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

The Directors of the Company, whose names appear under the heading “Management and Administration” are the persons responsible for the information contained in this Prospectus and accept responsibility accordingly. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of the information.

CONSEQ INVEST PLC

*(An investment company with variable capital structured
as an umbrella fund with segregated liability between sub-funds
incorporated with limited liability in Ireland
under registration number 329465)*

PROSPECTUS

INVESTMENT MANAGER

CONSEQ INVESTMENT MANAGEMENT, A.S.

The date of this Prospectus is 23 October 2017

PART I
IMPORTANT INFORMATION

Company

This Prospectus comprises information relating to Conseq Invest public limited company (the “Company”), an open-ended investment company with variable capital organised under the laws of Ireland. It qualifies and is authorised in Ireland by the Central Bank as a UCITS for the purposes of the Regulations (see “Definitions”). The Company is structured as an umbrella fund in that the share capital of the Company may be divided into different classes of shares (“Shares”) with one or more classes representing a separate Fund of the Company. Shares are currently available in each of the following Funds:

- Conseq Invest New Europe Equity Fund;
- Conseq Invest Bond Fund;
- Conseq Invest Conservative Bond Fund;
- Conseq Invest New Europe Bond Fund.

The Company is both authorised and supervised by the Central Bank. The authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus. The authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.

Prospectus

The Prospectus may only be issued with one or more Supplements, each containing information relating to a separate Fund. If there are different classes of shares representing a Fund, details relating to the separate classes may be dealt within the same Supplement or in separate Supplements for each class. The Prospectus and the relevant Supplement should be read and construed as one document. To the extent that there is any inconsistency between this Prospectus and the relevant Supplement, the relevant Supplement shall prevail.

Applications for Shares will only be considered on the basis of this Prospectus (and any relevant Supplement) and the latest published audited annual report and financial statements and, if published after such report, a copy of the latest unaudited half-yearly report. These reports will form part of this Prospectus.

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Ireland, which may be subject to change.

No person has been authorised to give any information or to make any representation in connection with the offering or placing of Shares other than those contained in this Prospectus, any Supplement and the reports referred to above and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus (whether or not accompanied by the reports) or any issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date of this Prospectus or the relevant Supplement.

Important Notices

The distribution of this Prospectus and the offering and placing of Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe such restrictions.

This Prospectus does not constitute 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.

Potential investors should inform themselves as to:

- (a) the legal requirements within the countries of their nationality, residence, ordinary residence or domicile for the acquisition of Shares;
- (b) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition or sale of Shares; and
- (c) the income tax and other taxation consequences which might be relevant to the acquisition, holding or disposal of Shares.

Shares may not be purchased or held by or on behalf of persons other than Qualified Holders (see "Definitions").

The Company is an unregulated collective investment scheme for the purposes of the Financial Services Act 1986 of the United Kingdom (the "FSA"). Accordingly, this Prospectus may only be issued or passed on, in the United Kingdom, to a person who is of a kind described in article 11(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1996 or is a person to whom the Prospectus may otherwise lawfully be issued or passed on. In addition, no person who is an authorised person under the FSA may issue or pass on this Prospectus, or otherwise promote the Company to any person in the United Kingdom unless such person is both (i) of a kind described above and (ii) a person to whom such authorised person is permitted to promote the Company by virtue of an applicable exemption to section 76 of the FSA and then if and only to the extent that it is permitted to do so by the rules and regulations made under the FSA applicable to it.

The Shares have not been, and will not be, registered under the 1933 Act (see "Definitions") or the securities laws of any of the states of the United States and the Shares may not be offered or sold directly or indirectly in the United States or to or for the account or benefit of any US Person, except pursuant to an exemption from, or in a transaction not subject to the regulatory requirements of, the 1933 Act and any applicable state securities laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. In the absence of such exemption or transaction, each applicant for Shares will be required to certify that it is not a US Person.

The Company is not open for investment by any US Person (see "Definitions") except in exceptional circumstances and then only with the prior consent of the Directors. A prospective investor will be required at the time of acquiring Shares to represent that such investor is not a US Person or acquiring Shares for or on behalf of a US Person or acquiring the Shares with the assets of an ERISA plan (as defined below). The prior consent of the Directors is required in respect of each application for Shares and the granting of such consent does not confer on investors a right to acquire Shares in respect of any future or subsequent application.

Shares may not be acquired or owned by, or acquired with the assets of:

- (i) any retirement plan subject to Title I of the United States Employee Retirement Income Security Act of 1974, as amended (“ERISA”); or
- (ii) any individual retirement account or plan subject to Section 4975 of the United States Internal Revenue code of 1986, as amended;

which are hereinafter collectively referred to as “ERISA plans”.

