financial derivative instrument dealt in over the counter
"Recognised Exchange"	any regulated stock exchange or market on which a Sub-Fund may invest. A list of those stock exchanges or markets is contained in Appendix I hereto
"Regulations"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, or any amendment thereto for the time being in force
Sub-Funds"	the Sub-Funds listed in the Supplements attached hereto and any other Sub-Fund established by the Manager from time to time with the consent of the Trustee and the prior approval of the Central Bank
"Supplement"	means any supplement to the Prospectus issued on behalf of the Trust from time to time
"Securities Act"	the United States Securities Act of 1933, as amended

*"**Taxable Irish Person**"* any person, other than

(i) a Foreign Person;
(ii) an intermediary, including a nominee, for a Foreign Person;
(iii) the Manager for so long as the Manager is a qualifying management company within the meaning of section 734 TCA;
(iv) a specified company within the meaning of section 734 TCA;
(v) an investment undertaking within the meaning of section 739(B) of the TCA;
(vi) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 of the TCA;
(vii) a company carrying on life business within the meaning of section 706 of the TCA;
(viii) a special investment scheme within the meaning of section 737 of the TCA;
(ix) a unit trust to which section 731(5)(a) of the TCA applies;
(x) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) of the TCA;
(xi) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA or section 787I of the TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal savings retirement account (as defined in section 787A TCA);
(xii) the Courts Service;
(xiii) a Credit Union;
(xiv) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;
(xv) a company within the charge to corporation tax under section 110(2) TCA;
(xvi) the National Asset Management Agency;
(xvii) the National Pensions Reserve Fund Commission or a commission investment vehicle 9 within the meaning given by section 2 of the National Pensions reserve Fund Act 2000 (as amended)
(xviii) the state acting through the National Pensions Reserve Fund Commission or a commission investment vehicle within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 (as amended);
(xix) any other person as may be approved by the Directors from time to time provided the holding of Units by such person does not result in a potential liability to tax arising to the Trust in respect of that Unitholder under section 739 of the TCA,

in respect of each of which the appropriate declaration set out in Schedule 2B of the TCA and other such information evidencing such status is in the possession of the Company on the appropriate date.

"TCA"	the Taxes Consolidation Act, 1997, as amended.
"transferable securities"	(a) shares in companies and other securities equivalent to shares in companies; (b) bonds and other forms of securitised debt; and (c) other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange, other than the techniques and instruments referred to in regulation 48A of the Regulations.
"Trust Deed"	the Trust Deed dated 25 September 2000 between the Manager and Allied Irish Banks plc as supplemented by the First Supplemental Trust Deed dated 21 December 2001 a Second Supplemental Trust Deed dated 20 January 2003, a Third Supplemental Trust Deed dated 31 March 2004, a Fourth Supplemental Trust Deed dated 16 December 2005, a Fifth Supplemental Trust Deed dated 24 September 2007, a Sixth Supplemental Trust Deed dated 24 April 2009,a Seventh Supplemental Trust Deed dated 29 May 2009, an Eighth Supplemental Trust Deed dated 18 September 2009, a Ninth Supplemental Trust Deed dated 26 January 2010 and a Tenth Supplemental Trust Deed dated 28 June 2013 and as the same may be further amended and supplemented from time to time and includes any investment and operational guidelines in relation to the Sub-Funds.
"Trustee"	Caceis Bank Luxembourg- Dublin Branch, or any other or persons for the time being duly appointed Trustee in succession to the said Caceis Bank Luxembourg- Dublin Branch, with the prior approval of the Central Bank
"UCITS"	means an undertaking for collective investment in transferable securities pursuant to the UCITS Directive;
"United States"	the United States of America (including each of the States, the District of Columbia and the Commonwealth of Puerto Rico), its territories, its possessions and other areas subject to its jurisdiction
"US Person"	means, unless otherwise determined by the Directors, a person resident in the US, a citizen of the US, a corporation, partnership or other entity created or organised in or under the laws of the US, an estate or trust treated as a resident of the US for income tax purposes, or any person falling within the definition of the term "US Person" under Regulation S of the US Securities Act of 1933 or within the definition of the term "United States Person" under the US Internal Revenue Code and includes: (i) any natural person resident in the US; (ii) any partnership or corporation organized or incorporated under the laws of the US; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a non-United States entity located in the US; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary, organized,

incorporated, or (if an individual) resident in the US; and (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any non-US jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts;

"Unitholder"	a person who is registered as the holder of a Unit from time to time
"Unit"	one undivided share in the assets of a Sub-Fund
"Valuation Point"	with the exception of the Ailis Coupon Plus Fund, Ailis Rendimento Misto Fund and Ailis Cedola Dinamica Fund means the close of business of the relevant market on the Business Day immediately preceding a Dealing Day and in respect of the Ailis Coupon Plus Fund, Ailis Rendimento Misto Fund and Ailis Cedola Dinamica Fund shall be the close of business every Wednesday or where such is not a Business Day, the following Business Day.

In this Prospectus, unless otherwise specified, all references to "billion" are to one thousand million, to "Dollars", "US$" or "cents" are to United States dollars or cents and to "Euro" or "€" are to the lawful unit of single currency in the European Union.

SUMMARY

The following is qualified in its entirety by the detailed information included elsewhere in this Prospectus and in the Trust Deed.

The Fund	The Fund is an open-ended umbrella unit trust established as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended
The Sub-Funds	The Fund is made up of the Sub-Funds. The proceeds from the issue of Units in a Sub-Fund shall be applied in the records and accounts of the Fund for that Sub-Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Sub-Fund subject to the provisions of the Trust Deed
Investment Objective and Policies	The assets of a Sub-Fund will be invested separately in accordance with the investment objective and policies of that Sub-Fund as set out in the relevant Supplement to this Prospectus
Manager	Fideuram Asset Management (Ireland) Limited
Investment Manager	The Manager shall appoint an Investment Manager for some Sub-Funds. Accordingly, there may be more than one Investment Manager. Biographical details of the Investment Manager appointed in respect of a particular Sub-Fund shall be set out in Appendix III hereto
Administrator	CACEIS Ireland Limited
Trustee	Caceis Bank Luxembourg- Dublin Branch
Initial Issue of Units	During the initial offer period of a Sub-Fund Units shall be issued at a given initial issue price. The initial offer period and initial issue price of each Sub-Fund is set out in the relevant Supplements to this Prospectus
Redemption of Units	Units will be redeemed at the option of Unitholders at a price per Unit equal to the Net Asset Value per Unit
Distribution Policy	The Manager intends to automatically reinvest all earnings, dividends and other distributions of whatever kind as well as realised capital gains arising from each Sub-Fund pursuant to the investment objective and policies of the relevant Sub-Fund for the benefit of Unitholders in the relevant Sub-Fund. Accordingly, the Manager does not intend to make distributions to Unitholders except upon termination of the relevant Sub-Fund. The above paragraph will not apply to Unitholders in the Ailis Coupon Plus Fund; Ailis Cedola Dinamica Fund or the Ailis Rendimento Misto Fund who will receive an annual or semi-annual coupon (which will not be automatically reinvested) during the investment period as further described in the Supplement for these Sub-Funds
Taxation	The Fund is not subject to Irish tax on its gains or income. Unitholders, to the extent that they are not Irish Residents,

will be exempt from Irish income, capital gains and capital acquisitions taxes. No Irish stamp duty or other taxes are payable on subscriptions for Units in a Sub-Fund. Italian Unitholders, however, will continue to be subject to the Italian fiscal rules on capital gains.

THE FUND

Introduction

The Fund, constituted on the 25th day of September, 2000, as amended, is an open-ended umbrella unit trust established as a UCITS pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended. Its rules are set out in the Trust Deed which is binding upon the Trustee, the Manager and all Unitholders.

The Trust Deed constitutes the Fund which is made up of the Sub-Funds. The proceeds from the issue of Units in a Sub-Fund shall be applied in the records and accounts of the Fund for that Sub-Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to that Sub-Fund subject to the provisions of the Trust Deed. The assets of a Sub-Fund will be invested separately in accordance with the investment objective and policies of that Sub-Fund as set out in a Supplement to this Prospectus. Supplements may be added to or removed from this Prospectus as Sub-Funds are added to the Fund or have their approval revoked, as the case may be.

Monies subscribed for Units of each Sub-Fund should be in Euro.

The current Sub-Funds and the denominated currency of each are listed below:

Sub-Funds

Name	Denominated Currency
AILIS Euro Currency Fund	Euro
AILIS Coupon Plus Fund	Euro
AILIS Cedola Dinamica Fund	Euro
AILIS Rendimento Misto Fund	Euro

Additional Sub-Funds may, with the prior approval of the Central Bank and the approval of the Trustee, be added by the Manager. The name of each additional Sub-Fund, the terms and conditions of its initial offer of Units, details of its investment objective and policies and of any applicable fees and expenses shall be set out in a Supplement to this Prospectus. The Manager may, with the approval of the Trustee and upon notice to the Central Bank, close any Sub-Fund in existence by serving not less than thirty days' notice on the Unitholders in that Sub-Fund. The Manager shall also apply for revocation of approval of any such Sub-Fund.

To invest in the Fund is to purchase Units in a Sub-Fund. It is the Sub-Fund which accumulates the assets on behalf of the Unitholders. A Unit in a Sub-Fund represents the beneficial ownership of one undivided share in the assets of the relevant Sub-Fund.

Each Sub-Fund will be treated as bearing its own liabilities as may be determined at the discretion of the Manager with the approval of the Trustee. The Fund is not liable as a whole to third parties, provided however, that if the Trustee is of the opinion that a particular liability does not relate to any particular Sub-Fund or Sub-Funds, that liability shall be borne jointly by all Sub-Funds pro rata to their respective Net Asset Values at the time when the allocation is made.

The assets of each Sub-Fund shall belong exclusively to that Sub-Fund, shall be identified separately from the assets of the other Sub-Funds, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Sub-Fund and shall not be available for such purpose.

Investment Objective and Policies

The assets of a Sub-Fund will be invested separately in accordance with the investment objective and policies of that Sub-Fund which are set out in a Supplement to this Prospectus. Supplements may be added to or removed from this Prospectus from time to time as Sub-Funds are added to the Fund or have their approval revoked, as the case may be.

The investment return to Unitholders of a particular Sub-Fund is related to the Net Asset Value of that Sub-Fund which in turn is primarily determined by the performance of the portfolio of assets held by that Sub-Fund, except in the case of the Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund or the Ailis Rendimento Misto Fund. The investment return to Unitholders of these Sub-Funds is a fixed annual or semi-annual coupon plus a return linked to the performance of an underlying asset known as the “Index” at the end of an investment period as further described in the Supplement for these Sub-Funds.

Pending investment of the proceeds of a placing or offer of Units or where market or other factors so warrant, a Sub-Fund's assets may, subject to the investment restrictions set out under the heading "Investment Restrictions" below, be invested in money market instruments such as certificates of deposit, bankers’ acceptances and government bonds. The Fund may also hold cash deposits, denominated in such currencies as the Manager may determine as ancillary liquid assets.

Any change in the investment objective or material changes in the investment policy of a Sub-Fund as disclosed in a Supplement to this Prospectus will be subject to the prior written approval of all of the Unitholders or approval on the basis of a majority of votes cast at a general meeting of Unitholders. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policies of a Fund on the basis of an ordinary resolution passed at a general meeting of the Unitholders of the Fund, a reasonable notification period must be given to each Unitholder of the Fund to enable a Unitholder to have its Units repurchased prior to the implementation of such change.

Investment Restrictions

Within each Sub-Fund’s investment policies, the following restrictions shall apply:

(A) Permitted Investments

Investments of a Sub-Fund are confined to:

(i) Transferable securities and money market instruments, as prescribed in the Regulations, which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State;

(ii) Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;

(iii) Money market instruments, as defined in the Regulations, other than those dealt on a regulated market;

(iv) Units of UCITS:

(v) Units of non-UCITS as set out in the Central Bank's Guidance related to UCITS;

(vi) Deposits with credit institutions as prescribed in the Central Bank Regulations;

(vii) Financial derivative instruments as prescribed in the Central Bank Regulations.

(B) Investment Limits

(i) A Sub-Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in (A) above.

(ii) A Sub-Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph (A)(i) above) within a year. This restriction will not apply in relation to investment by the Sub-Fund in certain U.S. securities known as Rule 144A securities provided that:

(a) the securities are issued with an undertaking to register with the U.S. Securities and Exchanges Commission within one year of issue; and

(b) the securities are not illiquid securities i.e. they may be realised by the Sub-Fund within seven days at the price, or approximately at the price, at which they are valued by the Sub-Fund.

(iii) A Sub-Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

(iv) Subject to the prior approval of the Central Bank, the limit of 10% (in (B)(iii) above) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bond-holders. If a Sub-Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Sub-Fund.

(v) The limit of 10% (in (B)(iii) above) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members.

(vi) The transferable securities and money market instruments referred to in (B) (iv) above and (B) (v) above shall not be taken into account for the purpose of applying the limit of 40% referred to in (B) (iii).

(vii) A Sub-Fund may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than

- a credit institution authorised in the EEA (EU Member States, Norway, Iceland, Liechtenstein);
- a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand

held as ancillary liquidity, must not exceed 10% of the Net Asset Value of a Fund.

This limit may be raised to 20% in the case of deposits made with the Trustee.

(viii) The risk exposure of a Sub-Fund to counterparty to an OTC derivative may not exceed 5% of net assets.

This limit is raised to 10% in the case of a credit institution authorised in the European Economic Area; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July, 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

(ix) Notwithstanding paragraphs (B) (iii), (B) (vii) and (B) (viii) above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

(a) investments in transferable securities or money market instruments;
(b) deposits, and/or
(c) risk exposures arising from OTC derivatives transactions.

(x) The limits referred to in (B) (iii), (B) (iv), (B) (v), (B) (vii), (B) (viii) and (B) (ix) above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

(xi) Group companies are regarded as a single issuer for the purposes of (B) (iii), (B) (iv), (B) (v), (B) (vii), (B) (viii) and (B) (ix). However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

(xii) A Sub-Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international bodies of which one or more Member States are members or any of the following:

OECD Governments excluding those listed above (provided the relevant issues are investment grade)
Government of Brazil (provided the relevant issues are investment grade)
Government of India (provided the relevant issues are investment grade)
Government of Singapore
European Investment Bank
European Bank for Reconstruction and Development
International Finance Corporation
International Monetary Fund
Euratom
The Asian Development Bank
European Central Bank
Council of Europe
Eurofima
African Development Bank
International Bank for Reconstruction and Development (The World Bank)
The Inter-American Development Bank
European Union
Government National Mortgage Association (Ginnie Mae)
Student Loan Marketing Association (Sallie Mae)
Federal Home Loan Bank
Federal Farm Credit Bank
Tennessee Valley Authority

The Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its Net Asset Value.

(C) Investment in Collective Investment Schemes

(i) A Sub-Fund may not invest more than 20% of net assets in any one CIS.

(ii) Investment in non-UCITS may not, in aggregate, exceed 30% of net assets of a Sub-Fund.

(iii) The CIS are prohibited from investing more than 10 percent of net assets in other open-ended CIS.

(iv) When a Sub-Fund invests in the units of other CIS that are managed, directly or by delegation, by the Sub-Fund management company or by any other company with which the Sub-Fund management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Sub-Fund's investment in the units of such other CIS.

(v) Where a commission (including a rebated commission) is received by the Sub-Fund manager/ investment manager/ investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Sub-Fund.

(D) Index Tracking UCITS

(i) A Sub-Fund may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the Sub-Fund is to replicate an index which satisfies the criteria set out in the Central Bank Regulations issued by the Central Bank and is recognised by the Central Bank.

(ii) The limit in (D) (i) may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

(E) General Provisions

(i) An investment company, or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

(ii) A Sub-Fund may acquire no more than:

(a) 10% of the non-voting shares of any single issuing body;
(b) 10% of the debt securities of any single issuing body;
(c) 25% of the units of any single CIS;
(d) 10% of the money market instruments of any single issuing body.

The limits laid down in (E)(ii)(b), (E)(ii)(c) and (E)(ii)(d) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

(iii)(E)(i) and (E) (ii) shall not be applicable to:

(a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
(b) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
(c) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
(d) shares held by a UCITS in the capital of a company incorporated in a non-EU member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in (B)(iii) to (B)(xi), (C)(i), (C)(ii), (E)(i), (E)(ii), (E)(iv), (E)(v) and (E)(vi) and provided that where these limits are exceeded, paragraphs (E)(v) and (E)(vi) below are observed;

(e) shares held by an investment company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at Unitholders' request exclusively on their behalf.

(iv) A Sub-Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

(v) The Central Bank may allow recently authorised Sub-Funds to derogate from the provisions of (B)(iii) to (B)(xii), (C)(i), (C)(ii), (D)(i) and (D)(ii) for six months following the date of their authorisation, provided they observe the principle of risk spreading.

(vi) If the limits laid down herein are exceeded for reasons beyond the control of a Sub-Fund, or as a result of the exercise of subscription rights, the Sub-Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Unitholders.

(vii) A Sub-Fund may not carry out uncovered sales of:

transferable securities;
money market instruments;
units of CIS; or
financial derivative instruments.

(viii) A Sub-Fund may hold ancillary liquid assets.

(F) Financial Derivative Instruments (**FDI**s)

(i) A Sub-Fund's global exposure (as prescribed in the Central Bank Regulations issued by the Central Bank) relating to FDI must not exceed its total net asset value.

(ii) Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Regulations issued by the Central Bank. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Regulations issued by the Central Bank.)

(iii) A Sub-Fund may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

(iv) Investments in FDIs are subject to the conditions and limits laid down by the Central Bank.

Restrictions on Borrowing, Lending and Dealing

(1) A Sub-Fund may only borrow an amount which in the aggregate does not exceed 10% of the total net assets of the Sub-Fund. Such borrowings may, however, only be made on a temporary basis. The Sub-Fund may pledge and charge its assets as security for such borrowings. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding.

(2) The Sub-Fund may acquire foreign currency by means of "back-to-back" loan agreements. Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions contained in the Regulations, provided that the offsetting deposit (a) is denominated in the base currency of the Sub-Fund; and (b) equals or exceeds the value of the foreign currency loan outstanding.

(3) A Sub-Fund may not, save as set out in (1) above, mortgage, pledge, hypothecate or in any manner transfer as security for indebtedness, any securities owned or held by the Sub-Fund. The purchase or sale of securities on a when-issued or delayed-delivery basis, and margin paid with respect to the writing of options or the purchase or sale of forward or futures contracts, is not deemed to be a pledge of the assets.

(4) Without prejudice to the powers of the Sub-Fund to invest in transferable securities, money market instruments and other financial instruments referred to in "Investment Restrictions" above, the Sub-Fund may not lend to, or act as guarantor on behalf of, third parties.

(5) The Fund may engage in securities lending for the purpose of efficient portfolio management, in accordance with the guidelines contained in Appendix II.

Distribution Policy

The Manager intends to automatically reinvest all earnings, dividends and other distributions of whatever kind together with realised profits less realised losses and unrealised profits less unrealised losses arising from each Sub-Fund pursuant to the investment objective and policies of the relevant Sub-Fund for the benefit of Unitholders in the relevant Sub-Fund.

Accordingly, the Manager does not intend to make distributions to Unitholders except upon termination of the relevant Sub-Fund.

The above paragraphs will not apply to Unitholders in the Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund or the Ailis Rendimento Misto Fund who will receive an annual or semi-annual coupon (which will not be automatically reinvested) during the investment period as further described in the Supplement for these Sub-Funds.

RISK FACTORS

General

Potential investors should be aware that the value of Units and the income therefrom can, in common with other shares or units, fluctuate. There is no assurance that the investment objective of a Sub-Fund will actually be achieved. The difference at any one time between the issue and redemption price of Units means that an investment in a Sub-Fund should be viewed as medium to long term.

A small number of the markets in which the Sub-Funds may invest are generally considered to be "emerging" or "developing" countries and as such remain exposed to a significant risk of radical, political or economic change, both regionally and worldwide, which could adversely affect the value of the investments held there. However, it is anticipated that the majority of each Sub-Fund's assets will not be invested in such markets. Some of the principal risk factors associated with such markets are listed below:-

Political and/or Regulatory Risks: The value of a Sub-Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investments and currency repatriation, currency fluctuations, changes in, or other developments in the laws and regulations of countries in which investment may be made. Furthermore, it should be noted that the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made do not provide the same degree of investor protection or information to investors as would generally apply in more developed countries.

Emerging Market Risk: Sub-Funds may invest in equity securities of companies in emerging markets. Such securities may involve a high degree of risk and may be considered speculative. Risks include (i) greater risk of expropriation, confiscatory taxation, nationalization and social, political and economic stability; (ii) the small current size of the markets for securities of emerging markets issuers and the currently low or non-existent volume of trading, resulting in lack of liquidity and in price volatility, (iii) certain national policies which may restrict a Sub-Fund's investment opportunities including restrictions on investing in issuers or industries deemed sensitive to relevant national interests; and (iv) the absence of developed legal structures governing private or foreign investment and private property.

The economics of emerging markets in which a Sub-Fund may invest may differ favourably or unfavourably from the economics of industrialised countries. The economies of developing countries are generally heavily dependent on international trade and have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. Investments in emerging markets entail risks which include the possibility of political or social instability, adverse changes in investment or exchange control regulations, expropriation and withholding of dividends at source. In addition, such securities may trade with less frequency and volume than securities of companies and governments of developed, stable nations. Whilst each Sub-Fund invests in transferable securities there is also a possibility that redemption of Units following a redemption request may be delayed due to the illiquid nature of such investments.

Registration Risk: In some emerging market countries evidence of legal title to shares is maintained in "book-entry" form. In order to be recognised as the registered owner of the shares of a company, a purchaser or purchaser's representative must physically travel to a registrar and open an account with the registrar (which, in certain cases, requires the payment of an account opening fee). Thereafter, each time that the purchaser purchases additional shares of the company, the purchaser's representative must present to the registrar powers of attorney from the purchaser and the seller of such shares, along with evidence of such purchase, at which time the registrar will debit such purchased shares form the seller's account maintained on the register and credit such purchased shares to the purchaser's account to be maintained to the register.

The role of the registrar in such custodial and registration processes is crucial. Registrars may not be subject to effective government supervision and it is possible for a Sub-Fund to lose its registration through fraud, negligence or mere oversight on the part of the registrar. Furthermore, while companies in certain emerging market countries may be required to maintain independent registrars that meet certain statutory criteria, in practice, there can be no guarantee that this regulation has been strictly enforced. Because of this possible lack of independence, management of companies in such emerging market countries can potentially exert significant influence over the shareholding in such companies. If the company register were to be destroyed or mutilated, the Sub-Fund's holding of the relevant shares of the company could be substantially impaired, or in certain cases, deleted. Registrars often do not maintain insurance against such occurrences, nor are they likely to have assets sufficient to compensate the Sub-Fund as a result thereof. While the registrar and the company may be legally obliged to remedy such loss, there is no guarantee that either of them would do so, nor is there any guarantee that the Sub-Fund would be able to successfully bring a claim against them as a result of such loss. Furthermore, the registrar or the relevant company could wilfully refuse to recognise the Sub-Fund as the registered holder of shares previously purchased by the Sub-Fund due to the destruction of the company's register.

Exchanges and Currency Risk: The Net Asset Value per Unit will be computed in Euro, whereas the Sub-Fund's investments may be acquired in a wide range of currencies some of which may not be freely convertible currencies. The Net Asset Value of a Sub-Fund, expressed in Euro, will fluctuate in accordance with the variations in the exchange rates between the Euro and the currencies in which the Sub-Fund's investments are expressed. Accordingly, a Sub-Fund may be exposed to exchange and currency risk. It may not be possible or practicable to hedge against the consequent currency risk exposure. The Manager and the Investment Manager may enter into hedging transactions at their sole discretion and solely for the purposes of efficient portfolio management or of protection against currency risk.

Counterparty Risk: Each Sub-Fund may have credit exposure to counterparties by virtue of positions in swaps, options, repurchase transactions and forward exchange rate and other contracts held by the Sub-Fund for efficient portfolio management purposes. To the extent that a counterparty defaults on its obligation and the Sub-Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

Custody Risk: As a Sub-Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Sub-Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of such sub-custodians is necessary, may be exposed to risks in circumstances whereby the Trustee may have no liability.

Such markets include Russia, Jordan, Bangladesh, Indonesia, South Korea, Pakistan, India, and such risks include:

a non-true delivery versus payment settlement
a physical market, and as a consequence the circulation of forged securities
poor information in regards to corporate actions
registration process that impacts the availability of the securities
lack of appropriate legal/fiscal infrastructure advices
lack of compensation/risk fund with the Central Depository

Market Risk: Some of the markets or exchanges on which a Sub-Fund may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which a Sub-Fund may liquidate positions to meet repurchase requests or other funding requirements.

Settlement Risk: The trading and settlement practices and the reliability of the trading and settlement systems of some of the markets or exchanges on which a Sub-Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by, or disposed of that Sub-Fund.

Risks associated with Collective Investment Schemes and Exchange-Traded Funds (ETFs)

Certain Sub-Funds may invest in units of other UCITS or non-UCITS collective investment schemes, including ETFs, to gain exposure to a portion of a foreign market subject to the Investment Restrictions. An ETF is a type of investment company or trust bought and sold on a securities exchange and generally represents a relatively fixed portfolio of securities designed to track a particular market index. The risks of owning an ETF generally reflect the risks of owning the underlying securities they are designed to track, although lack of liquidity in an ETF could result in it being more volatile and ETFs have management fees that increase their costs. As a shareholder of an ETF, the Sub-Fund would bear its pro rata portion of the ETF's expenses, including advisory fees. These expenses would be in addition to the fees and other expenses that the relevant Sub-Fund bears directly in connection with its own operations.

Risks associated with Financial Derivative Instruments

Certain risks may be associated with the use of derivative instruments are as follows:

Market Risk

This is a general risk that the value of a particular derivative may change in a way which may be detrimental to a portfolio's interests and the use of derivative techniques may not always be an effective means of, and sometimes could be counter-productive to, a Sub-Fund's investment objective.

Control and Monitoring

Derivative instruments are highly specialised and require specific techniques and risk analysis. In particular, the use and complexity of derivative instruments require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative instrument may add to a Sub-Fund and the ability to forecast the relative price, interest rate or currency rate movements correctly.

Liquidity Risk

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction to liquidate a position at an advantageous price, to assess or value a position or to assess the exposure to risk. An adverse price movement in a derivative position may also require a cash payment to counterparties that might in turn require, if there is insufficient cash available in a Sub-Fund, the sale of investments under disadvantageous conditions.

Counterparty and Settlement Risk

A Sub-Fund may enter into derivative transactions in over-the-counter markets, which will expose the Sub-Fund to the credit of its counterparties and their ability to satisfy the terms of such contracts. A Sub-Fund may be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of the bankruptcy or insolvency of a counterparty, a Sub-Fund could experience delays in liquidating the position as well as significant losses, including declines in value during the period in which the Sub-Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights. The fact that the derivatives may be entered into over-the-counter, rather than on a regulated market may increase the potential for loss by a Sub-Fund.

Legal Risk

There is a possibility that the agreements governing the derivative techniques may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such agreements are not legally enforceable or if the derivative transactions are not documented correctly.

Other Risks

Other risks in using derivative instruments include the risk of differing valuations of derivative instruments arising out of different permitted valuation methods and the inability of derivative instruments to correlate perfectly with underlying securities, rates and indices. Many derivative instruments, in particular over-the-counter derivative instruments, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in an increased cash payment to counterparties or a loss of value to a Fund. Derivative instruments do not always perfectly or even highly correlate or track the value of the securities, rates or indices they are designed to track.

Default Risk: As a Sub-Fund may invest in securities which have low credit status it may represent a higher credit risk than funds which do not invest in such securities. It should also be noted that investment in securities issued by corporations may represent a higher credit risk than investment in securities issued by governments.

Taxation Risk: The attention of potential investors is drawn to the taxation risks associated with investment in a Sub-Fund. Further details are provided under the heading "Taxation" below.

Any special risk factors associated with investment in particular Sub-Funds will be set out in the relevant Supplement to this Prospectus.

The above should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Sub-Fund. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks of an exceptional nature from time to time.

TAXATION

General

The taxation of income and capital gains of the fund and of unitholders is subject to the fiscal law and practices of Ireland, Italy and other countries and of the jurisdictions in which the unitholders are resident or otherwise subject to tax.

The following summary of certain relevant taxation provisions is by way of a general guide to potential investors and Unitholders only and does not constitute legal or tax advice. It does not purport to deal with all the tax consequences applicable to the Fund or to all categories of investors, some of whom may be subject to special rules. Unitholders and prospective investors are therefore advised to consult their own professional advisers on the relevant taxation or other consequences applicable to the acquisition, holding, selling or otherwise disposing of the units and the receipt of distributions under the laws of their country of incorporation, establishment, citizenship, residence or domicile, and in the light of their particular circumstances.

Unitholders and potential investors should note that the following statements of taxation are based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Fund will endure indefinitely.

Ireland

Tax on Income and Capital Gains

Fund

The Directors have been advised that the Fund will only be subject to tax on chargeable events in respect of Unitholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes- see "Definitions" section for more details).

A chargeable event occurs on:

a) a payment of any kind to a Unitholder by the Fund; and
b) a transfer of Units;
c) On the eighth anniversary of a Unitholder acquiring Units and every subsequent eighth anniversary.

but does not include any transaction in relation to Units held in a clearing system recognised by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a Unitholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Unitholder.

Where tax is payable on a chargeable event it is a liability of the Fund which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Units from the relevant Unitholders. In certain circumstances, and only after notification by the Fund to a Unitholder, the tax payable on the eight year rolling chargeable event can at the election of the Fund become a liability of the Unitholder rather than the Fund. In such circumstances the Unitholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners.

In the absence of the appropriate declaration being received by the Fund that a Unitholder is not a Taxable Irish Person or if the Fund has information that would reasonably suggest that a declaration is incorrect , and in the absence of written notice of approval from the Revenue

Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the Fund will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the Unitholder is neither resident nor ordinarily resident in Ireland). Where the chargeable event is an income distribution tax will be deducted at the rate of 41%, or at the rate of 25% where the Unitholder is a company and the appropriate declaration has been made, on the amount of the distribution. Where the chargeable event occurs on any other payment to a Unitholder, not being a company which has made the appropriate declaration, on a transfer of Units and on the eight year rolling chargeable event, tax will be deducted at the rate of 41% on the increase in value of the units since their acquisition. Tax will be deducted at the rate of 25% on such transfers where the Unitholder is a company and the appropriate declaration has been made. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Units are subsequently disposed of for a lesser value.

An anti-avoidance provision increases the 41% rate of tax to 60% (80% where details of the payment/disposal are not correctly included in the individual's tax returns) if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the fund.

Other than in the instances described above the Fund will have no liability to Irish taxation on income or chargeable gains.

Unitholders

Unitholders who are neither resident nor ordinarily resident in Ireland for taxation purposes in respect of whom the appropriate declarations have been made will (or in respect of whom written notice of approval from the Revenue Commissioners has been obtained by the Fund to the effect that the requirement to have been provided with such declaration from that Unitholder or class of Unitholders to which the Unitholder belongs is deemed to have been complied with) not be liable to tax on any distributions from the Fund or any gain arising on a redemption, repurchase or transfer of their Units provided the Units are not held through a branch or agency in Ireland and the Units, if unlisted, do not divide the greater part of their value from Irish land or mineral rights. No tax will be deducted from any payments made by the Fund to Unitholders who are not Taxable Irish Persons.

Unitholders who are Irish resident or ordinarily resident or who hold their Units through a branch or agency in Ireland may have a liability under the self-assessment system to pay tax or further tax on any distribution or gain arising from their holdings of Units. In particular where the Fund has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Unitholder will have an obligation to file a self-assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Unitholders within the charge to Irish corporation tax.

Stamp Duty

No Irish stamp duty will be payable on the subscription, transfer or repurchase of Units provided that no application for Units or repurchase or redemption of Units is satisfied by an in specie transfer of any Irish situated property.

Capital Acquisitions Tax

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Units provided that:

- at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland and at the date of the gift or inheritance the transferee of the Units is neither domiciled nor ordinarily resident in Ireland; and

- the Units are comprised in the disposition at the date of the gift or inheritance and the valuation date.

Other Irish Tax Matters

The income and/or gains of the Fund from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. The Fund may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to that Fund, the Net Asset Value of the Fund will not be restated and the benefit will be allocated to the existing Unitholders rateably at the time of repayment.

EU Savings Tax Directive

On 3 June, 2003 the Council of the European Union (ECOFIN) adopted a directive regarding the taxation of interest income. Each EU Member State must implement the directive by enacting legislation that requires paying agents (within the meaning of the directive) established within its territory to provide to the relevant competent authority details of interest payments (which includes certain payments made by collective investment undertakings such as the Fund) made to any individual and certain intermediate entities resident in another EU Member State or a territory being a dependent or associated territory of an EU Member State (**Relevant Territory**). The competent authority of the EU Member State of the paying agent (within the meaning of the directive) is then required to communicate this information to the competent authority of the EU Member State of which the beneficial owner of the interest is a resident.

Austria and Luxembourg may opt instead to withhold tax from interest payments within the meaning of the directive. Belgium previously operated a withholding system but changed to the provision of information with effect from 1 January 2010.

Ireland has implemented the directive into national law. Any Irish paying agent making an interest payment on behalf of the Fund to an individual, and certain residual entities defined in the TCA, resident in another Relevant Territory may have to provide details of the payment to the Irish Revenue Commissioners who in turn will provide such information to the competent authorities of the Relevant Territory of residence of the individual or residual entity concerned

Broadly speaking, for income distributions, it is only if the fund has invested more than 15% of its assets directly or indirectly in interest bearing securities and for capital distributions it is only if the fund has invested more than 25% of its assets directly or indirectly in interest bearing securities, that payments received from the Fund would be subject to reporting obligations.

Definitions of “Residence” and “Ordinary Resident” in Ireland for Irish Tax Purposes

Residence - Company

A company which has its central management and control in the Republic of Ireland (the State) is resident in the State irrespective of where it is incorporated. A company which does not have its central management and control in the Republic of Ireland but which is incorporated in the State is resident in the State except where:-

- the company or a related company carries on a trade in the State, and either the company is ultimately controlled by persons resident in EU Member States or, resident in countries with which the Republic of Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the European Union or in a tax treaty country; or

- the company is regarded as not resident in the State under a double taxation treaty between the Republic of Ireland and another country.

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and declarants are referred to the specific legislative provisions which are contained in section 23A Taxes Consolidation Act 1997.

Residence - Individual

An individual will be regarded as being resident in Ireland for a tax year if s/he:

Spends 183 or more in the State in that tax year; or has a combined presence of 280 days in the State, taking into account the number of days spent in the State in that tax year together with the number of days spent in the State in the preceding year.

Presence in a tax year by an individual of not more than 30 days in the State will not by reckoned for the purpose of applying the two year test. Up to 31 December, 2008, presence in the State for a day means the personal presence of an individual at the end of the day (midnight). **From 1 January 2009, presence in the State for a day means the personal presence of an individual at any time during the day.**

Ordinary Residence - Individual

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in the State for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2004 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2007.

Intermediary

This means a person who:-

a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or

b) holds units in an investment undertaking on behalf of other persons.

Information exchange and the implementation of FATCA in Ireland

With effect from 1 July 2014 the Fund is obliged to report certain information in respect of U.S. investors in the Fund to the Irish Revenue Commissioners who will the share that information with the U.S. tax authorities.

These obligations stem from US legislation, the Foreign Account Tax Compliance provisions of the U.S. Hiring Incentives to Restore Employment Act of 2010 (FATCA), which may impose a 30% US withholding tax on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the U.S. Internal Revenue Service (IRS) to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement (IGA) with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (which came into force on 1 July 2014) implementing the information disclosure obligations, Irish financial institutions such as the Fund are required to report certain information with respect to U.S. account holders to the Revenue Commissioners. The Revenue Commissioners will automatically provide that information annually to the IRS. The Fund (and/or the Administrator or Manager on behalf of the Fund) must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information is being sought as part of the application process for units in the Fund. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Revenue Commissioners regardless as to whether the Fund holds any U.S. assets or has any U.S. investors.

If a Unitholder causes the Fund to suffer a withholding for or on account of FATCA (FATCA Deduction) or other financial penalty, cost, expense or liability, the Fund may compulsorily redeem any Units of such Unitholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such unitholder. While the IGA and the Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Fund in respect of its assets, no assurance can be given in this regard. As such, Unitholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

Common Reporting Standard

The Common Reporting Standard (**CRS**) framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the **Standard**) was published, involving the use of two main elements, the Competent Authority Agreement (**CAA**) and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (FIs) relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while the Finance Act 2014 and Finance Bill 2015 contain measures necessary to implement the CRS internationally and across the European Union, respectively. Draft regulations, the Standard for Automatic Exchange of Financial Account Information Regulations 2015 (the **Regulations**), giving effect to the CRS from 1 January 2016 are due to be finalised before the end of 2015.

Assuming the draft Regulations are enacted by year end (and subject to any amendment of the draft Regulations prior to enactment) reporting FIs, will be required to collect certain information on accountholders and on certain Controlling Persons in the case of the accountholder(s) being an Entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions.

Significant investment may be required to assist with the implementation of compliance programs under CRS.

Other Jurisdictions

The tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. **Therefore the Manager strongly recommends that Unitholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Units in the Trust and any investment returns from those Units.** It is the Director's intention to manage the affairs of the Fund so that it does not become resident outside of Ireland for tax purposes.

MANAGEMENT OF THE FUND

Manager

The Manager of the Fund is Fideuram Asset Management (Ireland) Limited. The Manager, a limited liability company incorporated in Ireland on 18 October 2001, has an authorised and issued, fully paid up, share capital of Euro 1,000,000. It is fully controlled by FIDEURAM - Intesa Sanpaolo Private Banking SpA which is part of the Intesa Sanpaolo group which is the ultimate parent of the Manager.

On the 1st July 2015 came at the conclusion the reorganisation of the Private Banking Division of Intesa Sanpaolo, under which the Bank's extraordinary shareholders' meeting, held on 22nd June after receiving the relevant authorisation from the competent Supervisory authorities, had approved the change of company name from Banca Fideuram S.p.A. to FIDEURAM – Intesa Sanpaolo Private Banking S.p.A., abbreviated as FIDEURAM S.p.A.. In the same extraordinary shareholders' meeting, an increase in the share capital was approved in order to confer the entire shareholding in Intesa Sanpaolo Private Banking S.p.A., SIREFID S.p.A. and the business unit of Intesa Sanpaolo Private Banking S.p.A. consisting of approximately 110 resources associated with the main functions of the unit. Still within the context of this reorganisation, FIDEURAM acquired the entire shareholding in Intesa Sanpaolo Private Bank (Suisse) S.A.

With more than €187 billion worth of managed assets and more than €135 billion of private assets, FIDEURAM – Intesa Sanpaolo Private Banking is the first Italian private bank, the fourth in the Euro Zone. The new reality will guide the activities of the Private Banking Division of the Intesa Sanpaolo Group, created through the joining of Banca Fideuram with Intesa Sanpaolo Private Banking in order to combine their excellence in the field of financial advice, asset management and trust services. This will enable them to further invest in the business, while at the same time enhance the specificities of the companies that are part of it, with the aim of continuing to provide services of absolute excellence to different types of customers.

FIDEURAM - Intesa Sanpaolo Private Banking SpA, besides carrying out banking activities, is authorised to carry out the following investment services:

a) investment advice;
b) underwriting of financial instruments or placing of financial instruments on a firm commitment basis;
c) placing of financial instruments or placing of financial instruments on a firm commitment basis;
d) dealing on own account;
e) execution of orders on behalf of clients;
f) receipt and transmission of orders in relation to one or more financial instruments; and
g) portfolio management.

Banca Fideuram SpA was established in 1992 following the merger of Fideuram SpA into Banca Manusardi SpA, and besides carrying out banking activities, it is authorised to carry out the following investment services:

Customer service is maintained in Italy by the 5,044 private bankers of FIDEURAM - Intesa Sanpaolo Private Banking and Sanpaolo Invest- highly specialised professionals that are able to assist with a variety of financial, social security and assurance planning requirements.

FIDEURAM - Intesa Sanpaolo Private Banking has exported its private banking services to Luxembourg and Switzerland through Fideuram Bank (Luxembourg) and is committed to its development in France.

FIDEURAM - Intesa Sanpaolo Private Banking owes its success to a large extent to its sales force and its sales strategy, which is geared towards the study of each client’s investment objectives, so as to offer a tailored package of financial and insurance products capable of meeting such objectives, following an investment strategy aimed at the diversification of risk and long-term investment.

The life insurance products marketed by FIDEURAM - Intesa Sanpaolo Private Banking are drawn up by Fideuram Vita S.p.A and Intesa Sanpaolo Life Limited.

In 2002, Banca Fideuram S.p.A. gained control of Banca Sanpaolo Invest SpA (which became in 2003 Sanpaolo Invest SIM SpA), and in doing so consolidated its leadership of the non-banking financial distribution market in Italy. FIDEURAM - Intesa Sanpaolo Private Banking SpA is controlled by Intesa Sanpaolo SpA, based in Turin, Piazza San Carlo 156.

The Manager is responsible under the Trust Deed, for the general management and administration of the Fund's affairs including the investment and re-investment of each Sub-Fund's assets having regard to the investment objective and policies of each Sub-Fund. However, the Manager has appointed the Investment Manager to manage the investment and re-investment of the assets of certain sub-funds**.** The Manager shall not be held liable for any actions, costs, charges, losses, damages or expenses arising as a result of the acts or omissions of the Investment Managers or for its own acts or omissions in bona fide following the advice or recommendations of an Investment Manager. The Manager is also responsible for preparing accounts, executing redemption of Units, making distributions and calculating the Net Asset Value per Unit.

The Directors of the Manager are:

Roberto Mei *(Italian, resident in Ireland) - Director*

Roberto Mei, an Italian citizen, has been General Manager of Fideuram Asset Management (Ireland) Limited since April 2010. Before this, Mr. Mei was General Manager, CIO and Director at Prima Asset Management Ireland Ltd. from 2005, head of Strategic Marketing of Prima Sgr, an Italian asset manager, from 2001 to 2005, Operations Director of Online SIM SpA from 2000 to 2001 and portfolio manager at Antonveneta ABN AMRO Sgr from 1999 to 2000.

Gianluca La Calce, *(Italian) - Director*

Gianluca La Calce, an Italian citizen, is currently the Head of the Investment Centre in FIDERUAM SpA, Managing Director and General Manager of Fideuram Investimenti Sgr and Managing Director of Fideuram Asset Management Ireland. From 2005 to 2013 he has been Deputy General Manager of Fideuram Investimenti SGR. From 2007 and 2013 he held the position of Executive Board member and General Manager of Fideuram Asset Management Ireland and Executive Board member of Sanpaolo Invest Ireland. His career with Fideuram began in 1992 where he held different main positions within SIGE Consulenza SpA and Fideuram Capital Sim SpA, all the way to become Head of Equity. From 1998 to 2005 he held the position of Head of Investments of Fideuram Investimenti Sgr (ex Fideuram Capital Sim).

Claudio Colombatto, *(Italian) - Director*

Claudio Colombatto, an Italian citizen, has been Head of Information Systems and Operating Services for FIDEURAM S.p.A. since 2008. Mr. Colombatto has a long experience within the Intesa Sanpaolo Group including a role as Deputy General Manager (Head of Operations) for another asset management company, Eurizon Capital SGR from 2001-2007.

Paul Dobbyn *(Irish) - Director*

Paul Dobbyn, an Irish national, was a partner in Maples and Calder until 2015 where he worked principally in the areas of financial services, corporate recovery, insolvency and corporate rescue. Prior to joining Maples and Calder he was a partner at a leading Irish corporate law firm.

Liam Manahan, *(Irish) - Director*

Liam Manahan, an Irish national, was a founding Director and Chief Executive of Bank of Ireland Securities Services (since acquired by Northern Trust) and previously held a management role within Bank of Ireland Asset Management. From 2010 until 2012 Mr. Manahan was a Risk Advisor to the Central Bank of Ireland.

Padraic O' Connor *(Irish) – Director*
Padraic O'Connor, Irish resident, is Chairman of the Irish Stock Exchange and a non-executive director of Beazley plc, Rabobank in Ireland, JP Morgan Bank Dublin plc and a number of other companies. He was Managing Director of NCB Group between 1991 and 1999 prior to which he was Chief Economist at the firm. Before joining NCB, Mr. O'Connor worked at the Department of Finance and the Central Bank of Ireland. He holds primary and postgraduate degrees in economics from University College Dublin.

Carlo Berselli, *(Italian) - Director*

Carlo Berselli, an Italian citizen, is currently Managing Director of SIREFID S.p.A. which is part of FIDEURAM - Intesa Sanpaolo Private Banking group. Prior to this, Mr. Berselli was Managing Director of Banca Monte Parma from 2011 until 2013, and later Commercial Director of Mediocredito Italiano until 2014.

Giuseppe Russo, *(Italian) – Director*

Giuseppe Russo, Italian resident, is the owner and Head of Research of STEP Ricerche Srl (a business consultancy) since 1992 and holds roles within research and investment companies in Italy. Mr. Russo is also a non-executive director and a member of the Audit Committee of FIDEURAM – Intesa Sanpaolo Private Banking.

The address of the Directors of the Manager, who are all non-executive Directors, is the registered office of the Manager. The Company Secretary of the Manager is Goodbody Company Limited.

The Trust Deed contains provisions governing the responsibilities of the Manager and providing for its indemnification in certain circumstances subject to the exclusions of fraud, negligence or wilful default and subject to the provisions of the Regulations.

Investment Managers

The Manager shall appoint an Investment Manager to manage the investment and re-investment of the assets of each Sub-Fund. Accordingly, there may be different Investment Managers for different Sub-Funds. Details of the Investment Managers appointed are contained in Appendix III to this Prospectus.

The Manager shall not be held liable for any actions, costs, charges, losses, damages or expenses arising as a result of the acts or omissions of the Investment Managers or for its own acts or omissions in bona fide following the advice or recommendations of the Investment Managers.

The Investment Manager may with the prior consent of the Manager delegate the whole or any part of its functions to any person, firm or company. Where the Investment Manager delegates any investment management function to a sub-investment manager and the fees and expenses of the sub-investment manager are wholly the responsibility of the Investment Manager, details of the sub-investment manager and their fees and expenses will not be disclosed in the Prospectus but will be made available to the Unitholders on request and will be disclosed in the Fund's annual and half yearly reports.

Administrator

The Manager has delegated responsibility for the administration (including acting as registrar and transfer agent) of the Fund to CACEIS Ireland Limited the Administrator under an administrative agreement dated 31 March 2004 and novated by way of novation agreement between the Manager and the Administrator dated 28 June 2013. The Administrator was incorporated in Ireland as a private limited company on 26 May 2000 with registered number 327980 to provide administration services to collective investment schemes and is authorised by the Central Bank. The Administrator is owned by CACEIS which is a joint venture between Credit Agricole S.A. (85%) and Natixis S.A. (15%). As at 31 December 2014, the CACEIS Group had assets in excess of €1.4 trillion under administration worldwide. The Administrator is engaged in the provision of administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes and investment funds.

The Administrator is responsible, under the Administration Agreement, for the administration of the Fund's affairs including maintaining the Fund's accounting records, calculating the Net Asset Value of each Sub-Fund, the Net Asset Value per Unit and serving as registrar and as transfer agent.