Additionally, Shares may not be acquired by a person who is deemed to be a US Person under the 1940 Act (see “Definitions”) and regulations thereunder or a person who is deemed to be a US Person under the US Commodity Exchange Act and regulations thereunder.

Shareholders are required to immediately notify the Investment Manager or any relevant distributor for onward transmission to the Administrator, BNP Paribas Fund Services Dublin Limited, or any distributor in the event that they become Irish Residents, US Persons or otherwise hold Shares which might result in the Company incurring any liability to taxation or suffering pecuniary disadvantages which the Company might not otherwise incur or suffer or the Company being required to register under the 1940 Act, or register any class of its securities under the 1933 Act.

Where the Directors or any distributor become aware that any Shares are directly or beneficially owned by any person in breach of the above restrictions, they may give notice directing the Shareholder to transfer his Shares to a person qualified to own such Shares or to make a request for the redemption of the Shares, in default of which, the Shareholder shall, on the expiration of 30 days from the giving of such notice, be deemed to have given a request in writing for the redemption of the Shares.

It is intended that application may be made in various jurisdictions to enable the Shares of the Company to be marketed freely in these jurisdictions.

This Prospectus and any Supplements may also be translated into other languages. Any such translation shall only contain the same information and have the same meaning as the English language Prospectus/Supplement. To the extent that there is any inconsistency between the English language Prospectus/Supplement and the Prospectus/Supplement in another language, the English language Prospectus/Supplement will prevail, except to the extent (but only to the extent) required by law of any jurisdiction where the Shares are sold, that in an action based upon disclosure in a prospectus in a language other than English, the language of the prospectus/supplement on which such action is based shall prevail.

Investors should read and consider the risk discussion under “The Company - Risk Factors” and the “Risk Factors” Section in the relevant Supplement before investing in the Company.

CONTENTS

PART I	2
IMPORTANT INFORMATION	2
DEFINITIONS	7
DIRECTORY	14
CONSEQ INVEST PLC	15
INTRODUCTION.....	15
INVESTMENT OBJECTIVES AND POLICIES	15
INVESTMENT AND BORROWING RESTRICTIONS.....	16
DIVIDEND POLICY	18
RISK FACTORS	19
THE DIRECTORS	24
THE INVESTMENT MANAGER	25
THE ADMINISTRATOR, REGISTRAR AND TRANSFER AGENT	26
THE DEPOSITARY	26
THE DISTRIBUTOR.....	28
CONFLICTS OF INTEREST	28
ACCOUNTS AND INFORMATION	29
MEETINGS	29
LEGAL MATTERS	29
VALUATION, SUBSCRIPTIONS AND REDEMPTIONS	31
VALUATION OF ASSETS AND CALCULATION OF NET ASSET VALUE	31
SUBSCRIPTIONS.....	35
MONEY LAUNDERING.....	36
REDEMPTIONS	36
CONVERSIONS/SWITCHING	36
TOTAL REDEMPTION.....	37
COMPULSORY REDEMPTION	38
SUBSCRIPTIONS/REDEMPTIONS IN SPECIE.....	38
TRANSFER OF SHARES	39
CURRENCY OF PAYMENT AND FOREIGN EXCHANGE TRANSACTIONS	39
TEMPORARY SUSPENSIONS	39
FEES AND EXPENSES	41
ESTABLISHMENT EXPENSES.....	41
SERVICE PROVIDERS' FEES	41
SOFT COMMISSION PAYMENTS	41
DIRECTORS' FEES	41
PRELIMINARY CHARGE	42
REDEMPTION FEES	42
CONVERSION FEES	42
OPERATIONAL EXPENSES.....	42
SUMMARY OF REMUNERATION POLICY	43
ALLOCATION OF ASSETS AND LIABILITIES	43
GENERAL.....	45
TAXATION IN IRELAND	45
STATUTORY AND GENERAL INFORMATION.....	52

APPENDIX I	61
STOCK EXCHANGES AND REGULATED MARKETS.....	61
APPENDIX II	64
INVESTMENTS IN FINANCIAL DERIVATIVE INSTRUMENTS (“FDI”) - EFFICIENT PORTFOLIO MANAGEMENT/DIRECT INVESTMENT	64
APPENDIX III	73
INVESTMENT AND BORROWING RESTRICTIONS.....	73
APPENDIX IV	78
LIST OF DELEGATES AND SUB-DELEGATES OF BNP PARIBAS SECURITIES SERVICES APPOINTED DEPOSITARY OF UCITS FUNDS.....	78
CONSEQ INVEST BOND FUND	82
CONSEQ INVEST CONSERVATIVE BOND FUND	96
CONSEQ INVEST NEW EUROPE EQUITY FUND	111
CONSEQ INVEST NEW EUROPE BOND FUND	126

DEFINITIONS

“Administrator”, BNP Paribas Fund Administration Services (Ireland) Limited.

“Administration Agreement”, the administration agreement entered into between the Company and BNP Paribas Fund Services Dublin Limited dated 30 October 2014. By virtue of a merger between BNP Paribas Fund Services Dublin Limited and BNP Paribas Fund Administration Services (Ireland) Limited (as further detailed under the section headed ‘Administrator’ in the ‘Management and Administration’ section below), BNP Paribas Fund Administration Services (Ireland) Limited became the administrator of the Company as of 30 December 2015 and, thereby, the Administration Agreement must, notwithstanding anything to the contrary contained in that agreement, be read and have effect as if BNP Paribas Fund Administration Services (Ireland) Limited had been a party thereto instead of BNP Paribas Fund Services Dublin Limited (as further detailed under the heading ‘Material Contracts’).

“Anti-Money Laundering and Countering Terrorist Financing Legislation”, the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 as amended by the Criminal Justice Act 2013, as may be amended, substituted or supplemented from time to time.

“Articles”, the Articles of Association of the Company, as amended from time to time.

“Auditors”, PricewaterhouseCoopers, Chartered Accountants, Dublin and/or such other person as may be appointed from time to time as statutory auditor to the Company.

“Business Day”, in relation to a Fund, a day on which banks are open for business in Dublin and Prague.

“Central Bank”, the Central Bank of Ireland or any successor thereof.

“Central Bank Requirements”, the Central Bank Requirements pursuant to the Regulations and the Central Bank (Supervision and Enforcement) Act 2013 (Section 48 (1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (the “Central Bank UCITS Regulations”) as same may be amended or replaced from time to time.

“Company”, Conseq Invest public limited company.

“Courts Service”, is responsible for the administration of moneys under the control or subject to the order of the Courts, being the Courts of Ireland.

“Companies Act”, the Companies Act 2014, as amended from time to time.

“Czech Crown” or *“CZK”*, the official currency of the Czech Republic.

“Dealing Day”, such Business Day as the Directors may from time to time determine (with the approval of the Depositary) for dealings in any Fund, provided always that there shall be at least two Dealing Days in each calendar month. (See relevant Supplement).

“Depositary”, BNP Paribas Securities Services, Dublin Branch or such other person as may be appointed, with the prior approval of the Central Bank to act as Depositary to the Company.

“Depositary Agreement”, the agreement dated 31 October 2014 between the Company and the Depositary as amended by the amendment agreement dated 11 October 2016.

“Directive”, Directive 2009/65/EC of the European Parliament and of the European Council of 13 July 2009 on the co-ordination of laws, regulations and administrative provisions relating to UCITS, as the same may be amended or replaced.

“Directors”, the directors of the Company or any duly authorised committee thereof.

“Distribution Agreement”, the agreement dated 19 December 2003 between the Company and the Distributor as amended by a supplemental distribution agreement dated 12 December 2005.

“Distributor”, Conseq Investment Management, a.s. and/or such other person as may be appointed, in accordance with the Central Bank Requirements.

“Duties and Charges”, in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, interest, depositary or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Fund or the creation, issue, sale, conversion or repurchase of Shares or the sale or purchase of Investments or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund.

“Equivalent Measures”, apply to an investment undertaking where the Irish Revenue Commissioners have given the investment undertaking notice of approval in accordance with Section 739D (7B) of the Taxes Act and the approval has not been withdrawn.

“Euro” or “EUR”, the currency unit referred to in the second sentence of Council Regulation (EC) No. 974/98 of 3 May 1998, on the introduction of the Euro.

“Exempted Irish Investor”,

- an Intermediary;
- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or Section 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739(B)(1) of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a qualifying management company within the meaning of Section 734(1) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a specified company within the meaning of Section 734(1) of the Taxes Act;
- a person who is entitled to exemption from income tax and capital gains tax under Section 784A(2) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;

- the National Pensions Reserve Fund Commission or a commission investment vehicle;
- the National Asset Management Agency being a person referred to in Section 739D(6)(ka) of the Taxes Act;
- the National Treasury Management Agency or a Fund investment vehicle (within the meaning of Section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, to the State acting through the National Treasury Management Agency;
- an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- a company that is or will be within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act, in respect of payments made to it by the Company;
- an Irish Resident company investing in a money market fund being a person referred to in Section 739D(6)(k) of the Taxes Act; or
- any other Irish Resident or Irish Ordinary Resident who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company, giving rise to a charge tax in the Company;

provided that they have completed the Relevant Declaration.