Trustee

CACEIS Bank Luxembourg- Dublin Branch has been appointed Trustee pursuant to the Trust Deed. It was established in 2001 as a branch of CACEIS Bank Luxembourg whose main business is to provide custodial services to collective investment schemes. The Custodian is currently the 7th largest custodian in the world with assets under custody in excess of €2.4 trillion as at 31 December 2014. It employs 3,300 people worldwide in 12 different locations. One of the principal activities of the Trustee is to act as trustee and custodian of collective investment schemes.

The Trust Deed contains provisions governing the responsibilities of the Trustee and providing for its indemnification in certain circumstances subject to the exclusions in the case of its unjustifiable failure to perform its obligations or its improper performance of them, including fraud, negligence or wilful default.

Correspondent Banks

The Manager may appoint Correspondent Banks in one or more countries. Each Correspondent Bank so appointed will act as correspondent bank for the Fund and each of its Sub-Funds performing its tasks of receiving payments on behalf of persons resident in the relevant country who wish to subscribe for the Units, of making payments of the redemption price of Units and of distributions to Unitholders and of keeping at the disposal of Unitholders the documents that the Manager, as manager of the Fund, is obliged to draw up in accordance with current legislation of the relevant country as well as any notices calling meetings of Unitholders and the texts of any resolutions passed or to be passed thereat.

Details of the Correspondent Banks appointed are contained in Appendix III to this Prospectus.

Distributor

The Manager acts as Global Distributor of the Sub-Funds and may appoint one or more Distributors to distribute on its behalf Units in one or more Sub-Funds. There may be more than one Distributor for a Sub-Fund.

Promoter

The Promoter of the Fund is FIDEURAM - Intesa Sanpaolo Private Banking.

Dealings by Manager, Investment Managers, Administrator, Trustee and Associates

There is no prohibition on dealings in the assets of a Sub-Fund by the Manager, the Investment Managers, the Administrator, the Trustee or entities related to the Manager, the Investment Managers, the Administrator or the Trustee or to their respective officers, directors or executives, provided that such transaction is consistent with the best interests of the Unitholders and is carried out as if effected on normal commercial terms negotiated at arm's length and:-

(i) a certified valuation by a person approved by the Trustee or the Manager in the case of transactions involving the Trustee as independent and competent; or

(ii) the execution of the transaction is on best terms on organised investment exchanges under their rules; and

(iii) where the conditions set out in (i) or (ii) above are not practical, the transaction is executed on terms which the Trustee or the Manager in the case of transactions involving the Trustee is satisfied (or in the case of a transaction involving the Trustee, the directors of the Manager are satisfied) conform with the principle set out in the first paragraph above.

Conflicts of Interest

The Manager, the Investment Managers, the Administrator, the Trustee, and their respective affiliates, officers and shareholders (collectively the "Parties") are or may be involved in other financial, investment and professional activities which may on occasion cause conflict of interest with the management of a Sub-Fund. These include management of other funds, purchases and sales of securities, investment and management counselling, brokerage services, trustee and custodial services and serving as directors, officers, advisers or agents of other funds or other companies, including companies in which a Sub-Fund may invest. In particular, it is envisaged that the Investment Managers may be involved in managing or advising on the investments of other investment funds which may have similar or overlapping investment objectives to or with a Sub-Fund. Additionally, it is envisaged that the Investment Managers may be involved in providing valuations for unlisted securities and the Investment Managers fee will increase as the value of the assets of relevant sub-fund increases. Each of the Parties will respectively ensure that the performance of their respective duties will not be impaired by any such involvement that they might have. In the event that a conflict of interest does arise, the Directors of the Manager shall endeavour to ensure that it is resolved fairly.

Soft Commissions

The Manager may enter into transactions through the agency of another person with whom the Manager has an arrangement under which that party will from time to time provide or procure for the Manager as the case may be goods, services or other benefits such as research and advisory services, computer hardware associated with specialised software or research services and performance measures etc. Under such arrangements, no direct payment is made for such services or benefits, but instead the Manager undertakes to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments. In such case, the Manager shall ensure that such benefits provided under the arrangements shall assist in the provision of investment services to the relevant Fund and the broker/counterparty to the arrangement has agreed to provide best execution to the relevant Fund. Details of any such soft commission arrangements will be disclosed in the periodic reports of the relevant Fund.

ADMINISTRATION OF THE FUND

Description of Units

Units of each Sub-Fund are all freely transferable and are all entitled to participate equally in the profits and distributions (if any) of that Sub-Fund and in its assets in the event of termination. The Units, which are of no par value and which must be fully paid for upon issue, carry no preferential or pre-emptive rights. Fractions of Units may be issued up to three decimal places.

Application for Units

Application Procedure

Unless otherwise stated in relation to any Sub-Fund, in a relevant Supplement, the following procedure shall be followed with respect to applications for Units.

Applications for Units should be made in writing (by letter or by facsimile to be followed by hard copy) to the Administrator directly or through the Correspondent Bank for onward transmission to the Administrator by completing an application form in such form or manner as may be prescribed by the Manager from time to time.

All applications must be received by the Administrator directly or through the Correspondent Bank at their respective business addresses by 14.00 (Central European Time) on the Business Day prior to the Dealing Day. Any application received after the time aforesaid shall be deemed to be made in respect of the Dealing Day next following such relevant Dealing Day.

All Units shall be issued in registered form. On receipt of full particulars and following the processing by the Administrator of the application, a contract note including the investors account number, will be sent to the investor. The contract note will also give confirmation of the number and price of Units purchased, the number of Units held by the Unitholder, confirmation of the purchase, date of purchase and confirmation of ownership.

The Administrator or the Correspondent Bank may reject at their discretion any application for Units in whole or in part in which event the application monies or any balance thereof will be returned to the applicant by transfer to the applicants designated account or by post, each at the applicant's sole risk.

Specifically relating to Italian investors, Units may be held in the name of the Correspondent Bank as nominee of the investors on its standard terms and conditions. In particular, the Correspondent Bank will not exercise the voting rights attaching to the Units held in its name except in accordance with the express instructions of the underlying beneficial holders.

Settlement of Subscriptions

Subscriptions for Units made directly to the Administrator must be by wire transfer only.

Subscriptions for Units made through the Correspondent Bank must be:

(a) by a single payment – for initial and/or subsequent subscriptions (with a cheque or bank transfer);

Subscriptions for Units must be sent to the appropriate bank account for each Sub-Fund as specified in the application form. Cleared funds must be received by 14:00 (Central European Time) on the Business Day prior to the Dealing Day.

It is not possible to make one single payment to Sub-Funds which have different Net Asset Value calculation frequencies. In this situation two (or more if applicable) separate subscription payments will be required

Anti-Money Laundering Procedures

Measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 which are aimed towards the prevention of money laundering, require detailed verification of each applicant's identity, address and source of Trusts. For example an individual will be required to produce a copy of his/her passport or identification card that bears evidence of the individuals' identity, date of birth and signature duly certified by a notary public or other person specified in the Subscription Form together with two different original/certified documents bearing evidence of the individual's address such as a utility bill or bank statement which are not older than six months old. The documentation required in respect of corporate applicants will be dependent on the country of incorporation or creation. Certified constituting, constitutional and verification documentation in respect of the beneficial owners may be required in certain cases.

Depending on the circumstances of each application, a detailed verification may not be required where (a) the investor is a regulated credit or financial institution, or (b) the application is made through a regulated financial intermediary. These exceptions will only apply if the financial institution or intermediary referred to above is located in a country which has equivalent anti-money laundering legislation to that in place in Ireland. Applicants may contact the Administrator in order to determine whether they meet the above exceptions.

The Administrator reserves the right to request such information and documentation as is necessary to verify the identity and source of Trusts of an applicant. In the event of delay or failure by the applicant to produce any information and documentation required for verification purposes, the Administrator may refuse to process the application and return all subscription monies or compulsorily redeem such Unitholder's Units and/or payment of redemption proceeds may be delayed and none of the Company, the relevant Trust, the Directors, the Custodian, the Investment Manager, the Trading Manager or the Administrator shall be liable to the subscriber or Unitholder where an application for Units is not processed or Units are compulsorily redeemed in such circumstances. If an application is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay redemption proceeds where the requisite information and documentation for verification purposes has not been produced by a Unitholder.

Each subscriber and Unitholder will be required to make such representations as may be required by the Company in connection with applicable anti-money laundering programmes, including representations that such subscriber or Unitholder is not a prohibited country, territory, individual or entity listed on the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes. Such subscriber or Unitholder shall also represent that amounts contributed by it to the Company were not directly or indirectly derived from activities that may contravene U.S. Federal, State or international laws and regulations, including any applicable anti-money laundering laws and regulations. Each applicant will also be required to represent that it is not listed or directly or indirectly affiliated with any person, group or entity listed on the European Union consolidated list of persons, groups and entities that are subject to Common Foreign and Security Policy ("CFSP") related financial sanctions, which can be found on the European Commission's website, and that it is not subject to any CFSP sanctions programmes. Each applicant will be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States Federal or State, or international, or European Union laws and regulations including, in each case, anti-money laundering laws and regulations.

The Administrator may disclose information regarding investors to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) as it deems necessary or advisable to facilitate the transfer of the Units, including but not limited to being in connection with anti-money laundering and similar laws. The Administrator or other service providers may also release information if directed to do so by the investors in the Units, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation. In connection with the establishment of anti-money laundering procedures, the Directors may implement additional restrictions on the transfer of Units.

The Directors and the Administrator may impose additional requirements from time to time to comply with all applicable anti-money laundering laws and regulations, including the USA Patriot Act.

Subsequent Issues

Unitholders who apply for additional Units will be subject to a minimum subsequent investment of Euro 500 across the Fund as a whole.

Data Protection

Prospective investors should note that by completing the application form and providing any other personal information in connection with an application for or the holding of Units in the Fund they are providing to the Administrator personal information, which may constitute personal data within the meaning of the data protection legislation of Ireland. This data will be used for the purposes of administration, transfer agency, statistical analysis, research and disclosure to the Manager, its delegates and agents. By signing the application form, investors acknowledge that they are providing their consent to the Manager, its delegates and its or their duly authorised agents and any of their respective related, associated or affiliated companies obtaining, holding, using, disclosing and processing the data for any one or more of the following purposes:

- to manage and administer the investor's holding in the relevant Fund and any related accounts on an on-going basis;

- for any other specific purposes where the investor has given specific consent or for such specific purpose as set out in the application form;

- to carry out statistical analysis and market research;

- to comply with legal and regulatory obligations in any jurisdiction applicable to the investor and the Fund;

- for disclosure or transfer whether in Ireland or countries outside Ireland including without limitation the United States of America, which may not have the same data protection laws as Ireland, to third parties including financial advisers, regulatory bodies, tax authorities, auditors, technology providers or to the Manager, the Trustee and their delegates or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above; and

- for other legitimate business interests of the Fund.

Pursuant to data protection legislation in Ireland, Unitholders have a right of access to their personal data kept by the Administrator and the right to amend and rectify any inaccuracies in their personal data held by the Administrator by making a request to the Administrator in writing.

The Administrator will hold any personal information provided by investors in accordance with data protection legislation of Ireland.

By signing the application form, investors consent to the recording of telephone calls made to and received from investors and Unitholders by the Administrator, its delegates, its duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes.

Issue Price of Units

Initial Issues

During the initial offer period of a Sub-Fund the Manager and the Trustee shall, before the issue of any Units in the Sub-Fund, determine the initial issue price thereof. The time at which, the terms upon which and the initial issue price per Unit of the initial issue of Units of a Sub-Fund shall be specified in the relevant Supplement to this Prospectus.

Subsequent Issues

Thereafter, Units shall be issued at a price equal to the Net Asset Value per Unit on the relevant Dealing Day for which the Units are to be issued.

Application Commission

An application commission of no more than a fixed percentage of the amount paid (see chart below) shall be deducted from the total amount of each subscription – both for initial and subsequent issues. This commission shall be deducted directly by the Distributor appointed by the Manager, for the exclusive use and benefit of the Distributor, and such commission shall not be a part of the Sub-Fund in question

Subscription Amount in Euro	**Application Commission**
Up to 25,000	3%
From 25,0001 to 50,000	2.5%
From 50,001 to 75,000	2.25%
From 75,001 to 100,000	1.75%
From 100,001 to 250,000	1.50%
From 250,001 to 500,000	1.00%
More than 500,001	0.75%

In the case of second and subsequent subscriptions, the application commission shall be calculated on the total gross amount subscribed by the relevant applicant (i.e. the current plus all previous gross subscription amounts) less the gross amount redeemed by the applicant in respect of Units in the Fund.

As regards the application commissions indicated on the above table, beneficial terms are at the discretion of the Manager offered in the case of subscriptions made by employees, financial promoters or professional who work with the Distributor on an ongoing basis. In addition, at the discretion of the Manager, selected clients can be exempted from the commissions referred to above.

Redemption of Units

Units may be redeemed, at the option of the Unitholders, on any Dealing Day at a price per Unit equal to the Net Asset Value per Unit on the relevant Dealing Day for which the Units are to be redeemed.

Redemption requests should be made in writing (by letter or by facsimile to be followed by hard copy) to the Administrator directly or through the Correspondent Bank for onward transmission to the Administrator by completing a redemption form in such form or manner as may be prescribed by the Manager from time to time.

All redemption requests must be received by the Administrator directly or through the **Correspondent Bank** at their respective business addresses by 14.00 (Central European Time) on the Business Day prior to the Dealing Day. Any request received after the time aforesaid shall be deemed to be made in respect of the Dealing Day next following such relevant Dealing Day.

The redemption price will be payable to the Unitholder within ten Business Days after the Dealing Day (subject to receipt of the original redemption request and certificates (if any) in respect of the Units). Unless otherwise requested by the payee, the redemption price payable to the Unitholder will be paid in the base currency of the relevant Sub-Fund by bank transfer at the expense of the Unitholder. Every such bank transfer shall be made payable to the order of such Unitholder, or in the case of joint Unitholders, made payable to the order of the joint Unitholder who has requested such redemption at the risk of such Unitholder or joint Unitholders.

Notwithstanding the foregoing provisions, the Manager may at its discretion on receipt of an original written request of a Unitholder pay the redemption price into a current account with FIDEURAM - Intesa Sanpaolo Private Banking SpA and in the name of FIDEURAM - Intesa Sanpaolo Private Banking SpA in order to discharge in whole or in part monies owing by the Unitholder in respect of products and services provided by FIDEURAM - Intesa Sanpaolo Private Banking SpA. When the account in the name of FIDEURAM - Intesa Sanpaolo Private Banking SpA is not being used, then the account of the Unitholder in the Unitholder's own name is the account into which redemption proceeds are paid.

If the number of Units of a Sub-Fund falling to be redeemed on any Dealing Day is equal to one tenth or more of the total number of Units of that Sub-Fund in issue or deemed to be in issue on such Dealing Day, then the Manager may in its discretion refuse to redeem any Units in excess of one tenth of the total number of Units of that Sub-Fund in issue or deemed to be in issue as aforesaid and, if the Manager so refuses, the requests for redemption on such Dealing Day shall be reduced rateably and the Units to which each request relates which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all the Units to which the original request related have been redeemed. Requests for redemption which have been carried forward from an earlier Dealing Day shall (subject always to the foregoing limits) be complied with in priority to later requests.

Compulsory Redemption of Units

The Administrator may at any time redeem, or request the transfer of, Units held by Unitholders who are excluded from purchasing or holding Units under the Trust Deed. Any such redemption will be made on a Dealing Day at a price equal to the Net Asset Value per Unit on the relevant Dealing Day on which the Units are to be redeemed.

Switching

Subject to the Units being in issue and being offered for sale and provided that the issue and redemption of Units has not been suspended, Unitholders may, in respect of Units held in one or more Sub-Funds (the "Original Units"), apply to switch some or all of such Original Units into Units in one or more other Sub-Funds (the "New Units"). Applications for switching should be made in writing (by letter or by facsimile to be followed by hard copy) to the Administrator directly or through the Correspondent Bank by completing a switching form in such form or manner as may be prescribed by the Manager from time to time.

All switching requests must be received by the Administrator directly or through the Correspondent Bank by 14.00 (Central European Time) on the Business Day prior to the Dealing Day or by such other time(s) as the Administrator may determine (provided it is before the calculation of the Net Asset Value of the Sub-Fund).

On the relevant Dealing Day the Original Units to be switched shall ipso facto be switched into the appropriate number of New Units. The Original Units shall on that Dealing Day have the same value (the "Switched Amount") as if they were being redeemed by the Administrator from the Unitholder. The appropriate number of New Units shall be equal to the number of Units in that Sub-Fund or Sub-Funds that would be issued on that Dealing Day if the Switched Amount were invested in Units in that Sub-Fund or Sub-Funds, provided that, for this purpose, the subscription fee shall not be chargeable.

Upon any such switch, there shall be reallocated from the Sub-Fund or Sub-Funds, or from the relevant proportion thereof referable to the relevant type of Unit, as the case may be, to which the Original Units belonged, assets or cash equal in value to the Switched Amount to the Sub-Fund or Sub-Funds, or to the relevant proportion thereof referable to the relevant type of Units, as the case may be, to which the New Units belong.

For each such switch, the Unitholder must pay to the Manager a commission of up to 0.30% of the value of the Units for which the switch is requested.

Transfer of Units

Units in each Sub-Fund will be transferable by instrument in writing signed by the transferor and the transferor shall be deemed to remain the holder of the Units until the name of the transferee is entered in the relevant register in respect thereof. The instrument of transfer must be accompanied by a certificate from the transferee that it is not, nor is it acquiring such Units on behalf of or for the benefit of, a US Person. In the case of the death of one of joint Unitholders, the survivor or survivors will be the only person or persons recognised by the Administrator as having any title to or interest in the Units registered in the names of such joint Unitholders.

A fee not exceeding Euro 25 may be charged by the Manager for the registration of each transfer and the issue of a new registered certificate if requested in the name of the transferee and a balance registered certificate, if necessary and requested in the name of the transferor and such fee must, if required by the Manager, be paid before the registration of the transfer.

Calculation of Net Asset Value

The Net Asset Value of a Sub-Fund shall be expressed in the base currency of the relevant Sub-Fund and shall be calculated on each Dealing Day by ascertaining the value of the assets of the Sub-Fund on such Dealing Day and deducting from such value the liabilities of the Sub-Fund on such Dealing Day. The Net Asset Value per Unit shall be the Net Asset Value of a Sub-Fund divided by the total number of Units in issue in the relevant Sub-Fund on such Dealing Day.

The assets of a Sub-Fund will be valued as follows:-

(a) any asset listed and regularly traded on a Recognised Exchange and for which market quotations are readily available shall be valued either at the closing price on the relevant Valuation Point or if not available, in relation to any particular Sub-Fund, at the closing mid-market price on the relevant Valuation Point, provided that the value of any investment listed on a Recognised Exchange but acquired or traded at a premium or at a discount outside or off the relevant Recognised Exchange or on an over-the-counter market, shall be valued taking into account the level of premium or discount as of the date of valuation and the Trustee must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security;

(b) if an asset is listed on several Recognised Exchanges, the closing price on the relevant Valuation Point on the stock exchange or market which in the opinion of the Manager with the approval of the Trustee, constitutes the main market for such assets will be used;

(c) the assets of a Sub-Fund which are not listed or which are listed but in respect of which prices are not available or in respect of which the closing price does not in the opinion of the Administrator represent fair market value shall be valued at their probable realisation value estimated with care and in good faith by a person appointed by the Manager who shall be approved by the Trustee for that purpose;

(d) exchange traded derivative instruments (including but not limited to, swaps, options and futures) dealt in on a market shall be valued at the settlement price on the relevant Valuation Point for such instruments on such market. If the settlement price is not available, their probable realisation value shall be as determined with care and in good faith by a competent person appointed by the Manager and approved for that purpose by the Trustee. Over-the-Counter derivative instruments shall be valued on at least a daily basis at the settlement price on the relevant Valuation Point provided by a counterparty and such valuation shall be verified on at least a weekly basis by a party independent of the counterparty who shall be approved for such purpose by the Trustee. Forward foreign exchange contracts shall be valued with reference to freely available market quotations on the relevant Valuation Point, based upon the price at which a new forward contract of the same size and maturity could be undertaken, or, if unavailable, at the settlement price provided by the counterparty on the relevant Valuation Point;

(e) units in other collective investment schemes not valued pursuant to paragraph (a) above shall be valued by reference to the latest available net asset value of the units of the relevant collective investment scheme on the relevant Valuation Point;

(f) assets denominated in a currency other than in the base currency of the relevant Sub-Fund shall be converted into that base currency at the rate (whether official or otherwise) which the Administrator after consulting or in accordance with a method approved by the Trustee deems appropriate in the circumstances;

(g) cash and other liquid assets shall be valued at their nominal value plus accrued interest; and

(h) notwithstanding the provisions of paragraphs (a) - (g) above, the Administrator may, at its discretion, in relation to any particular Sub-Fund, value bonds and swaps on the basis of their nominal value plus accrued interest on the relevant Valuation Point.

In the event of it being impossible or impracticable to carry out a valuation of a specific asset in accordance with the valuation rules set out in paragraphs (a) to (g) above, the Administrator is entitled to use other generally recognised valuation methods approved by the Trustee in order to reach a proper valuation of such asset.

Notwithstanding the foregoing valuation rules, in the event of substantial or recurring net subscriptions (where total subscriptions of a Sub-Fund exceeds total redemptions), the Manager may adjust the Net Asset Value per Unit to reflect the value of a Sub-Fund's assets using the lowest market dealing ask price as at the relevant Dealing Day in order to preserve the value of the Units of continuing Unitholders. In the event of substantial or recurring net redemptions (where total redemptions of any Sub-Fund exceeds total subscriptions), the Manager may adjust the Net Asset Value per Unit to reflect the value of a Sub-Fund's assets using the lowest market dealing bid price in order to preserve the value of the Units of continuing Unitholders.

Publication of Net Asset Value Per Unit

Except where the determination of the Net Asset Value of a Sub-Fund, the Net Asset Value per Unit and the issue and redemption of Units has been suspended in the circumstances described below, the Net Asset Value per Unit on each Dealing Day will be made public at the registered office of the Manager and published by the Manager on a daily basis or on a weekly basis for the Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund; and Ailis

Rendimento Misto Fund (excluding Saturdays and Sundays) in the Il Sole 24 Ore and such other newspapers as the Manager may determine.

Temporary Suspension of Calculation of Net Asset Value and of Issues and Redemptions

The Manager may, with the consent of the Trustee, temporarily suspend the calculation of the Net Asset Value of each or any Sub-Fund, the Net Asset Value per Unit of each such Sub-Fund and the issue and redemption of Units of such Sub-Fund to and from Unitholders when:-

(a) a market which is the basis for the valuation of a major part of the assets of the relevant Sub-Fund is closed (except for the purposes of a public/bank holiday), or when trading on such a market is limited or suspended;

(b) a political, economic, military, monetary or other emergency beyond the control, liability and influence of the Manager makes the disposal of the assets of the relevant Sub-Fund impossible or impracticable under normal conditions or such disposal would be detrimental to the interests of the Unitholders;

(c) the disruption of any relevant communications network or any other reason makes it impossible or impracticable to determine the value of a major portion of the assets of the relevant Sub-Fund;

(d) the relevant Sub-Fund is unable to repatriate funds for the purpose of making payments on the redemption of Units from Unitholders or any transfer of funds involved in the realisation or acquisition of investments or when payments due on redemption of Units from Unitholders cannot in the opinion of the Manager be effected at normal rates of exchange;

(e) any period when proceeds of any sale or repurchase of Units cannot be transmitted to or from the account of the Sub-Fund; or

(f) any other reason makes it impossible or impracticable to determine the value of a substantial portion of the assets of the Sub-Fund.

Any such suspension will be notified without delay to the Central Bank and shall be notified to Unitholders if in the opinion of the Manager it is likely to exceed fourteen (14) days and will be notified to investors or Unitholders requesting issue or redemption of Units by the Manager at the time of application for such issue or filing of the written request for such redemption.