“Foreign Person”, a person who is neither an Irish Resident nor an Irish Ordinary Resident for tax purposes who has provided the Company with the Relevant Declaration under Schedule 2B of the Taxes Act and in respect of whom the Company is not in possession of any information that would reasonably suggest that the Relevant Declaration is incorrect or has at any time been incorrect.

“Fund”, a Fund of assets established (with the prior approval of the Central Bank) for one or more classes of Shares which is invested in accordance with the investment objectives applicable to such Fund.

“Initial Offer Period”, the period set by the Directors in relation to any class of a Fund as the period during which Shares are initially on offer. (See relevant Supplement).

“Intermediary”, a person who:

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
- (b) holds shares in an investment undertaking on behalf of other persons.

“Investment”, any investment authorised by the Memorandum of Association of the Company which is permitted by the Regulations and the Articles.

“Investment Manager”, Conseq Investment Management, a.s. and/or such other person as may be appointed, in accordance with the Central Bank Requirements, to provide investment management services to the Funds, or any of them.

“Ireland” means the “Republic of Ireland”/the State.

“Irish Resident”

- in the case of an individual, means an individual who is resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is resident in Ireland for tax purposes.
- in the case of a company, means a company that is resident in Ireland for tax purposes.

Residence – Individual

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

- spends 183 days or more in Ireland in that twelve month tax year; or
- has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that twelve month tax year together with the number of days spent in Ireland in the preceding twelve month tax year. Presence in a twelve month tax year by an individual of not more than 30 days in Ireland will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any time during that day.

Residence – Company

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 that are contained in Section 23A of the Taxes Act.

Companies incorporated on or after 1 January 2015

Finance Act 2014 introduced changes to the above residency rules. From 1 January 2015, a company incorporated in Ireland will be automatically considered resident in Ireland for tax purposes, unless it is considered resident in a jurisdiction with which Ireland has a double tax agreement. A company incorporated in a foreign jurisdiction that is centrally managed and controlled in Ireland will continue to be treated as resident in Ireland for tax purposes, unless otherwise resident by virtue of a double tax agreement.

Companies incorporated prior to 1 January 2015 have until 1 January 2021 before the new corporate residency provisions take effect.

Companies incorporated prior to 1 January 2015

Irish tax provides rules for companies incorporated prior to 1 January 2015 provides that a company incorporated in Ireland will be regarded for all tax purposes as being resident in Ireland. Irrespective of where a company is incorporated a company which has its central management and control in Ireland is resident in Ireland. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

- the company or a related company carried on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a

related company are quoted companies on a recognised Stock Exchange in the EU or in a taxation treaty country;

or

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

Residence - Trust

Determining the tax residence of a trust can be complex. A trust will generally be regarded as resident in Ireland for tax purposes if a majority of its trustees are resident for tax purposes in Ireland. Where some, but not all, of the trustees are resident in Ireland, the residency of the trust will depend on where the general administration of the trust is carried on. In addition, the provisions of any relevant double tax agreement would need to be considered. As a result, each trust must be assessed on a case by case basis.

“Irish Ordinary Resident”

- in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.

An individual who has been resident in Ireland 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 Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident.

“Member State”, a member state of the European Union.

“Minimum Holding”, a holding of Shares of any class having an aggregate value of such minimum amount as determined by the Directors from time to time.

“Minimum Subscription”, a minimum subscription (whether initial or subsequent) for Shares of any Fund as determined by the Directors from time to time.

“Net Asset Value”, the Net Asset Value of a Fund determined in accordance with the Articles.

“Net Asset Value Per Share”, the Net Asset Value divided by the number of Shares (in issue) of the relevant Fund subject to such adjustment, if any, as may be required where there is more than one class of Shares in the Fund.

“Non-Irish Resident”, neither resident nor ordinarily resident in Ireland.

“OECD”, the Organisation for Economic Co-operation and Development (currently comprising Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States).

"PPIU", Personal Portfolio Investment Undertaking, a personal portfolio investment undertaking in respect of a Shareholder where some or all of the property of the undertaking, may be or was, selected by, or the selection of some or all of the property may be, or was, influenced by

- (i) the Shareholder;
- (ii) a person acting on behalf of the Shareholder;
- (iii) a person connected with the Shareholder;
- (iv) a person connected with a person acting on behalf of the Shareholder;
- (v) the Shareholder and a person connected with the Shareholder; or
- (vi) a person acting on behalf of both the Shareholder and a person connected with the Shareholder.