MANAGEMENT COMMISSIONS, ADMINISTRATIVE CHARGES AND OTHER FUND CHARGES

The Manager

The fees of the Manager may differ from Sub-Fund to Sub-Fund and shall be calculated on the Net Asset Value of the relevant Sub-Fund only.

The Manager shall be entitled to receive out of the assets of a Sub-Fund an annual fee at the rate (plus VAT, if any) set out in the relevant Supplement to this Prospectus together with such performance fee (plus VAT, if any) as is set out in the relevant Supplement to this Prospectus.

The Manager shall also be entitled to be repaid all of its Administration Expenses out of the assets of the Fund.

The Administrator

The Administrator shall be entitled to receive out of the assets of each Sub-Fund, an annual fee accrued daily or on a weekly basis for the Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund and Ailis Rendimento Misto Fund and payable monthly in arrears based on the Net Asset Value of the relevant Sub-Fund at the following rates, subject to an annual minimum fee per Sub-Fund of Euro 20,000 (plus VAT, if any):

Euro 0 – 200 million	4 basis points
Euro 200 – 400 million	3 basis points
In excess of Euro 400 million	2 basis points

The Administrator shall also be entitled to receive out of the assets of each Sub-Fund a transaction fee ranging from €1.50 to €15.00 depending on the transaction which may include but is not limited to processing subscriptions, redemptions, transfers and other Unitholder related transactions, a maintenance fee in respect of individual accounts of €5 per quarter per Unitholder together with an annual maintenance fee of €2,500 per Sub-Fund and a system connection and programming fee of €50 per month and per Sub-Fund up to a maximum yearly amount of €8,000 in respect of all of the Sub-Funds in the Fund. In the case of the issuance of certificates, the Administrator shall also be entitled to receive out of the assets of each Sub-Fund a fee of €25 for each certificate issued.

The Administrator shall be entitled to be reimbursed out of the assets of the Fund or relevant Sub-Fund, as the case may be, all current expenses (plus VAT, if any) reasonably sustained on behalf of the Fund or relevant Sub-Fund, including legal expenses and the costs of couriers, telecommunications, recordings (plus VAT, if any).

The Trustee

The Trustee shall be entitled to receive out of the assets of each Sub-Fund an annual fee accrued daily or on a weekly basis for the Ailis Coupon Plus Fund, Ailis Cedola Dinamica Fund and Ailis Rendimento Misto Fund and payable monthly in arrears based on the Net Asset Value of the relevant Sub-Fund at the following rates, subject to an annual minimum fee for the whole Fund of Euro 50,000 (plus VAT, if any):

Euro 0 – 100 million	1.7 basis points
Euro 100 – 200 million	1.6 basis points
In excess of Euro 200 million	1.5 basis points

The Trustee shall also be entitled to be reimbursed out of the assets of the Fund or relevant Sub-Fund, as the case may be, of all out-of-pocket expenses, including the fees (at normal commercial rates) due to each sub-custodian appointed by the Trustee.

Investment Managers

The fees due to the Investment Managers are wholly the responsibility of the Manager.

The Manager shall pay out of its own fees the fees (plus VAT, if any) of each Investment Manager appointed by it in respect of a Sub-Fund. An Investment Manager shall not be entitled to receive any fees nor to be repaid any out-of-pocket expenses out of the assets of a Sub-Fund.

Correspondent Banks

The Manager shall pay out of its own fees the fees of the Correspondent Banks.

The Correspondent Banks shall also be entitled to be reimbursed out of the assets of each relevant Sub-Fund for any costs or expenses incurred by them in providing documents relating to the Fund, such as notices of Unitholder meetings, to Unitholders.

Distributor

The Manager shall pay out of its own fee the fees (plus VAT, if any) of the Distributor. The Distributor shall not be entitled to receive any fees, nor to be repaid any out-of-pocket expenses out of the assets of the Sub-Fund.

General

Each Sub-Fund is responsible for the expenses incurred by it in connection with litigation. Pursuant to provisions contained in the Trust Deed, a Sub-Fund shall indemnify the Trustee in certain circumstances including costs and expenses incurred in litigation by or on behalf of the Sub-Fund excluding loss arising as a result of its unjustifiable failure to perform its obligations or its improper performance of them. The Manager is entitled to recover from a Sub-Fund the costs and expenses incurred by it in litigation by or on behalf of that Sub-Fund.

Each Sub-Fund pays out of its assets all fees, costs and expenses, including Administration Expenses and Disbursements, of or incurred by the Manager, the Administrator and the Trustee in connection with the ongoing management, administration and operation of the Sub-Fund. Such fees, costs expenses and disbursements payable by the relevant Sub-Fund include, but are not limited to:

(a) auditors and accountants fees;

(b) lawyers' fees;

(c) commissions, fees and reasonable out-of-pocket expenses payable to any placing agent, structuring agent, paying agent, correspondent bank or distributor of the Units;

(d) merchant banking, stockbroking or corporate finance fees including interest on borrowings;

(e) taxes or duties imposed by any fiscal authority;

(f) costs of preparation, translation and distribution of all prospectuses, reports, material contracts, certificates, confirmations of purchase of Units and notices to Unitholders;

(g) fees and expenses incurred in connection with the listing of Units on any Recognised Exchange and in complying with the listing rules thereof;

(h) custody and transfer expenses;

(i) expenses of Unitholders' meetings;

(j) insurance premia;

(k) any other expenses, including clerical costs of issue or redemption of Units;

(l) the cost of preparing, translating, printing and/or filing in any language the Trust Deed and all other documents relating to the Fund or to the relevant Sub-Fund including registration statements, prospectuses, listing particulars, explanatory memoranda, annual, half-yearly and extraordinary reports with all authorities (including local securities dealers associations) having jurisdiction over the Fund or any of the Sub-Funds or the offer of Units of the relevant Sub-Fund and the cost of delivering any of the foregoing to the Unitholders;

(m) advertising expenses relating to the distribution of Units of the Sub-Fund;

(n) the cost of publication of notices in local newspapers in any relevant jurisdiction;

(o) the total costs of any amalgamation or reconstruction of any Sub-Fund; and

(p) the fees and expenses relating to the termination of the Sub- Fund and/ or the Fund.

in each case plus any applicable VAT.

The costs and expenses of establishing the individual Sub-Funds and the expenses of the issue of Units therein including the costs incurred in connection with the preparation and publication of this Prospectus and the attached Supplements and all legal and printing costs which are estimated to amount to approximately Euro 140,000, will be paid equally out of the assets of each of those Sub-Funds. These costs and expenses will be amortised over the first Accounting Period of the Sub-Funds.

GENERAL INFORMATION

Meetings

The Trustee or the Manager may convene a meeting of Unitholders at any time. The Manager must convene such a meeting if requested to do so by the holders of not less than 15% in aggregate of the Units in issue (excluding Units held by the Manager).

All business transacted at a meeting of Unitholders duly convened and held shall be by way of extraordinary resolution.

Not less than fourteen (14) days' notice of every meeting must be given to Unitholders. The notice shall specify the place, day and hour of meeting and the terms of the resolution to be proposed. A copy of the notice shall be sent by post to the Trustee unless the meeting shall be convened by the Trustee. A copy of the notice shall be sent by post to the Manager unless the meeting shall be convened by the Manager. The accidental omission to give notice to or the non-receipt of notice by any of the Unitholders shall not invalidate the proceedings at any meeting.

The quorum shall be Unitholders present in person or by proxy holding or representing at least one tenth in number of the Units for the time being in issue. No business shall be transacted at any meeting unless the requisite quorum is present at the commencement of business.

At any meeting (a) on a show of hands every Unitholder who is present in person or by a proxy shall have one vote and (b) on a poll every Unitholder who is present in person or by proxy shall have one vote for every Unit of which he is the Unitholder.

With regard to the respective rights and interests of Unitholders in different Sub-Funds the foregoing provisions shall have effect subject to the following modifications:-

(a) a resolution which in the opinion of the Manager affects one Sub-Fund only shall be deemed to have been duly passed if passed at a separate meeting of the Unitholders of that Sub-Fund;

(b) a resolution which in the opinion of the Manager affects more than one Sub-Fund but does not give rise to a conflict of interest between the Unitholders of the respective Sub-Funds shall be deemed to have been duly passed at a single meeting of the Unitholders of those Sub-Funds;

(c) a resolution which in the opinion of the Manager affects more than one Sub-Fund and gives or may give rise to a conflict of interest between the Unitholders of the respective Sub-Funds shall be deemed to have been duly passed only if, in lieu of being passed at a single meeting of the Unitholders of those Sub-Funds, it shall be passed at separate meetings of the Unitholders of those Sub-Funds.

Reports

In respect of each Accounting Period the Manager shall cause to be audited and certified by the auditors an annual report relating to the management of the Fund and each of its Sub-Funds. Such annual report shall be in a form approved by the Central Bank and shall contain such information required under the Regulations. There shall be attached to such annual report a statement by the Trustee in relation to the Fund and each of its Sub-Funds and a statement of such additional information as the Central Bank may specify.

The said annual report shall be made available not later than four months after the end of the period to which it relates.

The Manager shall prepare an unaudited half-yearly report for the six month period ending on 30 June each year. Such half-yearly report shall be in a form approved by the Central Bank and shall contain such information required under the Regulations. Copies of the said half-yearly report shall be made available within two months of 30 June.

The Manager shall provide the Central Bank with any monthly or other reports it may require.

The Trust Deed and the periodic reports can be obtained at the respective registered offices of the Manager and the Trustee. In addition, a copy of the Trust Deed will be sent by the Administrator to Unitholders free of charge, upon written request.

Notices

Notices may be given to Unitholders and shall be deemed to have been duly given as follows:

MEANS OF DISPATCH		DEEMED RECEIVED
Delivery by Hand	:	The day of delivery
Post	:	7 business days after posting
Telex	:	Answer back received at end of telex
Fax	:	Positive transmission receipt received
Publication	:	The day of publication in the Il Sole 24 Ore or such other newspaper as the Manager may determine

Material Contracts

The following contracts, further details of which are set out in the sections headed "Management of the Fund" and "Management and Fund Charges", not being contracts entered into in the ordinary course of business, have been or will be entered into and are or may be material:

(i) The Trust Deed dated 25 September 2000 between the Manager and Allied Irish Banks plc as supplemented by the First Supplemental Trust Deed dated 21 December 2001 a Second Supplemental Trust Deed dated 20 January 2003, a Third Supplemental Trust Deed dated 31 March 2004, a Fourth Supplemental Trust Deed dated 16 December 2005, a Fifth Supplemental Trust Deed dated 24 September 2007, a Sixth Supplemental Trust Deed dated 24 April 2009,a Seventh Supplemental Trust Deed dated 29 May 2009, an Eighth Supplemental Trust Deed dated 18 September 2009, a Ninth Supplemental Trust Deed dated 26 January 2010 and a Tenth Supplemental Trust Deed dated 28 June 2013.

(ii) The Administration Agreement dated 31 March 2004 between the Manager and the Administrator as amended and novated by way of a novation and amendment agreement dated 28 June 2013 pursuant to which the Administrator will act as administrator and registrar and transfer agent to the Fund and to each of its Sub-Funds. This Agreement is for an indefinite period and may be terminated by the Manager or the Administrator on not less than ninety days written notice. This Agreement provides that the Manager shall indemnify and hold harmless the Administrator on its own behalf and on the behalf of its delegates, servants and agents against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the Investments or Units) and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Administrator, its delegates, servants or agents by reason of the performance or non-performance of its obligations and duties under the terms of this Agreement and from and against all taxes on profits or gains of the Sub-Funds which may be assessed upon or become payable by the Administrator or its delegates, servants or agents (other than due to the negligence, bad faith, fraud or wilful default of the Administrator). The terms of this Agreement regarding the remuneration of the Administrator are set out under the section "Management and Fund Charges".

(iii) The Distribution Agreement dated 1 July 2013 between the Manager and FIDEURAM - Intesa Sanpaolo Private Banking SpA (the “Distribution Agreement”) pursuant to which the Manager has appointed FIDEURAM - Intesa Sanpaolo Private Banking SpA to act as Distributor of the Fund and each of its Sub-Funds. This Agreement is for an indefinite period and may be terminated by the Manager or the Distributor on not less than ninety days’ notice.

The Manager shall also enter into one or more investment management agreements pursuant to which it shall appoint one or more Investment Managers to manage the investment and re-investment of the assets of particular Sub-Funds. Any such agreements shall be detailed in Appendix III to this Prospectus.

The Manager shall also enter into one or more correspondent bank agreements pursuant to which it shall appoint one or more Correspondent Banks to provide correspondent bank facilities for the Fund in one or more countries. Any such agreements shall be detailed in Appendix III to this Prospectus.

Any other contracts subsequently entered into, not being contracts entered into in the ordinary course of business which are or may be material, shall be detailed in the appropriate Supplement or Supplements to this Prospectus.

Termination

The Fund or any of its Sub-Funds may be terminated by the Trustee by notice in writing as hereinafter provided upon the occurrence of any of the following events, namely:

(i) if the Manager shall go into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or ceases business or becomes (in the reasonable judgment of the Trustee) subject to the de facto control of some corporation or person of whom the Trustee does not reasonably approve or if a receiver is appointed in respect of any of the assets of the Manager or if an examiner is appointed to the Manager pursuant to the Companies (Amendment) Act, 1990;

(ii) if in the reasonable opinion of the Trustee the Manager shall be incapable of performing its duties;

(iii) if any law shall be passed which renders it illegal to continue the Fund or any of its Sub-Funds; or

(iv) if within a period of three months from the date of the Trustee expressing in writing to the Manager its desire to retire the Manager shall have failed to appoint a new Trustee pursuant to the provisions of the Trust Deed.

The Fund or any of its Sub-Funds may be terminated by the Manager in its absolute discretion by notice in writing as hereinafter provided in any of the following events, namely:

(i) if one year from the date of the first issue of Units or on any Dealing Day thereafter the Net Asset Value of all of the Sub-Funds or of any Sub-Fund shall be less than one million Dollars;

(ii) if the Fund shall cease to be an authorised UCITS under the Regulations or if any of its Sub-Funds shall cease to be authorised by the Central Bank;

(iii) if any law shall be passed which renders it illegal or in the reasonable opinion of the Manager impracticable or inadvisable to continue the Fund or any of its Sub-Funds;

(iv) if within a period of three months from the date of the Manager expressing in writing to the Trustee its desire to retire, a replacement manager shall not have been appointed;

(v) if within a period of three months from the date of the relevant Investment Manager expressing in writing to the Manager its desire to retire the Manager shall have failed to appoint a new Investment Manager.

The party terminating the Fund or a Sub-Fund shall give notice thereof to the Unitholders in the manner herein provided and by such notice fix the date on which such termination is to take effect which date shall not be less than two months after the service of such notice.
The Fund or any of its Sub-Funds may at any time be terminated by extraordinary resolution of a meeting of the Unitholders duly convened and held in accordance with the provisions contained in the Schedule to the Trust Deed and such termination shall take effect from the date on which the said resolution is passed or such later date (if any) as the said resolution may provide.

Not later than two months before the termination of the Fund or of a Sub-Fund, as the case may be, the Manager shall (if practically possible) give notice to the Unitholders advising them of the impending distribution of the assets of the Fund or of the Sub-Fund, as the case may be.

Continuance or Retirement of Manager

The Manager shall so long as the Fund subsists continue to act as the Manager thereof in accordance with the terms of the Trust Deed.

The Manager for the time being shall be subject to removal and shall be so removed by (immediate in the case of (i)) (three months (in the case of (ii)) notice in writing given by the Trustee to the Manager in any of the following events:

(i) if the Manager goes into liquidation (except a voluntary liquidation for the purpose of reconstruction or amalgamation upon terms previously approved in writing by the Trustee) or if a receiver is appointed in respect of any of the assets of the Manager or if an examiner is appointed to the Manager pursuant to the Companies (Amendment) Act, 1990; or

(ii) if a Meeting of the Unitholders by extraordinary resolution determines that the Manager should retire.

The Manager shall have the power on the giving of three months' written notice to the Trustee to retire in favour of some other corporation approved by the Trustee and the Central Bank upon and subject to such corporation entering into an acceptable deed.

Retirement of Trustee

The Trustee shall not be entitled to retire voluntarily except upon the appointment of a new Trustee or the termination of the Fund, including termination of the Fund by the Trustee where the Manager shall have failed to appoint a new Trustee within a period of three months from the date of the Trustee expressing in writing its desire to retire. In the event of the Trustee desiring to retire, the Manager may by supplemental deed appoint any duly qualified corporation which is approved by the Central Bank to be the Trustee in the place of the retiring Trustee.

General

The Fund is not engaged in any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors of the Manager or to the Trustee to be pending or threatened by or against the Fund since its establishment.

Documents Available for Inspection

The following documents are available for inspection on any Business Day at the registered office of the Manager from the date of this Prospectus:

(a) annual reports, incorporating audited financial statements, and half-yearly reports, incorporating unaudited financial statements, when published.

Copies of the Trust Deed and each of the documents referred to at (b) above can be obtained by Unitholders at the registered office of the Manager and at the business addresses of the Correspondent Banks free of charge on request.

APPENDIX I
RECOGNISED EXCHANGES

The following is a list of regulated stock exchanges and markets in which the assets of each Sub-Fund may be invested from time to time and is set out in accordance with Central Bank requirements. With the exception of permitted investments in unlisted investments and over-the-counter derivatives, the Investments of any Fund will be restricted to the stock exchanges and markets below. The Central Bank does not issue a list of approved stock exchanges or markets.

(i) any stock exchange which is:-

- located in any Member State of the European Union; or

- located in any Member State of the European Economic Area (EEA) (Norway, Iceland and Liechtenstein)

- located in any of the following countries:-

  Australia
  Canada
  Japan
  Hong Kong
  New Zealand
  Switzerland
  United States of America

(ii) in any of the following:-

Albania	-	Tirana Stock Exchange;
Algeria	-	Algiers Stock Exchange;
Argentina	-	Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, Rosario and La Plata Stock Exchange;
Armenia	-	Yerevan Stock Exchange;
Bahamas	-	Nassau Stock Exchange;
Bahrain	-	Bahrain Stock Exchange;
Bangladesh	-	Chittangong Stock Exchange and Dhaka Stock Exchange;
Barbados	-	Securities Exchange of Barbados;
Belarus	-	Belarusian Stock Exchange;
Bolivia	-	Mercada La Paz Stock Exchange and Santa Cruz Stock Exchange;
Botswana	-	Botswana Stock Exchange;
Brazil	-	Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe, Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
Bulgaria	-	Sofia Stock Exchange;
Channel Islands	-	Channel Islands Stock Exchange;
Chile	-	Santiago Stock Exchange and Valparaiso Stock Exchange;
China	-	Shanghai Stock Exchange, Shenzhen Stock Exchange;
Colombia	-	Bolsa de Bogota and Bolsa de Medellin;
Costa Rica	-	Bolsa Nacional de Valores;
Croatia	-	Zagreb Stock Exchange;
Cuba	-	Havana Stock Exchange;
Ecuador	-	Quito Stock Exchange and Guayaquil Stock Exchange;
Egypt	-	Cairo Stock Exchange and Alexandria Stock Exchange;

El Salvador	-	San Salvador Stock Exchange;
Ghana	-	Ghana Stock Exchange;
Guatemala	-	Bolsa de Valores Nacional SA Guatemala;
India	-	Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabab Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;
Indonesia	-	Jakarta Stock Exchange and Surabaya Stock Exchange;
Iran	-	Tehran Stock Exchange;
Israel	-	Tel Aviv Stock Exchange;
Ivory Coast	-	Abidjan Stock Exchange;
Jamaica	-	Jamaica Stock Exchange;
Jordan	-	Amman Stock Exchange;
Kazakstan	-	Kazakhstan Stock Exchange;
Kenya	-	Nairobi Stock Exchange;
Korea	-	Korean Stock Exchange;
Kuwait	-	Kuwait Stock Exchange;
Kyrgystan	-	Bishkek Stock Exchange;
Lebanon	-	Beirut Stock Exchange;
Macedonia	-	Macedonian Stock Exchange;
Malaysia	-	Kuala Lumpur Stock Exchange;
Malawi	-	Malawi Stock Exchange;
Mauritius	-	Stock Exchange of Mauritius;
Mexico	-	Bolsa Mexicana de Valores;
Maldova	-	Moldova Stock Exchange;
Mongolia	-	Mongolian Stock Exchange;
Morocco	-	Casablanca Stock Exchange;
Namibia	-	Namibian Stock Exchange;
Nigeria	-	Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
Oman	-	Muscat Securities Market;
Pakistan	-	Lahore Stock Exchange and Karachi Stock Exchange;
Papua New Guinea	-	Lae Stock Exchange;
Palestine	-	Palestine Stock Exchange;
Panama	-	Panama Stock Exchange;
Peru	-	Bolsa de Valores de Lima ;
Philippines	-	Philippines Stock Exchange;
Puerto Rico	-	San Juan Stock Exchange;
Qatar	-	Doha Stock Exchange;
Romania	-	Bucharest Stock Exchange;
Russia	-	RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
Saudi Arabia	-	Riyadh Stock Exchange;
Singapore	-	The Stock Exchange of Singapore;
South Africa	-	Johannesburg Stock Exchange;
Sudan	-	Khartoum Stock Exchange;
Swaziland	-	Swaziland Stock Exchange;
Sri Lanka	-	Colombo Stock Exchange;
Taiwan	-	Taipei Stock Exchange Corporation;
Tanzania	-	Dar-es-Salaam Stock Exchange;
Thailand	-	The Stock Exchange of Thailand;
Trinidad & Tobago	-	The Trinidad & Tobago Stock Exchange;
Tunisia	-	Tunis Stock Exchange;

Turkey	-	Istanbul Stock Exchange;
Uganda	-	Uganda Securities Exchange;
Ukraine	-	Ukrainian Stock Exchange;
Uruguay	-	Montevideo Stock Exchange;
Venezuela	-	Caracas Stock Exchange and Maracaibo Stock Exchange;
Zambia	-	Lusaka Stock Exchange;
Zimbabwe	-	Zimbabwe Stock Exchange;

(iii) any of the following over the counter markets:

The market organised by the International Securities Market Association;

The (i) market conducted by banks and other institutions regulated by the Financial Services Authority (**FSA**) and subject to the Inter-Professional Conduct provisions of the FSA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FSA and the Bank of England;

The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York and the US Securities and Exchange Commission;

The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

The French market for **Titres de Creance Negotiable** (over-the-counter market in negotiable debt instruments)

any of the following electronic exchanges:

NASDAQ;

KOSDAQ;

SESDAQ;

TAISDAQ/Gretai Market;

RASDAQ;

In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States (iii) the Channel Islands Stock Exchange (iv) listed at (d) above or (v) any of the following:

The Chicago Board of Trade;

The Mercantile Exchange;

The Chicago Board Options Exchange;

EDX London;

New York Mercantile Exchange;

New York Board of Trade;

New Zealand Futures and Options Exchange;

Hong Kong Futures Exchange;

Singapore Commodity Exchange;

Tokyo International Financial Futures Exchange.

APPENDIX II
FINANCIAL DERIVATIVE INSTRUMENTS

The Fund's use of financial derivative instruments ("FDI") is subject to compliance with the requirements and limits below and to the Regulations and to the conditions and limits laid down by the Central Bank from time to time.

The Fund may carry out transactions relating to FDI either for the purpose of efficient portfolio management and accordingly (i) the reduction of risk, (ii) reduction of costs, and/ or (iii) the generation of additional capital or income to the Sub-Fund or, when it is specified in the investment policy of the relevant supplement to this Prospectus of a Sub-Fund, for investment purposes. For the avoidance of doubt, where FDI are to be used for investment purposes, these transactions shall not lead a Sub-Fund to divert from its investment objective.

The use of FDI products may both increase (by an increase of the exposure) and reduce (by a decrease of the exposure) the volatility of the Fund.

Where the Fund's operations involve the use of FDI transactions, the Fund must employ a risk-management process which enables it to monitor and measure at any time the risk of a Sub-Fund's positions and their contribution to the overall risk profile of the portfolio of assets of that Sub-Fund. It must employ a process for accurate and independent assessment of the value of OTC derivatives. Before investing in any FDIs on behalf of a Sub-Fund, the Fund must file a risk management process report with the Central Bank and in accordance with particular requirements of the Central Bank shall specify, for that purpose, the types of FDIs, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any FDIs applicable to a Sub-Fund. The Fund on behalf of a Sub-Fund will only use FDIs that are included in the risk management process cleared by the Central Bank. The Fund will ensure that a Sub-Fund's global exposure to FDIs does not exceed the total net asset value of its portfolio and that counterparty risk exposure to any OTC derivative transactions never exceeds the limits permitted under the Regulations.

Subject to any further restriction on the use of FDIs as stated in the investment objective for a particular Sub-Fund, the FDIs in which each Sub-Fund may invest are future contracts, options, swaps including credit default swaps and forward currency contracts.

The following is a description of the types of financial derivative instruments which may be used by a Sub-Fund.

Swaps
A standard swap is an agreement between two counterparties in which the cash flows from two assets are exchanged as they are received for a fixed time period, with the terms initially set so that the present value of the swap is zero. Each Sub-Fund may enter into swaps, including, but not limited to, equity swaps, stock index swaps or currency swaps, both as independent profit opportunities and to hedge existing long positions. Swaps may extend over substantial periods of time, and typically call for the making of payments on a periodic basis. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency. These agreements are used to transform the currency denomination of assets and liabilities. Certain risks attach to the instruments themselves however, including the possibility that the swaps may diminish the Fund's performance in certain market conditions and the potential for the amount of cover of the underlying assets to be higher or lower than anticipated due to unexpected redemptions, subscriptions or market fluctuations.

The Fund may only enter into equity swaps and stock index swaps, in accordance with the investment restrictions defined in the Prospectus:

- with first class counterparties which are specialists in this type of transaction,

- where the underlying assets comply with the investment objective and policies of the relevant Sub-Fund;
- which may be liquidated at any time at their valuation value;
- the valuation of which must be reliable and periodically verifiable;
- for hedging purposes or not.

Currency forwards

These are instruments designed to minimise the risk of currency fluctuation by allowing the parties to contract at a fixed currency rate, but where the contract will not complete until a set time in the future. However, the same risks as described for currency swaps above also apply to currency forwards.

For all Sub-Funds that follow a benchmark, the Fund may purchase and sell forward contracts on currencies within an efficient management of its portfolio, in order to maintain the same exposure on currencies as that of the benchmark of the relevant Sub-Fund. These forward contracts on currencies must be within the limits of the benchmark of the Sub-Fund in such a way that an exposure to a currency other than the reference currency of that Sub-Fund may not, in principle, be higher than the portion of this currency being part of the benchmark. The use of these forward contracts on currencies shall be made in the best interest of Unitholders.

In addition, for all Sub-Funds that follow a benchmark, the Fund may also purchase or sell forward contracts on currencies in order to protect the relevant Sub-Fund against the risk of exchange rate fluctuations with the view to acquire future investments. The hedging purpose of these transactions presupposes the existence of a direct relationship between them and the futures commitments to be covered while taking into account the benchmark of the Sub-Funds. Consequently, the transactions made in one currency may in principle not exceed in volume the valuation of the aggregate future commitments.

Indexed futures

Futures are a type of forward instrument which allow an investor 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. Futures have highly standardised and closely specified contract terms, are traded on an organised exchange, are guaranteed by a clearing-house and are regulated by an identifiable government agency. Index futures are futures which use a specific index as their base. The Fund uses index futures to hedge its existing portfolio and to minimise loss in the case of price fluctuations, or to gain exposure to the underlying market. 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. Futures may also be used to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets. Frequently, using futures to achieve a particular strategy instead of using the underlying or related security or index results in lower transaction costs being incurred. The key risk to the Fund is the effectiveness of the hedge established, as variation margin for an inaccurate hedge would need to be paid on a daily basis.

Call options

These are instruments which give their owner the right to purchase an underlying good at a specified time in the future for a specified price. The Fund uses such options to protect itself from future increases in stock prices and therefore to increase portfolio efficiency. The key risk is the potential loss of the premium paid up front for the option if the Fund ultimately decides not to exercise its right to call that option.

Put options

These are instruments which give their owner the right to sell an underlying good at a specified time in the future for a specified price. The Fund uses such options to protect itself from future decreases in stock prices and therefore to increase portfolio efficiency. The key risk is the potential loss of the premium paid up front for the option if the Fund ultimately decides not to exercise its right to put that option.

Credit derivatives

A Sub-Fund may enter into credit derivatives to isolate and transfer the credit risk associated with a particular reference asset. Credit default swaps provide a measure of protection against defaults of debt issuers. A Sub-Fund's use of credit default swaps does not assure their use will be effective or will have the desired result. A Sub-Fund may either be the buyer or seller in a credit default swap transaction. Credit default swaps are transactions under which the parties' obligations depend on whether a credit event has occurred in relation to the reference asset. The credit events are specified in the contract and are intended to identify the occurrence of a significant deterioration in the creditworthiness of the reference asset. On settlement, credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The buyer in a credit default swap contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If a Sub-Fund is a buyer and no credit event occurs the Sub-Fund's losses will be limited to the periodic stream of payments over the term of the contract. As a seller, the Sub-Funds will receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation.

A Sub-Fund may only carry out transactions on credit derivatives:

- with first-class counterparties which are specialists in this type of transaction;
- where the underlying assets comply with the investment objective and policies of the relevant Sub-Fund;
- which may be liquidated at any time at their valuation value;
- the valuation of which must be reliable and periodically verifiable;
- for hedging purposes or not.

If the credit derivatives are used for a purpose other than hedging, then the following requirements must be fulfilled:

- the credit derivatives must be used in the exclusive interest of Unitholders by assuming an interesting return balanced against the risks of the Sub-Fund and in accordance with the investment objectives;
- the investment restrictions set out in the Prospectus shall be applied to the issuer of a credit default swap and to the risk of the final debtor of the credit derivative (underlying), except if the credit derivative is based on an index;
- the relevant Sub-Fund must ensure an appropriate and permanent coverage of its commitments relating to the credit default swap in order to be able to satisfy redemption requests from Unitholders at any time.

The types of strategies relating to credit derivatives which a Sub-Fund may use include the following (which may, as appropriate, be combined):

- to quickly invest the newly subscribed amounts in a CIS in the credit market via the sale of credit derivatives (i.e. a non-UCITS fund which itself invests in the credit markets);

- in case of positive anticipation in the evolution of spreads, to take a credit exposure (global or targeted) by selling credit derivatives;

- in case of negative anticipation in the evolution of spreads, to protect or take positions (globally or targeted) by the purchase of credit derivatives.

FDI Investment Limits

The Manager uses the commitment approach to measure the global exposure of the following Sub-Fund:

Ailis Euro Currency Fund

For Sub-Funds using the commitment approach Investments in FDIs may be carried out provided that the global exposure does not exceed the total net asset value of the Sub-Fund.

Furthermore, a Sub-Fund may not be leveraged in excess of 100% of Net Asset Value.

The Manager uses value-at-risk (VaR) to measure global exposure of the following Sub-Funds:

Ailis Rendimento Misto
Ailis Cedola Dinamica
Ailis Coupon Plus

The Manager will use absolute value-at-risk measure. The absolute value-at-risk on the portfolio of the Sub- Funds' is calculated to ensure that it never exceeds 20% of the Net Asset Value of the Sub-Fund. Both calculations will be carried out using a one-tailed confidence interval of 99% confidence level for a 20 business days holding period. The effective observation period of risk factors will be 250 business days unless a shorter observation period is justified by a significant increase in price volatility (for instance extreme market conditions).

For Sub-Funds using the value-at-risk, the leverage is calculated as the sum of the notional of the derivatives used. The level of leverage is expected not to exceed 140**%** of the Net Asset Value but investors should note the possibility of higher levels of leverage which will not exceed 200% in any event.

The short and long positions on the same underlying asset, or an asset having an important historical correlation, may be set off.

When a transferable security or a money market instrument embeds a derivative product, the latter must be taken into account when complying with the provisions of the last paragraph.

When a Sub-Fund has recourse to FDIs based on an index, such investments are not combined with the limits set forth in the investment restrictions specified in the Prospectus.

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

The Sub-Fund may not borrow more than 10% by way of temporary borrowings.

The Fund may also engage in lending the portfolio securities of a Sub-Fund, but such lending must be in accordance with the Central Bank Regulations and be secured by collateral under the conditions and within the limits laid down by the Central Bank.

APPENDIX III – INVESTMENT MANAGERS/CORRESPONDENT BANKS

A. ***Correspondent Banks***

The Manager has appointed Correspondent Banks to provide correspondent bank facilities for the Fund in certain countries. The Correspondent Banks and the countries in which they provide such services are set out below.

Country	*Correspondent Bank*
Italy	State Street Bank GmbH – Succursale Italia

The Correspondent Bank in Italy is State Street Bank GmbH – Succursale Italia, a branch of State Street Bank GmbH (Munich) which will act as correspondent bank for the Fund and each of its Sub-Funds in Italy within the limitations established by the Bank of Italy.

The Correspondent Bank Agreement dated as of May 17, 2010 between the Manager, the Trustee and the Correspondent Bank and novated and amended by way of novation and amendment agreement dated 28 June 2013 in Italy pursuant to which the Correspondent Bank in Italy will act as correspondent bank in Italy for the Fund within the limitations established by the Bank of Italy, performing its tasks of receiving payments on behalf of persons resident in Italy who wish to subscribe for the Units, of making payments of the redemption price of Units and of distributions to Unitholders and of keeping at the disposal of Unitholders the documents that the Manager, as manager of the Fund, is obliged to draw up in accordance with current Italian legislation as well as any notices calling meetings of Unitholders and the texts of any resolutions passed or to be passed thereat.

This Appendix shall be updated upon the appointment of additional or removal of existing Investment Managers.

APPENDIX IV – SUB-FUND SUPPLEMENTS

AILIS EURO CURRENCY FUND

Supplement 1 to the Prospectus dated 22 December 2015
for AILIS Funds

This Supplement contains specific information in relation to the AILIS Euro Currency Fund (the "Sub-Fund"), a sub-fund of AILIS Funds (the "Fund") an open-ended umbrella unit trust established as a UCITS pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

The other existing Sub-Funds of the Fund, details of which are set out in the relevant Supplements of the Prospectus are:

AILIS Coupon Plus Fund;
AILIS Cedola Dinamica; and
AILIS Rendimento Misto.

This Supplement forms part of and should be read in conjunction with the general description of the Fund and its management and administration its general management and Fund charges , the taxation of the Fund and of its Unitholders and its risk factors which is contained in the Prospectus and which is available from Intesa Sanpaolo – Private Banking, Piazzale Giulio, Douhet, 31 Roma, Italy Sanpaolo Invest SIM S.p.A. at Via del Serafico, 43, 00142 Rome, Italy and CACEIS Ireland Limited at One Custom House Plaza, International Financial Services Centre, Dublin 1, Ireland.

The Directors of the Manager of the Fund, whose names appear in the Prospectus under the heading "Management of the Fund", 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 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.

1. Dealing Day:

Every Business Day shall be a Dealing Day.

2. Base Currency:

Units shall be denominated in Euro.

3. Investment Objective and Policies

The Sub-Fund will be denominated in Euro and will be focused on capital preservation through investment in short-term (maturity no greater than 18 months from the date of purchase, with the exception of floating rate securities for which no maturity limit is applied) fixed income and/or floating rate transferable securities (such as bonds and notes, including but not limited to commercial paper) denominated in Euro and issued by governments and/or supranational and corporate issuers and which are primarily listed or traded on European stock exchanges or markets listed in Appendix I. Any cash other than Euro and equities will only be held on ancillary basis.

The Sub-Fund will restrict its investments to securities of investment grade.

Where considered appropriate, the Sub-Fund may utilise techniques and instruments such as futures, options, swaps and securities lending arrangements for efficient portfolio management and/or to protect against exchange risks within the conditions and limits outlined in Appendix II of the Prospectus.

The Sub-Fund's performance will be measured against the JP Morgan EURO 6-Month Cash Index, an index measuring the total return on Euro denominated deposit rates with a constant maturity of 6 months.

4. Issue of Units:

The procedures to be followed in applying for Units are set out in the Prospectus under the heading “Administration of the Fund - Application for Units".

Units shall be issued at a price equal to the Net Asset Value per Unit on the relevant Dealing Day on which the Units are to be issued.

Cleared funds must be received by 14.00 (Central European Time) on the Business Day prior to the Dealing Day.

5. Investment Restrictions:

The Sub-Fund’s investment restrictions are as set out in the Prospectus under the heading "The Fund - Investment Restrictions" and Appendix II.

6. Distribution Policy:

The Sub-Fund’s distribution policy is as set out in the Prospectus under the heading "The Fund - Distribution Policy".

7. Fees:

In addition to the fees and expenses of the Administrator, the Trustee and the Correspondent Bank and the general management and fund charges set out in the Prospectus under the heading "Management and Fund Charges", the following fees and expenses are payable out of the Sub-Fund:

Management Fee

The Manager shall be entitled to receive out of the assets of the Sub-Fund a fixed fee of 0.45% per annum of the Net Asset Value of the Sub-Fund. The fee shall accrue daily and be payable monthly in arrears.

8. Risk Factors:

Persons interested in purchasing Units in the Sub-Fund should read the section headed “Risk Factors” in the main body of the Prospectus.

9. Profile of Typical Investor

Investments in the Sub- Fund are suitable for investors who are looking for a short term investment and have a low tolerance for volatility

Ailis Coupon Plus Fund

Supplement 2 to the Prospectus dated 22 December 2015
For AILIS Funds

This Supplement contains information in relation to the **Ailis Coupon Plus Fund** (the "**Sub-Fund**"), a Sub-Fund of AILIS Funds, an open-ended umbrella unit trust established as a UCITS pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

The other existing Sub-Funds of the Fund, details of which are set out in the relevant Supplements of the Prospectus are:

AILIS Euro Currency Fund:
AILIS Cedola Dinamica Fund; and
AILIS Rendimento Misto Fund.

This Supplement forms part of and should be read in conjunction with the general description of the Fund and its management and administration its general management and Fund charges the taxation of the Fund and of its Unitholders and its risk factors which is contained in the Prospectus for the Fund and which is available from Intesa Sanpaolo – Private Banking, Piazzale Giulio, Douhet, 31 Roma, Italy, Sanpaolo Invest SIM S.p.A. at Via del Serafico, 43, 00142 Rome, Italy and CACEIS Ireland Limited at One Custom House Plaza, International Financial Services Centre, Dublin 1, Ireland.

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

The Directors of the Manager of the Sub-Fund (whose names appear in the Prospectus under the heading "Management of the Sub-Fund") 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 that such is the case) such information is in accordance with the facts as at the date of this Supplement and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Description of Investment

It is the intention of the Manager to invest on behalf of the Sub-Fund in financial derivative instruments (FDI), which in the case of the Sub-Fund are derivative contracts. The Sub-Fund may be leveraged through the use of such FDI.

It is the intention of the Manager to provide the Sub-Fund with an exposure to the performance of the Dow Jones EuroStoxx 50 Index (the "Index"), by investing on behalf of the Sub-Fund in assets which may include debt securities and will include derivative contracts. Risks associated with the use of derivative contracts are described generally in the Prospectus and will depend on their terms and the volatility of the Index. The Manager expects that the Net Asset Value of the Sub-Fund will have a low volatility through investment in the Index via the derivative contracts

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the countries of your incorporation, citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Units.

The value of and income from the Units may go up or down and you may not get back the amount you have invested. See the section headed “Risk Factors” of the Prospectus and the section headed “Other Information – Risk Factors” of this Supplement for a discussion of certain risks that should be considered by you.

You should understand that the amounts payable in respect of the Units will depend on the performance of the Index. In addition Unitholders who apply to have their Units repurchased prior to the end of the Investment Period will not be entitled to the Index Return Amount as such term is defined in this Supplement.

An investment in the Units is only suitable for you if you (either alone or with the help of an appropriate financial or other adviser) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

DEFINITIONS

In addition to the definitions in the Prospectus, the following terms which are used in this Supplement shall have the meanings set out below:

Approved Counterparty	means a counterparty to the Asset Swap and as further described below which is acceptable under the terms of the Central Bank Regulations and the Regulations
Asset Swap	means one or more derivative contracts with an Approved Counterparty which will be entered into on behalf of the Sub-Fund
Coupon	means the annual dividend paid to Unitholders
Index	means the Dow Jones EuroStoxx 50 Index
Initial Issue Price	means the price at which Units are offered during the Initial Offer Period
Initial Offer Period	means the period during which Units are available at the Initial Offer Price
Investment Period	means the period starting on the second Dealing Day following the close of the Initial Offer Period and ending on the sixth anniversary of that date.
Index Return Amount	means the percentage of the Initial Issue Price generated by the Asset Swap at the end of the Investment Period
Participation Ratio	means the extent to which the Sub-Fund can participate in the performance of the Index which is calculated as a percentage of the performance of the Index

TERMS OF THE UNITS REPRESENTING INTERESTS IN THE SUB-FUND

Investment Objective

The investment objective of the Sub-Fund is to (i) provide Unitholders with an annual payment during the Investment Period, (ii) generate a return linked to the performance of the Dow Joes Euro Stoxx 50 Index (the **Index**) at the end of the Investment Period which is capped at the level described below and (iii) to seek to protect the original amount invested by a Unitholder in the Sub-Fund such that at the end of the Investment Period the Net Asset Value of the Units will be at least equal to the Initial Issue Price although Unitholders should note that this Net Asset Value is not guaranteed.

Following the end of the Investment Period, the Sub-Fund will invest in fixed income securities, such as investment grade fixed or floating rate, government and corporate bonds or notes, money market instruments (including UCITS money market funds) and liquid assets subject to the Investment Restrictions set out in the Prospectus.

Accordingly during the Investment Period, the Sub-Fund will be exposed to the performance of the Index and to the Liquid Securities as further described below. Following the Investment Period, the Sub-Fund will only be exposed to the performance of the Liquid Securities. Further details of the Investment Policy during and after the Investment Period are described below under the sections entitled Investment Policy and the Investment Period.

Annual Payment

During the Investment Period, the annual payment will be in the form of an annual Coupon of at least 1.80% of the Initial Issue Price per Unit which will be paid during the Investment Period. The annual Coupon will not be less than 1.80% but the actual percentage will be determined by the Manager and notified to Unitholders prior to the end of the Initial Offer Period. Once the figure has been determined by the Manager it will be fixed at that amount for the duration of the Investment Period.

The final Coupon payable at the end of the Investment Period will be the higher of the annual Coupon and the Index Return Amount (calculated in accordance with the provisions set out below).

Index Return Amount at the end of the Investment Period

At the end of the investment period, the Index Return Amount is capped at all times at 30% of the Initial Issue Price and the minimum return will be equal to the annual Coupon as determined by the Manager and notified to Unitholders prior to the end of the Initial Offer Period. The return is calculated by reference to a formula which incorporates a Participation Ratio which will be at least 40% on the performance of the Index and will be determined by the Manager and notified to Unitholders prior to the end of the Initial Offer Period. Further details of the Formula are set out in the section headed “Description of the Formula”.

Net Asset Value per Unit

At the end of the Investment Period it is also intended that the Net Asset Value of the Units will not be less than Initial Issue Price per Unit. It is intended that this protection will be provided by the pool of liquid assets (described below). Unitholders should note that this protection is not guaranteed.

Following the close of the Initial Offer Period, subscriptions in the Sub-Fund will not be accepted subject to the discretion of the Manager.

Investment Policy

In order to seek to achieve the investment objective, the Manager on behalf of the Sub-Fund will invest the net proceeds of the issue of the Units obtained during the Initial Offer Period in:

A. diversified pool of liquid assets, which will include but not be limited to investment grade debt securities including government and corporate bonds and notes (fixed and floating interest rate), commercial paper and money market instruments, such as cash, bank deposits, money market funds having a minimum credit rating from a recognised rating agency of A1-P1, or equivalent short term paper including treasury bills and bankers' acceptances (the "**Liquid Securities**"). The Liquid Securities may be denominated in Euro or other currencies and where applicable will each be listed or traded on a stock exchange or market set out in Appendix I of the Prospectus. It is intended that the Liquid Securities will protect the value of the Units such that the Net Asset Value per Unit at the end of the Investment Period will be at least equal to the Initial Issue Price. This protection is provided due to the liquid and relatively stable nature of the Liquid Securities which are held at all times by the Trustee on behalf of the Sub-Fund; and/or

B. One or more derivative contracts (the **"Asset Swap"**) with one or more Approved Counterparties independently chosen by the Manager. The Approved Counterparty may be a related party of the Investment Manager in which case the provisions set out in the Risk Factors section of the Prospectus and the Supplement headed "Conflict of Interests" shall apply. The Asset Swap is structured to provide the annual Coupon and the Index Return Amount as described above. Accordingly the terms of the Asset Swap provide that the payments received on the performance of the Liquid Securities will be exchanged for an annual payment which will pay the annual Coupon and a final payment which will provide Index Return Amount. In the event that there is a negative performance on the Index, Unitholders will receive the annual Coupon and in the sixth year will receive an Index Return Amount equal to the annual Coupon. Further details of how the annual Coupon and the Index Return Amount are calculated are set out in the section headed "Description of the Formula". The terms of such Asset Swap will reflect the requirements of Appendix II of the Prospectus. This Asset Swap may also provide protection to the Sub-Fund against the credit risk posed by the issuers of the Liquid Securities. This is achieved due to the fact that the Asset Swap will incorporate a credit default swap and in the event that an issuer of a Liquid Security defaults the terms of the credit default swap provide that the Approved Counterparty will, at the end of the Investment Period, make a payment to the Sub-Fund. Therefore, if such an event of default occurs during the Investment Period, the Asset Swap may represent a considerable portion of the Sub-Fund's assets.

C. Towards the end of the Investment Period certain of the Liquid Securities will mature and the proceeds of such maturing assets may be paid to the Approved Counterparty under the terms of the Asset Swap. Accordingly at the end of the Investment Period, the only asset which the Sub-Fund may hold at that time could be the Asset Swap.

D. Where considered appropriate and in addition to the Asset Swap described above, the Sub-Fund may use financial derivative instruments not only for the purpose of efficient portfolio management and accordingly (i) the reduction of risk, (ii) reduction of costs, and/ or (iii) the generation of additional capital or income to the Sub-Fund but also for investment purposes, within the conditions and limits outlined in Appendix II of the Prospectus. The financial derivative instruments it may use will include but are not limited to swaps, currency forwards, index futures, options and credit derivatives. Accordingly the Sub-Fund may be leveraged up to a maximum of 100% of the Net Asset Value of the Sub-Fund.

The Approved Counterparty to the Asset Swap will be required under the terms of the relevant swap agreement to provide collateral to the Sub-Fund so that the Sub-Fund's risk exposure to the relevant Approved Counterparty is reduced to the extent required by the Central Bank. Further detail on the form of Collateral is set out below.

Approved Counterparty

The Approved Counterparty to the Asset Swap is Banca IMA Spa. Banca IMI is the investment bank of the Intesa Sanpaolo Group. Arising from the merger of Banca Caboto and Banca IMI, historically two of the most important Italian financial institutions, the new Banca IMI was formed in October 2007 with the mission of helping its customers by offering first-rate products and services. It operates in the areas of Investment Banking, Capital Markets and Structured Finance on the main domestic and international markets thanks to its offices in Milan and London and its fully owned subsidiary in New York. Banca IMI is one of the leading Italian financial operators and has a strong presence in equity and debt placements, extraordinary finance and securities trading. Thanks to the numerous domestic and international relationships of the Intesa Sanpaolo group, it boasts a long-term leadership in Structured Finance: it supports the growth of domestic and international corporate clients through mid/long-term financing operations and has distinguishing expertise in financial advisory, particularly in the real estate sector, and in project & industry specialised lending. It assists client companies in the raising of venture and debt capital. It provides financial consultancy services. It structures risk management products for companies, institutional investors and local authorities .It also realises investment products for retail clients.