An investment undertaking is not a PPIU if the only property which may be or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking's marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required.

"*Qualified Holder*", any person, corporation or entity other than (i) a US Person which is not a Qualified US Person; (ii) any person, corporation or entity which cannot acquire or hold Shares without violating laws or regulations applicable to it; or (iii) a depository, nominee, or trustee for any person, corporation or entity described in (i), or (ii) above.

"*Qualified US Person*", a US Person who has acquired Shares with the consent of the Directors provided that the number of Qualified US Persons shall not exceed such number as the Directors shall determine from time to time with a view to precluding the Company from being required to register as an investment company under the 1940 Act.

"*Regulated Markets*", the stock exchanges and/or regulated markets listed in the Appendix I to this Prospectus.

"*Regulations*", the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (SI No. 352 of 2011) as same may be amended or replaced, and any regulations, notices or guidance notes issued by the Central Bank pursuant thereto for the time being in force.

"*Relevant Declaration*", the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act. The relevant declaration for investors who are Non-Irish Resident (or Intermediaries acting for such investors) is set out in the application form.

"*Relevant Period*", a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

"*Share(s)*", a share or shares of no par value in the Company designated as a participating share.

"*Shareholder*", the registered holder of a Share.

"*Subscriber Shares*", shares of CZK1 each in the capital of the Company designated as "Subscriber Shares" in the Articles and subscribed by or on behalf of the Investment Manager for the purposes of incorporating the Company.

"*Supplement*", any supplement to the Prospectus issued by the Company.

"Taxable Irish Person", any person other than:

- a Foreign Person, or
- an Exempted Irish Investor.

"Taxes Act", the Taxes Consolidation Act, 1997 (as amended) of Ireland.

"UCITS", an Undertaking for Collective Investment in Transferable Securities established pursuant to the Directive, as amended.

"United Kingdom", the United Kingdom of Great Britain and Northern Ireland.

"United States" and "US", the United States of America, its territories, possessions, any State of the United States and the District of Columbia.

"US Person", any US person within the meaning of Regulation S under the 1933 Act as well as:

- (a) a natural person resident in the US;
- (b) an estate with any US executor or administrator;
- (c) a corporation or partnership organised under US law;
- (d) an unincorporated branch of a US corporation;
- (e) a trust having beneficiaries who are US Persons or having any US trustees; and
- (f) a discretionary or non-discretionary account held by a US or non-US dealer or other fiduciary for the benefit or account of a US Person.

A US Person also includes any entity formed by or on behalf of any of the foregoing for the purpose of investing in the Company.

For the purposes of this definition, "resident" includes any natural person who maintains a residence in the US regardless of the amount of time such person spends at such residence.

"Valuation Point", such time and day as the Directors may from time to time determine (with the consent of the Administrator) in relation to the valuation of the assets of a Fund and as set out in the relevant Supplement.

"1933 Act", the United States Securities Act of 1933, as amended.

"1940 Act", the United States Investment Company Act of 1940, as amended.

DIRECTORY

Directors

The Directors of the Company, whose business address is at
6th Floor
2 Grand Canal Square
Dublin 2
Ireland
are as follows:

James Cleary
James Murphy
Jan Martinec
Richard Siuda
Ondrej Matuska
Veronika Juvova

Registered Office

Ground Floor,
5 George's Dock
IFSC
Dublin 1
Ireland

Investment Manager

Conseq Investment Management,
a.s.
Burzovní palác
Rybná 682/14
Prague 1
110 05
Czech Republic

Depository

BNP Paribas Securities
Services, Dublin Branch
Trinity Point,
10 – 11 Leinster Street
South,
Dublin 2
Ireland

Secretary

KB Associates
5 George's Dock
IFSC
Dublin 1
Ireland

Administrator, Registrar and Transfer Agent

BNP Paribas Fund Administration
Services (Ireland) Limited
Trinity Point
10-11 Leinster Street South
Dublin 2
Ireland

Legal Advisers as to Irish Law

Mason Hayes & Curran
South Bank House
Barrow Street
Dublin 4
Ireland

Statutory Auditors

PricewaterhouseCoopers
Chartered Accountants
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

CONSEQ INVEST PLC

Introduction

Conseq Invest public limited company is an open-ended investment company with variable capital organised under the laws of Ireland pursuant to the Companies Act. The Company has been authorised as a UCITS within the meaning of the Regulations and authorised by the Central Bank.