The Approved Counterparty has no discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments and the approval of the Approved Counterparty is not required in relation to any Sub-Fund investment portfolio transaction.

Investment Period

During the Investment Period, the assets of the Sub-Fund will consist of the Liquid Securities and/or the Asset Swap and Unitholders remaining in the Sub-Fund during the Investment Period will be entitled to receive the annual Coupon and the Index Return Amount at the end of the Investment Period. In addition it is intended that the Net Asset Value of the Units will be at least equal to the Initial Issue Price in respect the Valuation Point immediately following the end of the Investment Period.

Following the end of the Investment Period, the Asset Swap will be unwound and the assets of the Sub-Fund will only be the Liquid Securities.

The Units of Unitholders who apply to have their Units repurchased during the Investment Period will be repurchased at the prevailing Net Asset Value per Unit and will not benefit from the Index Return Amount nor will their original investment in the Sub-Fund be protected.

The protection of the Initial Issue Price per Unit will cease following the unwinding of the Asset Swap and accordingly following the end of the Investment Period.

Profile of a Typical Investor

Investment in the Sub-Fund is suitable for investors who have a long term investment horizon and a low tolerance for volatility.

Risk Management

The Manager on behalf of the Sub-Fund has filed with the Central Bank a risk management process report which enables it to accurately measure, monitor and manage the various risks associated with FDIs including the FDIs to be used in respect of the Sub-Fund. The Manager will, on request, provide supplementary information to Unitholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Documentation

Each Approved Counterparty and the Manager (or its delegate) on behalf of the Sub-Fund entering into an Asset Swap will enter into suitable documentation dated as of a date on or before the Initial Issue Date, which will govern the relevant Asset Swap including provisions relating to its termination. Following the Initial Issue Date, appropriate modifications (for example, additional confirmations) may be made to take account of repurchases and subscriptions of Units.

Collateral

Each Approved Counterparty to the Asset Swap will be required under the terms of the relevant Derivative Contract to provide collateral as described below (the **"Collateral"**) to the Sub-Fund so that the Sub-Fund's risk exposure to the relevant Approved Counterparty is in compliance with the Central Bank Regulations.

Collateral received must at all times meet with the following criteria:

(i) **Liquidity**: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74;

(ii) **Valuation**: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) **Issuer credit quality**: Collateral received should be of high quality;

(iv) **Correlation**: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;

(v) **Diversification**: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Sub-Fund's net asset value. When the Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. The Sub-Fund may be collateralised up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international bodies subject to the provisions of paragraph B(xii) of the Investment Restrictions; and

(vi) **Immediately available**: Collateral received should be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.

In the case of non-cash Collateral, the Collateral cannot be sold or pledged or re-invested. The Sub-Fund has a haircut policy adapted for each class of assets it receives as collateral. The Sub-Fund's haircut policy takes into account the credit standing and price volatility of the assets as well as the outcome of any stress test performed in accordance with UCITS Notice 12. The Sub-Fund will apply a haircut of 85% in respect of its collateral if and when required.

Cash collateral is not currently re-invested.

Coupon payment

The Coupon payment will be made via bank transfer into the Unitholder's account only (payment via cheque will only be permitted on an exceptional basis). Any amendment of the Unitholder's account details must be communicated at least 30 days prior to the Coupon Payment Date. The Coupon amount will be net of any withholding tax and paid on the Coupon Payment Date set out below.

Valuation

The assets of the Sub-Fund will be valued on each Valuation Point in order to determine the Net Asset Value per Unit of the Sub-Fund in accordance with the rules set out in the Prospectus. The Net Asset Value per Unit will differ on each Dealing Day as: (a) the value of the derivative contracts will increase or decrease over time by reference to the performance of the Index; (b) the value of the assets will increase or decrease over time by reference to a variety of factors including, amongst others, market risks, credit quality, corporate actions, macro economic factors and speculation; and (c) fees and expenses in relation to the Sub-Fund will accrue over time. **Accordingly, you should note that the Net Asset Value per Unit at any time may be less than the original value of your investment and you should be prepared to sustain a loss on your investment**

Repurchase Price/Early Redemption

The Repurchase Price of each Unit on any Dealing Day will be the Net Asset Value per Unit at the close of business on that Dealing Day (as published on the immediately succeeding Business Day). Where Units are repurchased by the Manager in respect of the Sub-Fund, a proportion of the assets may be realised by the Manager in order to satisfy the particular Repurchase Request.

Swing pricing procedure

The Net Asset Value of the Sub-Fund may be determined using “bid-ask” pricing, if the Manager determines this to be in the interests of the Sub-Fund due to market conditions and/or where a large repurchase order has been submitted.

Investment Restrictions

The general investment restrictions set out under “Investment Restrictions” in the Prospectus apply to the Sub-Fund.

Borrowings and Leverage

In accordance with the general provisions set out in the Prospectus under the heading “Restrictions on Borrowing, Lending and Dealing”, the Manager on behalf of the Sub-Fund may borrow up to 10% of the Net Asset Value of the Sub-Fund on a temporary basis.

General Information Relating to the Sub-Fund

Initial Issue Date	1 June 2009 or such earlier or later date as the Manager may determine.
Initial Offer Period	From 9am (CET) on 01/06/2009 to 2 pm (CET) on 06/07/2009 or such earlier or later date or times as the Manager may determine and notify to the Central Bank.
Investment date	15/07/2009
Investment Period	15/07/2009 – 15/07/2015
First NAV calculation	22/07/2009
Business Day	A day (other than a Saturday or a Sunday) on which (i) the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) system is open; (ii) commercial banks and foreign exchange markets are open and settle payments (including dealings in foreign exchange and foreign currency deposits) in Dublin, New York, London and Luxembourg; and (iii) each Clearing System is open for business.

Dealing Day	Every Wednesday or where such day is not a Business Day, the following Business Day
Coupon Calculation Date	21 July 2010; 20 July 2011; 18 July 2012; 17 July 2013; 16 July 2014; 15 July 2015
Coupon Payment Date	Within 30 days of the relevant Coupon Calculation Date
Coupon Calculation Basis	The coupon will be calculated by reference to the Initial Issue Price per Unit
Valuation Point	The close of business in Dublin on each Dealing Day, by reference to which the Net Asset Value per Unit is determined (weekly NAV).
NAV Publication	The Net Asset Value per Unit in respect of a Dealing Day shall be published on the following Business Day.
Dealing Deadline	2.00 pm (CET) on the second Business Day prior to the relevant Dealing Day.
Settlement Date	In the case of repurchases, up to two Business Days after the relevant Dealing Day (assuming the receipt of the relevant signed subscription and repurchase documentation as the case may be).
Base Currency	EUR.

Description of the Units

Currency of the Unit Class	Euro
Initial Issue Price	EUR 10
Minimum Initial Investment Amount	EUR 2500

Switch fee	0.3%
Switch-out/Redemption during the Initial Offer Period	No
Switch-in during the Investment Period	No
Switch-in after the Investment Period	No

Fees and Expenses

The following fees and expenses will be incurred by the Manager on behalf the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.

Fees and expenses of Manager during the initial offering period	**0%**
Fees and expenses of Manager during the Investment Period	**1.20% per annum of the Initial Issue Price multiplied by the number of Units in issue at the time of calculation.** **The management fees above will accrue weekly and be calculated on each Dealing Day and paid monthly**
Fees and expenses of Manager after the Investment Period	0.80% per annum of the Net Asset Value of the Sub-Fund.

	The management fees above will accrue weekly and be calculated on each Dealing Day and paid monthly
Fees and expenses of Administrator, Custodian and sub-custodian	Details are set out in the Prospectus

In addition to the fees and expenses set out above, the Manager on behalf of the Sub-Fund may also be required to pay additional expenses associated with the Investment Policy and in particular the Asset Swap from time to time (such as the cost of the independent calculation of the Asset Swap), further details of which will be disclosed in the annual reports of the Sub-Fund.

This section headed “Fees and Expenses” should be read in conjunction with the section headed “Fees and Expenses” in the Prospectus.

Risk Factors

Investment Period

The Index Return Amount is only available at the end of the Investment Period and accordingly any Unitholder who applies to have its Units repurchased prior to the end of the Investment Period will not receive the Index Return Amount. In addition the Initial Issue Price will only be protected for those Unitholder who remain in the Sub-Fund for the Investment Period only.

Conflict of Interest

The Manager and/or its affiliates may have various roles that may give rise to potential conflicts of interest in relation to the Units and in particular an affiliate of the Manager may act as an Approved Counterparty in respect of the Asset Swap. In such event the Conflict of Interest provisions set out in the Prospectus shall apply.

Capital at Risk

The Units are not capital protected. Accordingly Unitholders may lose part or all of the capital originally invested by them.

Counterparty Risk

The Asset Swap may be one or more over-the-counter derivative contracts and towards the end of the Investment Period may be the only asset held by the Sub-Fund. Accordingly the Sub-Fund is exposed to the credit of the relevant Approved Counterparty and its ability to satisfy the terms of the Asset Swap. The Sub-Fund may be exposed to the risk that the Approved Counterparty may default on its obligations to perform under the Asset Swap. In the event of the bankruptcy or insolvency of an Approved Counterparty, the Sub-Fund could experience delays in liquidating the positions, significant losses including declines in value during the period in which the Manager on behalf of the Sub-Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights. The fact that the Asset Swap will be over-the-counter rather than on a regulated market may increase the potential for loss by the Sub-Fund.

Impact of Fees and Expenses

The return representing the performance of the Index makes certain assumptions for the payment of fees and expenses. Where the levels of such fees and expenses have risen above the level assumed at the inception of the Sub-Fund, this may affect the amount returned to investors and, in certain situations, investors may receive less than the Initial Issue Price per Unit.

In addition the fees of the Manager during the Investment Period are based on the Initial Price per Unit rather than the Net Asset Value per Unit. Accordingly, the level of the fees payable to the Manager during the Investment Period is fixed and therefore not subject to the performance of the Sub-Fund.

Certain risks relating to the Units are also set out under the heading “Risk Factors” in the Prospectus.

DESCRIPTION OF THE FORMULA

Annual Coupon

The Sub-Fund, on each Coupon Payment Date, as defined in the table "*General Information Relating to the Sub-Fund"* above, expects to pay annual Coupons of at least 1.80% of the Initial Issue Price. The actual Index Return Amount will be payable in accordance with the following Formula.

Index Return Amount

At the end of the Investment Period the Sub-Fund seeks to provide Unitholders with:

The Index Return Amount calculated in accordance with the Formula.

$P \times \max\{c;\ \min[30\%; K^*(I_{Final} / I_{Initial} - 1)]\}$

Where:

P= Initial Issue Price
c (coupon) $\geq$ 1.80% of the Initial Issue Price
K (participation) $\geq$ 40% of the performance of the Index calculated as a percentage
I (Index) = DJ Eurostoxx 50

$I_{Initial}$ is the index value at the beginning of the Investment Period
I_{Finai} is the index value at the end of the Investment Period

The Formula provides that the Index Return Amount will be the higher of the annual Coupon and the Index Return (itself calculated as the lower of 30% of the Initial Issue Price and the performance of the Index at the end of the Investment Period calculated as a percentage and multiplied by the participation ratio). Accordingly the Index Return Amount will never be lower than that annual Coupon amount and will never be higher than 30% of the Initial Issue Price.

The Index values at the beginning and at the end of the Investment Period are defined as follows:

- the Index value at the beginning of the Investment Period will be the Index value on July the 15th 2009
- the Index value at the end of the Investment Period will be the Index value on July the 15th 2015

Examples of the application of the Formula

The following examples set out how the Formula applies to different scenarios. The examples are hypothetical and the figures set out should not be taken as a guarantee as to the performance of the Index or the Sub-Fund itself. The examples set out the amount of the annual Coupon per Unit which may be paid in addition to the Net Asset Value per Unit on a repurchase of Units at the end of the Investment Period.

The following 3 scenarios sets out the payment which a Unitholder may expect to receive where

(i) the annual Coupon has been fixed at 1.80% and

(ii) the participation (K) has been fixed at 40%

Positive Scenario with the Index performance during the Investment Period equals 100%

The Unitholder may receive for each Unit

in the first 5 years, an annual coupon equal to 1.80% plus
in the sixth year, a 30% coupon

Intermediate Scenario with the Index performance during the Investment Period equal to 25%

The Unitholder may receive for each Unit
in the first 5 years, an annual coupon equal to 1.80% plus
in the sixth year, a 10% coupon

Negative Scenario with the Index performance during the Investment Period performing equal to -5%

The Unitholder may receive for each Unit
in the first 5 years, an annual coupon equal to 1.80% plus
in the sixth year, a 1.80% annual coupon

The following is a table representation of the above scenarios using sample Index levels

Annual Coupon (c)	1.80%
Participation (K)	40%
Initial Issue Price (P)	Eur10

	Scenario A	*Scenario B*	*Scenario C*
Initial Index Level ($I_{Initial}$)	2794	2794	2794
Final Index Level (I_{Finai})	5588	3492	2654
Dow Jones Eurostoxx 50 Index Performance calculated as a percentage=	100%	25%	-5%
coupon for each unit year 1	0.18	0.18	0.18
coupon for each unit year 2	0.18	0.18	0.18
coupon for each unit year 3	0.18	0.18	0.18
coupon for each unit year 4	0.18	0.18	0.18
coupon for each unit year 5	0.18	0.18	0.18
Final coupon for each unit year 6	3.00	1.00	0.18

2. The following 3 scenarios sets out the payment which a Unitholder may expect to receive where

(i) the annual Coupon has been fixed at 2.00% and
(ii) the participation (K) has been fixed at 50%

Positive Scenario with the Index performance during the Investment Period equal to 100%

The Unitholder may receive for each Unit
in the first 5 years, an annual coupon equal to 2% plus
- in the sixth year, a 30% coupon

Intermediate Scenario with the Index performance during the Investment Period equal to 25%

The Unitholder may receive for each Unit
in the first 5 years, an annual coupon equal to 2% plus
in the six year, a 12.5% coupon

Negative Scenario with the index performance during the Investment Period performing equal to -5%
The Unitholder may receive for each Unit
in the first 5 years, an annual coupon equal to 2% plus
in the sixth year, a 2% coupon

The following is a table representation of the above scenarios using sample Index levels

Annual Coupon (c)	2.00%		
Participation (K)	50%		
Initial Issue Price (P)	Eur10		
	Scenario A	*Scenario B*	*Scenario C*
Initial Index Level ($I_{Initial}$)	2794	2794	2794
Final Index Level (I_{Finai})	5588	3492	2654
Dow Jones Eurostoxx 50 Index Performance calculated as percentage	100%	25%	-5%
coupon for each unit year 1	0.2	0.2	0.2
coupon for each unit year 2	0.2	0.2	0.2
coupon for each unit year 3	0.2	0.2	0.2
coupon for each unit year 4	0.2	0.2	0.2
coupon for each unit year 5	0.2	0.2	0.2
Final coupon for each unit year 6	3.00	1.25	0.2

DESCRIPTION OF THE INDEX

The Dow Jones Eurostoxx 50 Index is a free float market capitalization-weighted index of 50 European blue-chip stocks from those countries participating to the European Market Union (EMU). Each component's weight is capped at 10% of the value index's total free float market capitalization. The index was developed with a base value of 1000 as of December 31, 1991.

The index Bloomberg code is SX5E <Index>
The index Reuters code is /.STOXX50E

AILIS RENDIMENTO MISTO FUND

Supplement 3 to the Prospectus dated 22 December 2015 for AILIS Funds.

This Supplement contains information in relation to the Ailis Rendimento Misto **Fund** (the "**Sub-Fund**"), a Sub-Fund of Ailis Funds an open-ended umbrella unit trust established as a UCITS pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

The other existing Sub-Funds of the Fund, details of which are set out in the relevant Supplements of the Prospectus are:

AILIS Euro Currency Fund:
AILIS Cedola Dinamica Fund; and
AILIS Coupon Plus Fund.

This Supplement forms part of and should be read in conjunction with the general description of the Fund and its management and administration its general management and Fund charges the taxation of the Fund and of its Unitholders and its risk factors which is contained in the Prospectus for the Fund and which is available from Intesa Sanpaolo – Private Banking, Piazzale Giulio, Douhet, 31 Roma, Italy, Sanpaolo Invest SIM S.p.A. at Via del Serafico, 43, 00142 Rome, Italy and CACEIS Ireland Limited at One Custom House Plaza, International Financial Services Centre, Dublin 1, Ireland.

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

The Directors of the Manager of the Sub-Fund (whose names appear in the Prospectus under the heading "Management of the Sub-Fund") 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 that such is the case) such information is in accordance with the facts as at the date of this Supplement and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Description of Investment

It is the intention of the Manager to provide the Sub-Fund with an exposure to the Euribor 12 months Index (the "Index"), by investing on behalf of the Sub-Fund in assets which may include debt securities and derivative contracts. Accordingly during the Investment Period, the Sub-Fund will be exposed to the performance of the Index and the Liquid Securities as further described below and it is intended that the risk related to the performance of the Index and to the Liquid Securities will progressively decrease as the bonds held by the Sub-Fund will gradually mature and that the cash generated by the maturity of the bonds will be placed on deposit with various credit institutions and used to purchase money market instruments subject to the terms of the investment restrictions set out in the Prospectus.

Further details of the Investment Policy during and after the Investment Period are described below under the sections entitled Investment Policy and the Investment Period.

Risks associated with the use of derivative contracts are described generally in the Prospectus and will depend on their terms and the volatility of the Index. The Manager expects that the Net Asset Value of the Sub-Fund will have a medium-low volatility through investment in the Index via the derivative contracts

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the countries of your incorporation, citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Units.

The value of and income from the Units may go up or down and you may not get back the amount you have invested. See the section headed "Risk Factors" of the Prospectus and the section headed "Other Information – Risk Factors" of this Supplement for a discussion of certain risks that should be considered by you.

You should understand that the amounts payable in respect of the Units will depend on the value of the Index. In addition Unitholders who apply to have their Units repurchased prior to the end of the Investment Period will not be entitled to the Coupon as such term is defined in this Supplement.

An investment in the Units is only suitable for you if you (either alone or with the help of an appropriate financial or other adviser) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

DEFINITIONS

In addition to the definitions in the Prospectus, the following terms which are used in this Supplement shall have the meanings set out below:

Approved Counterparty	means a counterparty to the Asset Swap and as further described below which is acceptable under the terms of the Central Bank Regulations and the Regulations
Asset Swap	means one or more derivative contracts with an Approved Counterparty which will be entered into on behalf of the Sub-Fund
Semi-Annual Coupon	means the semi-annual dividend paid to Unitholders
Formula	Means the formula used to calculate the variable Coupons as more particularly described under "Description of the Formula".
Index	means the 12 months Euribor
Initial Issue Price	means the price at which Units are offered during the Initial Offering Period
Initial Offering Period	means the period during which Units are available at the Initial Issue Price
Investment Period	means the period starting on the second Dealing Day following the close of the Initial Offering Period and ending on the fifth anniversary of that date.

TERMS OF THE UNITS REPRESENTING INTERESTS IN THE SUB-FUND

Investment Objective

The investment objective of the Sub-Fund is to (i) provide Unitholders with four fixed semi-annual payments during year one and two of the Investment Period, (ii) generate an annualized variable return not lower than the 12 months Euribor (the **Index**) from year three until the end of the Investment Period paid semi-annually and (iii) to seek to protect the original amount invested by a Unitholder in the Sub-Fund such that at the end of the Investment Period the Net Asset Value of the Units will be at least equal to the Initial Issue Price although Unitholders should note that this Net Asset Value is not guaranteed.

The Index

The Euribor (Euro Interbank Offered Rate) is the benchmark rate of the large euro money market. It is sponsored by the European Banking Federation, which represents 2,800 banks in the fifteen Member States of the European Union and the EMU division of ACI, the Financial Market Association. A representative sample of prime banks will provide daily quotes - for thirteen maturities from one week to one year - at which interbank term deposits denominated in euro are being offered within the euro zone between prime banks. The average rate is calculated after elimination of the highest/lowest quotations (15% each side). Euribor is quoted for spot value (T+2) and on an actual/360 day-count convention, and are displayed from 4 January 1999 to three decimals. It will be disseminated at 11:00 a.m., Brussels time.

The index Bloomberg code is <EUR012M>

Semi-Annual Payments

During the Investment Period, the semi-annual payment will be in the form of a Semi-Annual Coupon.

The first four Semi-Annual Coupons, which will be paid during the first and second year of the Investment Period, will be fixed. The annualized fixed coupons will not be less than the return payable on a 2 year Italian bond (Buoni del Tesoro Poliennali (**BTP**)) applied to the Initial Issue Price per Unit; the actual percentage will be determined by the Manager based on prevailing market conditions and notified to the Unitholders prior to the end of the Initial Offering Period. The 2 years BTP return will be recorded on September the 14th (Bloomberg code CTITL2Y Govt).

The following Semi-Annual Coupons, which will be paid from year three to the end of the Investment Period semi-annually, will be variable. The annualized variable coupons will not be less than the 12 months Euribor rate recorded at defined dates as set out in the section entitled Semi-Annual Coupon. The Semi-Annual Coupon will also be subject to the spread that could be paid over the 12 months Euribor return and will be determined by the Manager and notified to the Unitholders prior to the end of the Initial Offering Period.

The payment of Semi-Annual Coupons is not guaranteed and in the event of the underperformance of the Index, no Coupon will be payable as further described in the section headed "Description of the Formula".

Net Asset Value per Unit

At the end of the Investment Period it is also intended that the Net Asset Value of the Units will not be less than the Initial Issue Price per Unit. It is intended that this protection will be provided by the pool of liquid assets (described below). Unitholders should note that this protection is not guaranteed.

Following the close of the Initial Offering Period, subscriptions in the Sub-Fund will not be accepted subject to the discretion of the Manager.

Investment Policy

In order to seek to achieve the investment objective, the Manager on behalf of the Sub-Fund will invest the net proceeds of the issue of the Units obtained during the Initial Offering Period in:

A. diversified pool of liquid assets, which will include but not be limited to investment grade debt securities including government and corporate bonds and notes (fixed and floating interest rate), commercial paper and money market instruments, such as cash, bank deposits, money market funds having a minimum credit rating from a recognised rating agency of A1-P1, or equivalent short term paper including treasury bills and bankers' acceptances (the "**Liquid Securities**"). The Liquid Securities may be denominated in Euro or other currencies and where applicable will each be listed or traded on a stock exchange or market set out in Appendix I of the Prospectus. It is intended that the Liquid Securities will protect the value of the Units such that the Net Asset Value per Unit at the end of the Investment Period should be at least equal to the Initial Issue Price. This protection is provided due to the liquid and relatively stable nature of the Liquid Securities which are held at all times by the Trustee on behalf of the Sub-Fund, although this protection is not guaranteed; and/or

B. One or more derivative contracts (the **"Asset Swap"**) with one or more Approved Counterparties independently chosen by the Manager. The Approved Counterparty may be a related party of the Manager in which case the provisions set out in the Risk Factors section of the Prospectus and the Supplement headed "Conflict of Interests" shall apply. The Asset Swap is structured to provide the Semi-Annual Coupons as described above. Accordingly the terms of the Asset Swap provide that the payments received on the performance of the Liquid Securities will be exchanged for payments which are based on the performance of the Index and in turn determine the level of Semi-Annual Coupons (subject to the Formula). Further details of how the semi-annual payments are calculated are set out in the section headed "Description of the Formula". The terms of such Asset Swap will reflect the requirements of Appendix II of the Prospectus.