The Company is structured as an umbrella fund with segregated liability between sub-funds in that different Funds thereof may be established with the prior approval of the Central Bank. In addition, each Fund may have more than one share class allocated to it. The Shares of each class allocated to a Fund will rank *pari passu* with each other in all respects except as to all or any of the following: dividend policy; the level of fees and expenses to be charged; and the Minimum Subscription and Minimum Holding applicable.

The assets of each Fund will be separate from one another and will be invested in accordance with the investment objectives and policies applicable to each such Fund.

The share capital of each Fund shall at all times equal its Net Asset Value. The base currency of each Fund will be determined by the Directors and, will be set out in the relevant Supplement.

As at the date of this Prospectus, the Funds of the Company are the Conseq Invest New Europe Equity Fund, the Conseq Invest Bond Fund, the Conseq Invest Conservative Bond Fund and the Conseq Invest New Europe Bond Fund. The Conseq Invest New Europe Equity Fund has four classes, an A, B, D and I class, the Conseq Invest Bond Fund has three classes, an A, B and D class and the Conseq Invest Conservative Bond Fund and the Conseq Invest New Europe Bond Fund both have two classes, an A and D class.

On the establishment of any Fund or the creation of a new class of Shares in an existing Fund, a Supplement will be issued in respect thereof. In addition, details of all Funds and classes thereof will be set out in the annual and semi-annual reports of the Company.

Investment Objectives and Policies

General

The specific investment objectives and policies for each Fund will be formulated by the Directors at the time of the creation of that Fund and set out in the relevant Supplement. A Fund may, subject to the conditions imposed by the Central Bank, invest in other Funds of the Company where such intention is disclosed in the Fund's investment policy.

The stock exchanges and markets in which the Funds may invest are set out in Appendix I. These stock exchanges and markets are listed in accordance with the Central Bank Requirements, it being noted that the Central Bank does not issue a list of approved exchanges or markets. Each Fund may also invest up to 10% of its net assets in unquoted securities in accordance with the Regulations.

Any alterations to the investment objectives or material alterations to the investment policies of any Fund will be subject to the prior approval of the Shareholders of the relevant Fund. Shareholders will be given reasonable notice in advance of the implementation of any alteration in the investment objectives or a material alteration to the investment policies in a Fund to enable them redeem prior to such implementation.

Efficient Portfolio Management

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities for efficient portfolio management purposes. Transactions for the purposes of efficient portfolio management may be undertaken with a view to achieving a reduction in risk, a reduction in costs or an increase in capital or income returns to a Fund and may not be speculative in nature. These techniques and instruments may include investments in financial derivative instruments ("FDI") such as futures (which may be used to manage interest rate risk), options (which may be used to achieve cost efficiencies, for example where the acquisition of the option is more cost effective than purchasing of the underlying asset), swaps and forward currency contracts and foreign exchange options (which may be used to manage currency risk). Such techniques and instruments are set out in Appendix II. New techniques and instruments may be developed which may be suitable for use by the Company and the Company (subject as aforesaid) may employ such techniques and instruments. A Fund may enter into stocklending, repurchase and/or reverse repurchase and sell/buy-back agreements for the purposes of efficient portfolio management in accordance with the provisions of Appendix II.

It is not the intention to leverage a Fund as a result of investment in FDI. In any case, global exposure and leverage as a result of its investment in FDI, as measured using the commitment approach, shall not exceed 100% of the Net Asset Value of a Fund on a permanent basis. The commitment approach is a standard methodology used to calculate the gross notional exposure and global exposure (net leverage/gearing) arising from a Fund's derivatives.

Investment and Borrowing Restrictions

Investment of the assets of each Fund must comply with the Regulations. Details of the investment and borrowing restrictions applicable to all Funds are contained in Appendix III.

The Directors may impose further restrictions in respect of any new Fund. Details will be set out in the relevant Supplement.

The Company will not take legal or management control of any of the entities in which its underlying investments are made.

No amendment will be made to the restrictions imposed by the Central Bank without the prior consent of the Central Bank and the prior approval of the Shareholders (in accordance with the procedures detailed under "Investment Objectives and Policies" above).

The Directors may also from time to time impose such further investment restrictions as may be compatible with or be in the interest of the Shareholders in order to comply with the laws and regulations of the countries where Shareholders of the Company are located or the Shares are marketed.