C. Towards the end of the Investment Period certain of the Liquid Securities will mature and the proceeds of such maturing assets may be paid to the Approved Counterparty under the terms of the Asset Swap or may be invested on deposit with various credit institutions and in money market instruments. Accordingly at the end of the Investment Period, the only asset which the Sub-Fund may hold at that time could be the Asset Swap.

D. Where considered appropriate, the Sub-Fund may use financial derivative instruments not only for the purpose of efficient portfolio management which limits the use of financial derivative instruments to (i) the reduction of risk, (ii) reduction of costs, and/ or (iii) the generation of additional capital or income to the Sub-Fund, but also for investment purposes, within the conditions and limits outlined in Appendix II of the Prospectus. The financial derivative instruments it may use will include but are not limited to swaps, currency forwards, index futures, options and credit derivatives which may be used to provide the Semi-Annual Coupons and/or the protection of the Initial Issue Price. Accordingly the Sub-Fund may be leveraged up to a maximum of 100% of the Net Asset Value of the Sub-Fund.

The Approved Counterparty to the Asset Swap will be required under the terms of the relevant swap agreement to provide collateral to the Sub-Fund so that the Sub-Fund's risk exposure to the relevant Approved Counterparty is reduced to the extent required by the Central Bank. Further detail on the form of Collateral is set out below.

Approved Counterparty

The Approved Counterparty to the Asset Swap is Credit Suisse International. Credit Suisse International provides investment services to corporations, governments, pension funds and institutional clients around the world via regional and local teams based in all major developed and emerging market centres. The Credit Suisse business model combines the strengths and expertise in Private Banking & Wealth Management, including Asset Management, and Investment Banking. This combination enables the bank to serve clients globally with integrated solutions. Credit Suisse International provides a broad range of financial products and services, which include global securities sales, trading and execution, prime brokerage, capital raising and advisory services, as well as comprehensive investment research.

The Approved Counterparty has no discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments and the approval of the Approved Counterparty is not required in relation to any Sub-Fund investment portfolio transaction.

Investment Period

During the Investment Period, the assets of the Sub-Fund will consist of the Liquid Securities and may include financial derivative instruments, and Unitholders remaining in the Sub-Fund during the Investment Period will be entitled to receive the fixed semi-annual coupons during the first two years of the Investment Period and the variable semi-annual coupons for the remaining three years of the Investment Period. In addition it is intended that the Net Asset Value of the Units will be at least equal to the Initial Issue Price in respect of the Valuation Point immediately following the end of the Investment Period.

The Units of Unitholders who apply to have their Units repurchased during the Investment Period will be repurchased at the prevailing Net Asset Value per Unit and will not benefit from the coupon payment related to the relevant semi-annual period in which they redeem, nor will their original investment in the Sub-Fund be protected.

The protection of the Initial Issue Price per Unit will cease at the end of the Investment Period.

Profile of a Typical Investor

Investment in the Sub-Fund is suitable for investors who have a long term investment horizon and a low tolerance for volatility.

Risk Management

The Manager on behalf of the Sub-Fund has filed with the Central Bank a risk management process report which enables it to accurately measure, monitor and manage the various risks associated with FDIs including the FDIs to be used in respect of the Sub-Fund. The Manager will, on request, provide supplementary information to Unitholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Documentation

Each Approved Counterparty and the Manager (or its delegate) on behalf of the Sub-Fund entering into an Asset Swap will enter into suitable documentation dated as of a date on or before the Initial Issue Date, which will govern the relevant Asset Swap including provisions relating to its termination. Following the Initial Issue Date, appropriate modifications (for example, additional confirmations) may be made to take account of repurchases and subscriptions of Units.

Collateral

Each Approved Counterparty to the Asset Swap will be required under the terms of the relevant Derivative Contract to provide collateral as described below (the **“Collateral”**) to the Sub-Fund so that the Sub-Fund's risk exposure to the relevant Approved Counterparty is in compliance with the Central Bank Regulations.

Collateral received must at all times meet with the following criteria:

(i) **Liquidity**: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74;

(ii) **Valuation**: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) **Issuer credit quality**: Collateral received should be of high quality;

(iv) **Correlation**: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;

(v) **Diversification**: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Sub-Fund's net asset value. When the Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer; and

(vi) **Immediately available**: Collateral received should be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.

In the case of non-cash Collateral, the Collateral cannot be sold or pledged or re-invested.
In the case of non-cash Collateral, the Collateral cannot be sold or pledged or re-invested. The Sub-Fund has a haircut policy adapted for each class of assets it receives as collateral. The Sub-Fund's haircut policy takes into account the credit standing and price volatility of the assets as well as the outcome of any stress test performed in accordance with UCITS Notice 12. The Sub-Fund will apply a haircut of 85% in respect of its collateral if and when required.

Cash collateral is not currently re-invested.

Coupon payment

The Coupon payment will be made via bank transfer into the Unitholder’s account only (payment via cheque will only be permitted on an exceptional basis). Any amendment of the Unitholder’s account details must be communicated at least 30 days prior to the Coupon Payment Date. The Coupon amount will be net of any withholding tax and paid on the Coupon Payment Date set out below.

Valuation

The assets of the Sub-Fund will be valued on each Valuation Point in order to determine the Net Asset Value per Unit of the Sub-Fund in accordance with the rules set out in the Prospectus. The Net Asset Value per Unit will differ on each Dealing Day as: (a) the value of the derivative contracts will increase or decrease over time by reference to the performance of the Index; (b) the value of the assets will increase or decrease over time by reference to a variety of factors including, amongst others, market risks, credit quality, corporate actions, macro-economic factors and speculation; and (c) fees and expenses in relation to the Sub-

Fund will accrue over time. **Accordingly, you should note that the Net Asset Value per Unit at any time may be less than the original value of your investment and you should be prepared to sustain a loss on your investment.**

Repurchase Price/Early Redemption

The Repurchase Price of each Unit on any Dealing Day will be the Net Asset Value per Unit at the close of business on that Dealing Day (as published on the immediately succeeding Business Day). Where Units are repurchased by the Manager in respect of the Sub-Fund, a proportion of the assets may be realised by the Manager in order to satisfy the particular Repurchase Request.

Swing pricing procedure

The Net Asset Value of the Sub-Fund may be determined using "bid-ask" pricing, if the Manager determines this to be in the interests of the Sub-Fund due to market conditions and/or where a large repurchase order has been submitted.

Investment Restrictions

The general investment restrictions set out under "Investment Restrictions" in the Prospectus apply to the Sub-Fund.

Borrowings and Leverage

In accordance with the general provisions set out in the Prospectus under the heading "Restrictions on Borrowing, Lending and Dealing", the Manager on behalf of the Sub-Fund may borrow up to 10% of the Net Asset Value of the Sub-Fund on a temporary basis. In addition the Sub-Fund may be leveraged up to maximum of 100% of its Net Asset Value

General Information Relating to the Sub-Fund

Initial Issue Date	2 November 2009 or such earlier or later date as the Manager may determine.
Initial Offering Period	From 9am (CET) on 02/11/2009 to 2.00 pm (CET) on 07/12/2009 or such earlier or later date or times as the Manager may determine and notify to the Central Bank.
Investment date	16/12/2009
Investment Period	16/12/2009 – 16/12/2014
First NAV calculation	16/12/2009
Business Day	A day (other than a Saturday or a Sunday) on which (i) the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) system is open; (ii) commercial banks and foreign exchange markets are open and settle payments (including dealings in foreign exchange and foreign currency deposits) in Dublin, New York, London and Luxembourg; and (iii) each Clearing System is open for business.
Dealing Day	Every Wednesday or where such day is not a Business Day, the following Business Day
Coupon Calculation Date	16 June 2010; 22 December 2010; 22 June 2011; 21 December 2011; 20 June 2012; 19 December 2012; 19 June 2013; 18 December 2013; 18 June 2014; 17 December 2014
Coupon Payment Date	Within 30 days of the relevant Coupon Calculation Date
Coupon Calculation	The coupon will be calculated by reference to the Initial Issue Price

Basis	per Unit
Valuation Point	The close of business in Dublin on each Dealing Day, by reference to which the Net Asset Value per Unit is determined (weekly NAV).
NAV Publication	The Net Asset Value per Unit in respect of a Dealing Day shall be published on the following Business Day.
Dealing Deadline	2.00 pm (CET) on the second Business Day prior to the relevant Dealing Day.
Settlement Date	In the case of repurchases, up to two Business Days after the relevant Dealing Day (assuming the receipt of the relevant signed subscription and repurchase documentation as the case may be).
Base Currency	EUR.

Description of the Units

Currency of the Unit Class	Euro
Initial Issue Price	EUR 10
Minimum Initial Investment Amount	EUR 2500
Minimum Additional Investment Amount	EUR 500

Switch fee	0.3%
Switch-out/Redemption during the Initial Offering Period	No
Switch-in during the Investment Period	No
Switch-in after the Investment Period	No

Fees and Expenses

The following fees and expenses will be incurred by the Manager on behalf the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.

Fees and expenses of Manager during the initial offering period	**0%**
Fees and expenses of Manager during the Investment Period	**1.00% per annum of the Initial Issue Price multiplied by the number of Units in issue at the time of calculation.** **The management fees above will accrue weekly and be calculated on each Dealing Day and paid monthly**
Fees and expenses of Manager after the Investment Period	0.80% per annum of the Net Asset Value of the Sub-Fund. The management fees above will accrue weekly and be calculated on each Dealing Day and paid monthly
Fees and expenses of Administrator, Custodian and sub-custodian	Details are set out in the Prospectus

This section headed “Fees and Expenses” should be read in conjunction with the section headed “Fees and Expenses” in the Prospectus.

RISK FACTORS

Risk Factors

Investment Period

The Semi-Annual Payments for each year are only available at the end of the relevant semi-annual period of the Investment Period to which they refer and accordingly any Unitholder who applies to have its Units repurchased prior to the end of that semi-annual period will not receive the relating Semi-Annual Payment.

Protection of Initial Issue Price

The protection of the Initial Issue Price is not guaranteed. In addition, it is only those Unitholders who remain in the Sub-Fund for the full Investment Period who will be eligible for protection of the Initial Issue Price if such protection is available.

Conflict of Interest

The Manager and/or its affiliates may have various roles that may give rise to potential conflicts of interest in relation to the Units and in particular an affiliate of the Manager may act as an Approved Counterparty in respect of the Asset Swap. In such event the Conflict of Interest provisions set out in the Prospectus shall apply.

Capital at Risk

The Units are not capital protected. Accordingly Unitholders may lose part or all of the capital originally invested by them.

Counterparty Risk

The Sub-Fund is exposed to the credit of the relevant Approved Counterparty and its ability to satisfy the terms of the Asset Swap. The Sub-Fund may be exposed to the risk that the Approved Counterparty may default on its obligations to perform under the Asset Swap. In the event of the bankruptcy or insolvency of an Approved Counterparty, the Sub-Fund could experience delays in liquidating the positions, significant losses including declines in value during the period in which the Manager on behalf of the Sub-Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights. The fact that the Asset Swap will be over-the-counter rather than on a regulated market may increase the potential for loss by the Sub-Fund.

Impact of Fees and Expenses

The return representing the performance of the Index makes certain assumptions for the payment of fees and expenses. Where the levels of such fees and expenses have risen above the level assumed at the inception of the Sub-Fund, this may affect the amount returned to investors and, in certain situations, investors may receive less than the Initial Issue Price per Unit.

In addition the fees of the Manager during the Investment Period are based on the Initial Price per Unit and the number of Units in issue rather than the Net Asset Value per Unit. Accordingly, the level of the fees payable to the Manager during the Investment Period is not subject to the performance of the Sub-Fund but rather the Initial Issue Price and the number of Units in issue at the time the fee is being calculated.

Certain risks relating to the Units are also set out under the heading “Risk Factors” in the Prospectus.

DESCRIPTION OF THE FORMULA

Semi-Annual Coupon

The Sub-Fund, on each Coupon Payment Date, as defined in the table "*General Information Relating to the Sub-Fund"* above, expects to pay semi-annual coupons of the Initial Issue Price as defined below.

For year one and year two, four semi-annual fixed C coupons where:
C = P * 50% * "2 years BTP return + spread
Where
P = Initial Issue Price
2 years BTP return will be recorded on 14th September 2009. The C fixed coupons will be determined by the Manager and notified to the Unitholders prior to the end of the Initial Offering Period.

For year three, 2 semi-annual variable C coupons where:
C = P * 50% * "12 months Euribor rate" plus spread
Where
P = Initial Issue Price
"12 months Euribor rate" will be recorded on 14/12/2011

For year four, 2 semi-annual variable C coupons where:
C = P * 50% * "12 months Euribor rate" plus spread
Where
P = Initial Issue Price
"12 months Euribor rate" will be recorded on 13/12/2012

For year five, 2 semi-annual variable C coupons where:
C = P * 50% * "12 months Euribor rate" plus spread
Where
P = Initial Issue Price
"12 months Euribor rate" will be recorded on 12/12/2013

The annualized variable coupons will not be less than the 12 months Euribor rate recorded at the defined dates as defined above. The spread that could be paid over the 12 months Euribor will be determined by the Manager and notified to the Unitholders prior to the end of the Initial Offering Period.

Examples of the application of the Formula

The following examples set out how the Formula applies to different scenarios. The examples are hypothetical and the figures set out should not be taken as a guarantee as to the performance of the Index or the Sub-Fund itself. The examples set out the amount of the semi-annual Coupon per Unit which may be paid in addition to the Net Asset Value per Unit on a repurchase of Units at the end of the Investment Period.

The following 3 scenarios sets out the payment which a Unitholder may expect to receive.

Positive Scenario (A) where:
(i) the fixed coupons (years 1 and 2) are equal to (50%*2%) (higher than the 2 years BTP return recorded on 14th September 2009);
(ii) the next coupons (years 3 - 4 - 5) are equal to (50%* "12 months Euribor rate +0.50%").

C = P * 50% * 2%

C = P * 50% * 2%
C = P * 50% * 2%+0.50%
C = P * 50% * 2.5% +0.50%
C = P * 50% * 3.0% +0.50%

Intermediate Scenario (B) where:
(i) the fixed coupons (years 1 and 2) are equal to (50%*2%) (higher than the 2 years BTP return recorded on 14th September 2009);
(ii) the next coupons (years 3 - 4 - 5) are settled equal to (50%* "12 months Euribor rate +0.30%").

C = P * 50% * 2%
C = P * 50% * 2%
C = P * 50% * 1.5%+0.30%
C = P * 50% * 1.0% +0.30%
C = P * 50% * 1.5% +0.30%

Negative Scenario (C) where:
(i) the fixed coupons (years 1 and 2) are equal to (50%*1.50%) (equal to the 2 years BTP return recorded on 14th September 2009);
(ii) the next coupons (years 3 - 4 - 5) are settled equal to (50%*"12 months Euribor rate").

C = P * 50% * 2%
C = P * 50% * 2%
C = P * 50% * 0.5%+0. 0%
C = P * 50% * 0.25% +0. 0%
C = P * 50% * 0.25% +0. 0%

The following is a table representation of the above scenarios using indicative levels.

	Scenario A	*Scenario B*	*Scenario C*
Annual fixed coupon rate	2%	2%	1.50%
Spread over 12 months Euribor	0.50%	0.30%	0%
Initial Issue Price (P)	€10	€ 10	€10
12 months Euribor year 3	2.00%	1.50%	0.50%
12 months Euribor year 4	2.50%	1.00%	0.25%
12 months Euribor year 5	3.00%	1.50%	0.25%
Semi-annual coupons paid			
year 1: 1st semi-annual € coupon for each unit	0.10	0.10	0.075
year 1: 2nd semi-annual € coupon for each unit	0.10	0.10	0.075
year 2: 1st semi-annual € coupon for each unit	0.10	0.10	0.075
year 2: 2nd semi-annual € coupon for each unit	0.10	0.10	0.075
year 3: 1st semi-annual € coupon for each unit	0.125	0.09	0.025
year 3: 2nd semi-annual € coupon for each unit	0.125	0.09	0.025
year 4: 1st semi-annual € coupon for each unit	0.15	0.065	0.0125
year 4: 2nd semi-annual € coupon for each unit	0.15	0.065	0.0125
year 5: 1st semi-annual € coupon for each unit	0.175	0.09	0.0125
year 5: 2nd semi-annual € coupon for each unit	0.175	0.09	0.0125

AILIS Cedola Dinamica Fund

Supplement 4 to the Prospectus dated 22 December 2015 (together the **Prospectus**)

This Supplement contains information in relation to the Ailis Cedola Dinamica **Fund** (the "**Sub-Fund**"), a Sub-Fund of Ailis Funds an open-ended umbrella unit trust established as a UCITS pursuant to the provisions of the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

The other existing Sub-Funds of the Fund, details of which are set out in the relevant Supplements of the Prospectus are:

AILIS Euro Currency Fund:
AILIS Coupon Plus Fund; and
AILIS Rendimento Misto Fund.

This Supplement forms part of and should be read in conjunction with the general description of the Fund and its management and administration its general management and Fund charges the taxation of the Fund and of its Unitholders and its risk factors which is contained in the Prospectus for the Fund and which is available from Intesa Sanpaolo – Private Banking, Piazzale Giulio, Douhet, 31 Roma, Italy, Sanpaolo Invest SIM S.p.A. at Via del Serafico, 43, 00142 Rome, Italy and CACEIS Ireland Limited at One Custom House Plaza, International Financial Services Centre, Dublin 1, Ireland.

This Supplement forms part of, may not be distributed (other than to prior recipients of the Prospectus) unless accompanied by, and must be read in conjunction with, the Prospectus.

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

The Directors of the Manager of the Sub-Fund (whose names appear in the Prospectus under the heading "Management of the Sub-Fund") 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 that such is the case) such information is in accordance with the facts as at the date of this Supplement and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

IMPORTANT INFORMATION

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY UNITS REPRESENTING INTERESTS IN THE SUB-FUND AS DESCRIBED IN THIS SUPPLEMENT YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISER.

Description of Investment

It is the intention of the Manager to invest on behalf of the Sub-Fund in financial derivative instruments (FDI), which in the case of the Sub-Fund are derivative contracts. The Sub-Fund may be leveraged through the use of such FDI.

It is the intention of the Manager to provide the Sub-Fund with an exposure to the performance of the Dow Jones EuroStoxx 50 Index (the "Index"), by investing on behalf of the Sub-Fund in assets which may include debt securities and will include derivative contracts. Accordingly during the Investment Period, the Sub-Fund will be exposed to the performance of the Index and to the Liquid Securities as further described below and it is intended that the risk related to the Liquid Securities will progressively decrease as the bonds held by the Sub-Fund will gradually mature and that the cash generated by the maturity of the bonds will be placed on deposit with various credit institutions and used to purchase money market instruments subject to the terms and investment restrictions set out in the prospectus.

Further details of the Investment Policy during and after the Investment Period are described below under the sections entitled Investment Policy and the Investment Period.

Risks associated with the use of derivative contracts are described generally in the Prospectus and will depend on their terms and the volatility of the Index. The Manager expects that the Net Asset Value of the Sub-Fund will have a medium volatility through investment in the Index via the derivative contracts

Suitability of Investment

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the countries of your incorporation, citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Units.

The value of and income from the Units may go up or down and you may not get back the amount you have invested. See the section headed "Risk Factors" of the Prospectus and the section headed "Other Information – Risk Factors" of this Supplement for a discussion of certain risks that should be considered by you.

You should understand that the amounts payable in respect of the Units will depend on the performance of the Index. In addition Unitholders who apply to have their Units repurchased prior to the end of the Investment Period will not be entitled to the Index Return Amount for the remaining Investment Period as such term is defined in this Supplement.

An investment in the Units is only suitable for you if you (either alone or with the help of an appropriate financial or other adviser) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

DEFINITIONS

In addition to the definitions in the Prospectus, the following terms which are used in this Supplement shall have the meanings set out below:

Approved Counterparty	means a counterparty to the Asset Swap as further described below which is acceptable under the terms of the Central Bank Regulations and the Regulations
Asset Swap	means one or more derivative contracts with an Approved Counterparty which will be entered into on behalf of the Sub-Fund
Coupon	means the annual dividend paid to Unitholders
Formula	Means the formula used to calculate the variable Coupons as more particularly described under "Description of the Formula".
Index	means the Dow Jones EuroStoxx 50 Index
Initial Issue Price	means the price at which Units are offered during the Initial Offering Period
Initial Offering Period	means the period during which Units are available at the Initial Issue Price
Investment Period	means the period starting on the Dealing Day following the close of the Initial Offering Period and ending on the sixth anniversary of that date.
Index Return Amount	means the percentage of the Initial Issue Price generated by the Asset Swap at the end of each relevant year
Participation Ratio	means the extent to which the Sub-Fund can participate in the performance of the Index which is calculated as a percentage of the performance of the Index

TERMS OF THE UNITS REPRESENTING INTERESTS IN THE SUB-FUND

Investment Objective

The investment objective of the Sub-Fund is to (i) provide Unitholders with a fixed annual payment at the end of year one of the Investment Period, (ii) generate a yearly return linked to the performance of the Dow Jones Euro Stoxx 50 Index (the **Index**) from year two until the end of the Investment Period which is capped at the level described below and (iii) to seek to protect the original amount invested by a Unitholder in the Sub-Fund such that at the end of the Investment Period the Net Asset Value of the Units will be at least equal to the Initial Issue Price although Unitholders should note that this Net Asset Value is not guaranteed.

The Index

The Dow Jones Eurostoxx 50 Index is a free float market capitalization-weighted index of 50 European blue-chip stocks from those countries participating to the European Market Union (EMU). Each component's weight is capped at 10% of the value index's total free float market capitalization. The index was developed with a base value of 1000 as of December 31, 1991.

The index Bloomberg code is SX5E <Index>
The index Reuters code is /.STOXX50E

Annual Payments

During the Investment Period, the annual payment will be in the form of an annual Coupon.

- The first Coupon, which will be paid at the end of the first year of the Investment Period, will be fixed. The fixed Coupon will not be less than 2.00% of the Initial Issue Price per Unit; the actual percentage will be determined by the Manager based on prevailing market conditions and notified to the Unitholders prior to the end of the Initial Offering Period.

- The following Coupons, which will be paid at the end of each year of the Investment Period from year two to the end of the Investment Period, will be variable. The variable coupons will be calculated by reference to a Formula which incorporates a Participation Ratio which will be 40% of the performance of the Index. However, the Coupons will have a cap, which will not be lower than 6.5% of the Initial Issue Price per Unit; the actual cap level will be determined by the Manager and notified to the Unitholders prior to the end of the Initial Offering period. Further details of the Formula are set out in the section headed "Description of the Formula". With regard to the payment of the second Coupon, the performance of the Index will be calculated by reference to the period starting at the beginning of the Investment Period until the end of year two of the Investment Period (accordingly the performance of the Index over two years) whereas each subsequent Coupon will be calculated by reference to the performance of the Index over each subsequent one year period.

The payment of Coupons is not guaranteed and in the event of the underperformance of the Index, no Coupons will be payable, as further described in the section headed "Description of the Formula".

Net Asset Value per Unit

At the end of the Investment Period it is also intended that the Net Asset Value of the Units will not be less than the Initial Issue Price per Unit. It is intended that this protection will be provided by the pool of liquid assets (described below). Unitholders should note that this protection is not guaranteed.

Following the close of the Initial Offering Period, subscriptions in the Sub-Fund will not be accepted subject to the discretion of the Manager.

Investment Policy

It is the intention of the Manager to provide the Sub-Fund with an exposure to the performance of the Dow Jones EuroStoxx 50 Index (the “Index”), by investing on behalf of the Sub-Fund in assets which may include debt securities and will include derivative contracts. Accordingly during the Investment Period, the Sub-Fund will be exposed to the performance of the Index and to the Liquid Securities as further described below and it is intended that the risk related to the Liquid Securities will progressively decrease as the bonds held by the Sub-Fund will gradually mature and that the cash generated by the maturity of the bonds will be placed on deposit with various credit institutions and used to purchase money market instruments subject to the terms and investment restrictions set out in the prospectus.

In order to seek to achieve the investment objective, the Manager on behalf of the Sub-Fund will invest the net proceeds of the issue of the Units obtained during the Initial Offering Period in:

A. diversified pool of liquid assets, which will include but not be limited to investment grade debt securities including government and corporate bonds and notes (fixed and floating interest rate), commercial paper and money market instruments, such as cash, bank deposits, money market funds having a minimum credit rating from a recognised rating agency of A1-P1, or equivalent short term paper including treasury bills and bankers’ acceptances (the “**Liquid Securities**”). The Liquid Securities may be denominated in Euro or other currencies and where applicable will each be listed or traded on a stock exchange or market set out in Appendix I of the Prospectus. It is intended that the Liquid Securities will protect the value of the Units such that the Net Asset Value per Unit at the end of the Investment Period should be at least equal to the Initial Issue Price. This protection is provided due to the liquid and relatively stable nature of the Liquid Securities which are held at all times by the Trustee on behalf of the Sub-Fund although this protection is not guaranteed; and/or

B. One or more derivative contracts (the **“Asset Swap”**) with one or more Approved Counterparties independently chosen by the Manager. The Approved Counterparty may be a related party of the Manager in which case the provisions set out in the Risk Factors section of the Prospectus and the Supplement headed “Conflict of Interests” shall apply. The Asset Swap is structured to provide the Coupons as described above. Accordingly the terms of the Asset Swap provide that the payments received on the performance of the Liquid Securities will be exchanged for payments which are based on the performance of the Index and in turn determine the level of the Coupons (subject to the Formula). Further details of how the Coupons are calculated are set out in the section headed “Description of the Formula”. The terms of such Asset Swap will reflect the requirements of Appendix II of the Prospectus. It is intended that the Asset Swap shall also provide protection to the Sub-Fund against the credit risk posed by the issuers of the Liquid Securities. This is achieved through credit default swaps that shall be incorporated in the Asset Swap. If an issuer of a Liquid Security defaults, the credit default swap provides that the Approved Counterparty will, at the end of the Investment Period, make a payment to the Sub-Fund. Therefore, if such an event of default occurs during the Investment Period, the Asset Swap may represent a considerable portion of the Sub-Fund’s assets.

C. Towards the end of the Investment Period certain of the Liquid Securities will mature and the proceeds of such maturing assets may be paid to the Approved Counterparty under the terms of the Asset Swap or may be invested on deposit with various credit institutions and money market instruments. Accordingly at the end of the Investment Period, the only asset which the Sub-Fund may hold at that time could be the Asset Swap.

D. Where considered appropriate and in addition to the Asset Swap described above, the Sub-Fund may use financial derivative instruments not only for the purpose of efficient portfolio management and which limits the use of financial derivative instruments to (i) the reduction of risk, (ii) reduction of costs, and/ or (iii) the generation of additional capital or income to the Sub-Fund, but also for investment purposes, within the conditions and limits outlined in Appendix II of the Prospectus. The financial derivative instruments it may use will include but are not limited to swaps, currency forwards, index futures, options and credit derivatives and may be used to provide the Coupons and/or the protection of the Initial Issue Price. Accordingly the Sub-Fund may be leveraged up to a maximum of 100% of the Net Asset Value of the Sub-Fund.

The Approved Counterparty to the Asset Swap will be required under the terms of the relevant swap agreement to provide collateral to the Sub-Fund so that the Sub-Fund's risk exposure to the relevant Approved Counterparty is reduced to the extent required by the Central Bank. Further detail on the form of Collateral is set out below.

Approved Counterparty

The Approved Counterparty to the Asset Swap is Credit Suisse International. Credit Suisse International provides investment services to corporations, governments, pension funds and institutional clients around the world via regional and local teams based in all major developed and emerging market centres. The Credit Suisse business model combines the strengths and expertise in Private Banking & Wealth Management, including Asset Management, and Investment Banking. This combination enables the bank to serve clients globally with integrated solutions. Credit Suisse International provides a broad range of financial products and services, which include global securities sales, trading and execution, prime brokerage, capital raising and advisory services, as well as comprehensive investment research.

The Approved Counterparty has no discretion over the composition or management of the Sub-Fund's investment portfolio or over the underlying of the financial derivative instruments and the approval of the Approved Counterparty is not required in relation to any Sub-Fund investment portfolio transaction.

Investment Period

During the Investment Period, the assets of the Sub-Fund will consist of the Liquid Securities and/or the Asset Swap and Unitholders remaining in the Sub-Fund during the Investment Period will be entitled to receive the fixed annual coupon at the end of the first year and the variable annual coupons at the end of each of the remaining five years of the Investment Period. In addition it is intended that the Net Asset Value of the Units will be at least equal to the Initial Issue Price in respect of the Valuation Point immediately following the end of the Investment Period.

Following the end of the Investment Period, the Asset Swap will be unwound and the assets of the Sub-Fund will only be the Liquid Securities.

The Units of Unitholders who apply to have their Units repurchased during the Investment Period will be repurchased at the prevailing Net Asset Value per Unit and will not benefit from the annual payment related to the year they redeem, nor will their original investment in the Sub-Fund be protected.

The protection of the Initial Issue Price per Unit will cease following the unwinding of the Asset Swap and accordingly following the end of the Investment Period.

Profile of a Typical Investor

Investment in the Sub-Fund is suitable for investors who have a long term investment horizon and a low tolerance for volatility.

Risk Management

The Manager on behalf of the Sub-Fund has filed with the Central Bank a risk management process report which enables it to accurately measure, monitor and manage the various risks associated with FDIs including the FDIs to be used in respect of the Sub-Fund. The Manager will, on request, provide supplementary information to Unitholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

Documentation

Each Approved Counterparty and the Manager (or its delegate) on behalf of the Sub-Fund entering into an Asset Swap will enter into suitable documentation dated as of a date on or before the Initial Issue Date, which will govern the relevant Asset Swap including provisions relating to its termination. Following the Initial Issue Date, appropriate modifications (for example, additional confirmations) may be made to take account of repurchases and subscriptions of Units.

Collateral

Each Approved Counterparty to the Asset Swap will be required under the terms of the relevant Derivative Contract to provide collateral as described below (the **"Collateral"**) to the Sub-Fund so that the Sub-Fund's risk exposure to the relevant Approved Counterparty is in compliance with the Central Bank Regulations.

Collateral received at all times must meet the following criteria:

(i) **Liquidity**: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74;

(ii) **Valuation**: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;

(iii) **Issuer credit quality**: Collateral received should be of high quality;

(iv) **Correlation**: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;

(v) **Diversification**: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Sub-Fund's net asset value. When the Sub-Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer; and

(vi) **Immediately available**: Collateral received should be capable of being fully enforced by the Sub-Fund at any time without reference to or approval from the counterparty.

In the case of non-cash Collateral, the Collateral cannot be sold or pledged or re-invested.
In the case of non-cash Collateral, the Collateral cannot be sold or pledged or re-invested. The Sub-Fund has a haircut policy adapted for each class of assets it receives as collateral. The Sub-Fund's haircut policy takes into account the credit standing and price volatility of the assets as well as the outcome of any stress test performed in accordance with UCITS Notice 12. The Sub-Fund will apply a haircut of 85% in respect of its collateral if and when required.

Cash collateral is not currently re-invested.

Coupon payment

The Coupon payment will be made via bank transfer into the Unitholder's account only (payment via cheque will only be permitted on an exceptional basis). Any amendment of the Unitholder's account details must be communicated at least 30 days prior to the Coupon Payment Date. The Coupon amount will be net of any withholding tax and paid on the Coupon Payment Date set out below.

Valuation

The assets of the Sub-Fund will be valued on each Valuation Point in order to determine the Net Asset Value per Unit of the Sub-Fund in accordance with the rules set out in the Prospectus. The Net Asset Value per Unit will differ on each Dealing Day as: (a) the value of the derivative contracts will increase or decrease over time by reference to the performance of the Index; (b) the value of the assets will increase or decrease over time by reference to a variety of factors including, amongst others, market risks, credit quality, corporate actions, macro-economic factors and speculation; and (c) fees and expenses in relation to the Sub-Fund will accrue over time. **Accordingly, you should note that the Net Asset Value per Unit at any time may be less than the original value of your investment and you should be prepared to sustain a loss on your investment.**

Repurchase Price/Early Redemption

The Repurchase Price of each Unit on any Dealing Day will be the Net Asset Value per Unit at the close of business on that Dealing Day (as published on the immediately succeeding Business Day). Where Units are repurchased by the Manager in respect of the Sub-Fund, a proportion of the assets may be realised by the Manager in order to satisfy the particular Repurchase Request.

Swing pricing procedure

The Net Asset Value of the Sub-Fund may be determined using "bid-ask" pricing, if the Manager determines this to be in the interests of the Sub-Fund due to market conditions and/or where a large repurchase order has been submitted.

Investment Restrictions

The general investment restrictions set out under "Investment Restrictions" in the Prospectus apply to the Sub-Fund.

Borrowings and Leverage

In accordance with the general provisions set out in the Prospectus under the heading "Restrictions on Borrowing, Lending and Dealing", the Manager on behalf of the Sub-Fund may borrow up to 10% of the Net Asset Value of the Sub-Fund on a temporary basis. In addition the Sub-Fund may be leveraged up to a maximum of 100% of its Net Asset Value.

General Information Relating to the Sub-Fund

Initial Issue Date	2 November 2009 or such earlier or later date as the Manager may determine.
Initial Offering Period	From 9am (CET) on 02/11/2009 to 2.00 pm (CET) on 07/12/2009 or such earlier or later date or times as the Manager may determine and notify to the Central Bank.
Investment date	16/12/2009
Investment Period	16/12/2009 – 16/12/2015
First NAV calculation	16/12/2009

Business Day	A day (other than a Saturday or a Sunday) on which (i) the Trans-European Automated Real-time Gross Settlement Express Transfer (TARGET) system is open; (ii) commercial banks and foreign exchange markets are open and settle payments (including dealings in foreign exchange and foreign currency deposits) in Dublin, New York, London and Luxembourg; and (iii) each Clearing System is open for business.
Dealing Day	Every Wednesday or where such day is not a Business Day, the following Business Day
Coupon Calculation Date	22 December 2010; 21 December 2011; 19 December 2012; 18 December 2013; 17 December 2014; 16 December 2015
Coupon Payment Date	Within 30 days of the relevant Coupon Calculation Date
Coupon Calculation Basis	The coupon will be calculated by reference to the Initial Issue Price per Unit
Valuation Point	The close of business in Dublin on each Dealing Day, by reference to which the Net Asset Value per Unit is determined (weekly NAV).
NAV Publication	The Net Asset Value per Unit in respect of a Dealing Day shall be published on the following Business Day.
Dealing Deadline	2.00 pm (CET) on the second Business Day prior to the relevant Dealing Day.
Settlement Date	In the case of repurchases, up to two Business Days after the relevant Dealing Day (assuming the receipt of the relevant signed subscription and repurchase documentation as the case may be).
Base Currency	EUR.

Description of the Units

Currency of the Unit Class	Euro
Initial Issue Price	EUR 10
Minimum Initial Investment Amount	EUR 2500
Minimum Additional Investment Amount	EUR 500

Switch fee	0.3%
Switch-out/Redemption during the Initial Offering Period	No
Switch-in during the Investment Period	No
Switch-in after the Investment Period	No

Fees and Expenses

The following fees and expenses will be incurred by the Manager on behalf the Sub-Fund and will affect the Net Asset Value of the Sub-Fund.

Fees and expenses of Manager during the initial offering period	**0%**
Fees and expenses of Manager during the Investment Period	**1.30% per annum of the Initial Issue Price multiplied by the number of Units in issue at the time of calculation.**

	The management fees above will accrue weekly and be calculated on each Dealing Day and paid monthly
Fees and expenses of Manager after the Investment Period	0.80% per annum of the Net Asset Value of the Sub-Fund. The management fees above will accrue weekly and be calculated on each Dealing Day and paid monthly
Fees and expenses of Administrator, Custodian and sub-custodian	Details are set out in the Prospectus

In addition to the fees and expenses set out above, the Manager on behalf of the Sub-Fund may also be required to pay additional expenses associated with the Investment Policy and in particular the Asset Swap from time to time (such as the cost of the independent calculation of the Asset Swap), further details of which will be disclosed in the annual reports of the Sub-Fund.

This section headed “Fees and Expenses” should be read in conjunction with the section headed “Fees and Expenses” in the Prospectus.

Risk Factors

Investment Period

The Annual Payments for each year are only available at the end of the relevant year of the Investment Period they refer to and accordingly any Unitholder who applies to have its Units repurchased prior to the end of that year will not receive the relating Annual Payment.

Protection of Initial Issue Price

The protection of the Initial Issue Price is not guaranteed. In addition, it is only those Unitholders who remain in the Sub-Fund for the full Investment Period who will be eligible for protection of the Initial Issue Price if such protection is available.

Conflict of Interest

The Manager and/or its affiliates may have various roles that may give rise to potential conflicts of interest in relation to the Units and in particular an affiliate of the Manager may act as an Approved Counterparty in respect of the Asset Swap. In such event the Conflict of Interest provisions set out in the Prospectus shall apply.

Capital at Risk

The Units are not capital protected. Accordingly Unitholders may lose part or all of the capital originally invested by them.

Counterparty Risk

The Asset Swap may be one or more over-the-counter derivative contracts and towards the end of the Investment Period may be the only asset held by the Sub-Fund. Accordingly the Sub-Fund is exposed to the credit of the relevant Approved Counterparty and its ability to satisfy the terms of the Asset Swap. The Sub-Fund may be exposed to the risk that the Approved Counterparty may default on its obligations to perform under the Asset Swap. In the event of the bankruptcy or insolvency of an Approved Counterparty, the Sub-Fund could experience delays in liquidating the positions, significant losses including declines in value during the period in which the Manager on behalf of the Sub-Fund seeks to enforce its rights, the inability to realise any gains during such period and fees and expenses incurred in enforcing its rights. The fact that the Asset Swap will be over-the-counter rather than on a regulated market may increase the potential for loss by the Sub-Fund.

Impact of Fees and Expenses

The return representing the performance of the Index makes certain assumptions for the payment of fees and expenses. Where the levels of such fees and expenses have risen above the level assumed at the inception of the Sub-Fund, this may affect the amount returned to investors and, in certain situations, investors may receive less than the Initial Issue Price per Unit.

In addition the fees of the Manager during the Investment Period are based on the Initial Price per Unit and the number of Units in issue rather than the Net Asset Value per Unit. Accordingly, the level of the fees payable to the Manager during the Investment Period is not subject to the performance of the Sub-Fund but rather the Initial Offer Price and the number of Units in issue at the time the fee is being calculated.

Certain risks relating to the Units are also set out under the heading “Risk Factors” in the Prospectus.

DESCRIPTION OF THE FORMULA

Annual Coupon

Fixed Coupon

The Sub-Fund, on each Coupon Payment Date, as defined in the table "*General Information Relating to the Sub-Fund"* above, expects to pay a fixed annual coupon of not less than 2.00% of the Initial Issue Price at the end of the first year of the Investment Period.

Variable Coupon

The Sub-Fund intends to provide Unitholders with variable coupons for each subsequent year of the Investment Period. The variable coupons will be calculated in accordance with the Formula set out below. As further outlined below, the level of the Index will ultimately determine the level of the variable coupon subject to the Participation Ratio and the cap. The cap will not be lower than 6.5% of the Initial Issue Price and will be notified to Unitholders prior to the end of the Initial Offering Period.

At the end of year two of the Investment Period, the first variable coupon will become payable and will be calculated by reference to the Index Return calculated over the first and second years of the Investment Period. The variable coupon in respect of each subsequent year will be calculated by reference to the Index Return calculated over one year periods.

Year t = 2

$C_{(t)} = P \text{ x } \min \{c; \max[0;PR*((I_{(t)} / I_{(0)})-1)]\}$

Year t = 3, 4, 5, 6

$C_{(t)} = P \text{ x } \min \{c; \max[0; PR*((I_{(t)} / I_{(t-1)})-1)]\}$

Where:

C(t) is the coupon to be paid the t year
c = cap
P = Initial Issue Price
I (Index) = DJ Eurostoxx 50
$I_{(0)}$ is the index value at the beginning of the Investment Period
$I_{(t)}$ is the index value at the end of the relevant year (t) of the Investment Period
$I_{(t-1)}$ is the index value at the end of the previous year (t-1) of the Investment Period
PR is the Participation Ratio which is always 40%

The fixed annual coupon will be determined by the Manager and notified to Unitholders prior to the end of the Initial Offering Period and will not be lower than 2% of the Initial Issue Price.

The annual variable coupon will depend on the cap level that will be determined by the Manager and notified to Unitholders prior to the end of the Initial Offering Period and on the index return.

The Index Return itself is calculated as the positive performance of the Index at the end of the relevant year calculated as a percentage and multiplied by the Participation Ratio which is 40%. Where the Index Return is negative no annual variable coupon will be payable that year.

The Index values are defined as follows:

- the Index value at the end of year two of the Investment Period will be calculated as the index performance between the 16.12.2009 and the 16.12.2011;
- the Index value at the end of year three of the Investment Period will be calculated as the index performance between the 16.12.2011 and the 17.12.2012;
- the Index value at the end of year four of the Investment Period will be calculated as the index performance between the 17.12.2012 and the 16.12.2013;
- the Index value at the end of year five of the Investment Period will be calculated as the index performance between the 16.12.2013 and the 16.12.2014;
- the Index value at the end of year six of the Investment Period will be calculated as the index performance between the 16.12.2014 and the 16.12.2015.

Examples of the application of the Formula

The following examples set out how the Formula applies to different scenarios. The examples are hypothetical and the figures set out should not be taken as a guarantee as to the performance of the Index or the Sub-Fund itself. The examples set out the amount of the annual Coupon per Unit which may be paid in addition to the Net Asset Value per Unit on a repurchase of Units at the end of the Investment Period.

The following 3 scenarios sets out the payment which a Unitholder may expect to receive where

(i) the first coupon (year 1) has been fixed at 2% and
(ii) next coupons (year 2 - 3 - 4 - 5 - 6) have a cap (c) fixed at 6.5%

Positive Scenario (A) where the Index performance equals 20% during each coupon period

The Unitholder may receive for each Unit

- in the first year, an annual coupon equal to 2% of the Initial Issue Price plus

- annually in the next five years, a coupon equal to 6.5% of the Initial Issue Price

Intermediate Scenario (B) where the Index performance equals 10% during each coupon period

The Unitholder may receive for each Unit
- in the first year, an annual coupon equal to 2% of the Initial Issue Price, plus
- in year two, a coupon equal to 6.5% of the Initial Issue Price due to the observation period of the index return over the first two years, plus
- in the next three years, an annual coupon equal to 4% of the Initial Issue Price.

Negative Scenario (C) where the Index performance equals -5% or less during each coupon period

The Unitholder may receive for each Unit
- in the first year, an annual coupon equal to 2% of the Initial Issue Price plus
- annually in the next five years, a coupon equal to 0%

The following is a table representation of the above scenarios using sample Index levels and illustrates how the level of the cap impacts on the size of the coupon payments.

First Coupon ($C_{(1)}$)	2%
Cap (c)	6.5%
Participation	40%
Initial Issue Price (P)	Eur 10

	Scenario A	Scenario B	Scenario C
Initial Index Level (I_0)	2601	2601	2601
First Year Index Level (I_1)	3122	2862	2471
Second Year Index Level (I_2)	3746	3148	2348
Third Year Index Level (I_3)	4495	3462	2230
Fourth Year Index Level (I_4)	5394	3809	2119
Fifth Year Index Level (I_5)	6473	4190	2013
Sixth Year Index Level (I_6)	7768	4609	1912
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 2=	40%	20%	-10%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 3=	20%	10%	-5%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 4=	20%	10%	-5%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 5=	20%	10%	-5%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 6=	20%	10%	-5%
€ coupon for each unit year 1	0.20	0.20	0.20
€ coupon for each unit year 2	0.65	0.65	0
*€ coupon for each unit year 3	0.65*	0.40*	0*
€ coupon for each unit year 4	0.65	0.40	0
€ coupon for each unit year 5	0.65	0.40	0
Final € coupon for each unit year 6	0.65	0.40	0

Scenario A -$C_{(t)}$ = 10 x min {6.5%; max[0; 40%(20%)] }
Accordingly $C_{(t)}$ = 0.65

*Scenario B - *$C_{(t)}$ = 10 x min {6.5%; max[0; 40%*(10%)] }
Accordingly $C_{(t)}$ = 0.40

*Scenario C - *$C_{(t)}$ = 10 x min {6.5%; max[0; 40%*(-5%)] }
Accordingly $C_{(t)}$ = 0

2. The following 3 scenarios sets out the payment which a Unitholder may expect to receive where

(i) the first coupon (year 1) has been fixed at 2% and
(ii) next coupons (year 2 - 3 - 4 - 5 - 6) have a cap (c) fixed at 8%

Positive Scenario (A) where the Index performance equals 20% during each coupon period

The Unitholder may receive for each Unit

- in the first year, an annual coupon equal to 2% of the Initial Issue Price, plus
- annually in the next five years, a coupon equal to 8% of the Initial Issue Price

Intermediate Scenario (B) where the Index performance equals 10% during each coupon period

The Unitholder may receive for each Unit

- in the first year, an annual coupon equal to 2% of the Initial Issue Price, plus
- in year two, a coupon equal to 8% of the Initial Issue Price due to the observation period of the index return over the first two years plus
- in the next three years, an annual coupon equal to 4% of the Initial Issue Price.

Negative Scenario (C) where the Index performance equals -5% or less during each coupon period

The Unitholder may receive for each Unit

- in the first year, an annual coupon equal to 2% of the Initial Issue Price, plus
- annually in the next five years, a coupon equal to 0%

The following is a table representation of the above scenarios using sample Index levels and illustrates how the level of the cap impacts on the size of the coupon payments.

First Coupon ($C_{(1)}$)	2%
Cap (c)	8%
Participation	40%
Initial Issue Price (P)	Eur 10

	Scenario A	*Scenario B*	*Scenario C*
Initial Index Level (I_0)	2601	2601	2601
Second Year Index Level (I_1)	3122	2862	2471
Second Year Index Level (I_2)	3746	3148	2348
Third Year Index Level (I_3)	4495	3462	2230
Fourth Year Index Level (I_4)	5394	3809	2119
Fifth Year Index Level (I_5)	6473	4190	2013
Sixth Year Index Level (I_6)	7768	4609	1912
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 2=	40%	20%	-10%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 3=	20%	10%	-5%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 4=	20%	10%	-5%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 5=	20%	10%	-5%
Dow Jones Eurostoxx 50 Index Annual Performance calculated as a percentage YEAR 6=	20%	10%	-5%
€ coupon for each unit year 1	0.20	0.20	0.20
€ coupon for each unit year 2	0.80	0.80	0
*€ coupon for each unit year 3	0.80*	0.40*	0*
€ coupon for each unit year 4	0.80	0.40	0
€ coupon for each unit year 5	0.80	0.40	0
Final € coupon for each unit year 6	0.80	0.40	0

Scenario A -$C_{(t)}$ = 10 x min {8.0%; max [0; 40%(20%)]}
Accordingly $C_{(t)}$ = 0.80

Scenario B -$C_{(t)}$ = 10 x min {8.0%; max [0; 40%(10%)]}
Accordingly $C_{(t)}$ = 0.40

Scenario C -$C_{(t)}$ = 10 x min {8.0%; max [0; 40%(-5%)]}
Accordingly $C_{(t)}$ = 0.40

All the scenarios have been developed under the hypothesis that no credit default event occurs. In the case of a credit default event, the Net Asset Value per Unit of the Sub-Fund could be affected in a percentage equal to the weight of the asset held by the Sub-Fund and at the end of the Investment Period the Net Asset Value of the Sub-Fund could then be lower than the Initial Issue Price. For the avoidance of doubt, the occurrence of a credit default event will not affect the entitlement to, or payment of, any Coupon.