It is intended that the Company should, subject to the prior approval of the Central Bank, have power to avail itself of any change in the investment restrictions laid down in the Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment which, as at the date of this Prospectus, are restricted or prohibited under the Regulations. The Company will give Shareholders reasonable notice of its intention to avail itself of any such change which is material in nature or change.

Securities Financing Transactions

Subject to the investment policies and restrictions for a Fund as set out in the relevant Supplement, a Fund may, from time to time, as and when considered appropriate, in the interests of Shareholders and in accordance with applicable regulations and market practice, enter into one or more repurchase or reverse repurchase transactions, sell/buy-back transactions and/or stocklending transactions (a “Securities Financing Transaction”). Any intention of a Fund to engage in a Securities Financing Transaction will be set out in the relevant Supplement. Securities Financing Transactions will be entered into for the purposes of efficient portfolio management. All assets received under Securities Financing Transactions will be considered collateral and shall comply with the Regulations. In accordance with normal market practice, borrowers will be required to provide collateral to the Company or the relevant Fund of a value of at least equal to the market value of any securities loaned in accordance with the Company’s collateral policy as set out at Appendix II. The income generated from Securities Financing Transactions will accrue to the relevant Fund net of any operational costs/fees, including transaction expenses in connection with such transactions.

The type of assets of a Fund that may be subject to a Securities Financing Transaction will be determined by the Company in accordance with the investment policy of a Fund and Appendix II, and may include debt and debt related securities, structured financial instruments, including asset-backed securities, and liquid and near cash assets, such as short, medium and long-term fixed income securities, instruments and obligations, bills, commercial paper and notes, equity and equity-related securities, derivatives and other permitted investments of a Fund specified in the relevant Supplement. Such assets shall be held by the Depositary or any third party appointed by it to whom it has delegated safekeeping duties.

Any Securities Financing Transactions will only be entered into with institutions of appropriate financial standing which engage in these types of arrangements and which are acceptable to the Depositary and the Investment Manager by the Company’s lending agent and will be on arm’s length commercial terms. Factors that may be taken into account when considering financial standing include whether the counterparty is subject to prudential regulation and supervision. Other criteria could include legal status, country of origin and any credit rating. Generally, such institutions will be financial institutions based in an OECD member state and have at least an investment grade credit rating.

Any potential conflict of interests relating to Securities Financing Transactions shall be dealt with in accordance with the section below headed “Conflicts of Interest”. For Securities Financing Transactions made with connected persons of the Depositary of the Investment Manager, it must be made on arm’s length commercial terms and the Depositary’s written consent is required.

Dividend Policy

The Directors are empowered to declare and pay dividends on any class of Shares in the Company. The dividend policy in respect of each Share class shall be set out in the relevant Supplement.

Hedged and Unhedged Classes

The Company may also (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of a Fund attributable to a particular class into the currency of denomination of the relevant class for the purposes of efficient portfolio management. While not the intention, over-hedged or under-hedged positions may arise due to factors outside of the control of the Company. The Company may employ such techniques and instruments for the purpose of attempting to enhance a Fund's return provided that the level of the currency exposure hedged does not exceed 105% of the Net Asset Value of a class. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed this level and that positions materially in excess of 100% of the Net Asset Value of a class are not carried forward from month to month. If the level of currency exposure hedged exceeds 100% of the Net Asset Value of a class as a result of market movements in the underlying investments of a Fund or trading activity in respect of the Shares of the Fund, the Investment Manager shall adopt as a priority objective the managing back of the hedging to 100%, taking due account of the interests of Shareholders. Otherwise, a Fund will not be leveraged as a result of the transactions entered into for the purposes of hedging.

While a Fund may attempt to hedge against currency exposure at a class level, there can be no guarantee that the value of a class will not be affected by fluctuations in the value of the base currency relative to the currency of the class. Any costs related to such hedging shall be borne separately by the relevant class. All gains/losses which may be made by any class as a result of such hedging transactions shall accrue to the relevant class of Shares. Hedging transactions shall be clearly attributable to the relevant class of Shares. Any currency exposure of a class may not be combined with or offset against that of any other class of the Fund. The currency exposure of the assets attributable to a class may not be allocated to other classes. The use of class hedging strategies may substantially limit holders of Shares in the relevant class from benefiting if the class currency falls against the base currency and/or the currency in which the assets of the Fund are denominated.

In the case of unhedged classes, a currency conversion will take place on subscription, redemption and conversion and any distributions at prevailing exchange rates. The value of a Share of such a class expressed in a currency other than the base currency will be subject to share currency designation risk in relation to the base currency.

RISK FACTORS

Potential investors should consider the following risk factors before investing in the Company. Additional risk factors, if any, for various Funds will be set out in the relevant Supplement.

In addition, risk factors relating to the use of techniques and instruments for efficient portfolio management purposes are set out in Appendix II.

General

- There is no assurance that any appreciation in the value of Investments will occur, or that the investment objectives of any Fund will be achieved. The value of investments and the income derived therefrom may fall as well as rise and investors may not recoup the original amount invested in a Fund. The difference at any one time between subscription and redemption prices for Shares means that any investment should be viewed as medium to long term. An investment should only be made by those persons who are able to sustain a loss on their investment.
- The assets of a Fund may be invested in securities of companies denominated in, and income would be received by the Fund in, a variety of currencies. The value of assets of the Fund, as measured in its base currency, may be affected unfavourably by fluctuations in currency rates.
- Depending on an investor's currency of reference, currency fluctuations between an investor's currency of reference and the base currency of the relevant Fund may adversely affect the value of an investment in one or more of the Funds.
- Investors are reminded that in certain circumstances their right to redeem Shares may be suspended (see "Temporary Suspensions" below).
- Each Fund will be exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default.
- The assets of a Fund may be exposed to market risk, ie. interest rate risk, equity risk and currency risk. The value of the Fund's assets may fluctuate as a result of changes in interest rates, currency rates and share prices.
- The exposure to the operational risk arises mainly but not solely from the following factors: Reliance on Investment Manager, Accounting/auditing and financial reporting standards, Conflict of interest, Cyber Security risk, tax risk.
- The Company is structured as an umbrella fund with segregated liability between sub-funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation.

Emerging Markets

Funds which invest in emerging market countries may be subject to the following additional risk factors:

- Political and Economic Factors

There is in some emerging market countries a higher than usual risk of nationalisation, expropriation or confiscatory taxation, any of which might have an adverse effect on the value of investments in those countries. Emerging market countries may also be subject to higher than usual risks of political changes, government regulation, social instability or diplomatic developments (including war) which could adversely affect the economies of the relevant countries and thus the value of investments in those countries.

The economies of many emerging market countries can be heavily dependent on international trade and accordingly have been and may continue to be adversely affected by trade barriers, managed adjustments in relative currency values, other protectionist measures imposed or negotiated by the countries with which they trade and international economic developments generally.

- Legal Matters

The legislative framework in emerging market countries for the purchase and sale of investments and in relation to beneficial interests in those investments may be relatively new and untested and there can be no assurance regarding how the courts or agencies of emerging market countries will react to questions arising from the Fund's investment in such countries and arrangements contemplated in relation thereto.

There is no guarantee that any arrangements made, or agreement entered into, between the Depositary and any correspondent (i.e. an agent, sub-custodian or delegate) will be upheld by a court of any emerging market country, or that any judgement obtained by the Depositary or the Company against any such correspondent in a court of any jurisdiction will be enforced by a court of any emerging market country.

- Counterparty Risk and Liquidity

There can be no assurance that there will be any market for any investments acquired by the Fund or, if there is such a local market, that there will exist a secure method of delivery against payment which would, in the event of a sale by or on behalf of the Fund, avoid exposure to counterparty risk on the buyer. It is possible that even if a market exists for such investment, that market may be highly illiquid. Such lack of liquidity may adversely affect the value or ease of disposal of such investments. There is a risk that counterparties may not perform their obligations and that settlement of transactions may not occur.

- Settlement

There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in emerging market countries nor can there be any guarantee of the solvency of any securities system or that such securities system will properly maintain the registration of the Depositary or the Company as the holder of securities. Where organised securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities where these are acquired other than as direct investments. Furthermore, due to the local postal and banking systems in many emerging market countries, no guarantee can be given that all entitlements attaching to quoted and over-the-counter traded securities acquired by a Fund, including those related to dividends, can be realised.

Some emerging markets currently dictate that monies for settlement be received by a local broker a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement. This exposes the assets in question to risks arising from acts, omissions and solvency of the broker and counterparty risk for that period of time.

- Custody

Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances the Fund may not be able to recover some of its assets. Such circumstances may include any acts or omissions or the liquidation, bankruptcy or insolvency of a sub-custodian, retroactive application of legislation and fraud or improper registration of title. The costs borne by the Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.

- Exchange Control and Repatriation

It may not be possible for the Fund to repatriate capital, dividends, interest and other income from emerging market countries, or it may require government consents to do so. The Fund could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

- Reporting and Valuation

There can be no guarantee of the accuracy of information available in emerging market countries in relation to investments which may adversely affect the accuracy of the value of Shares in the Fund. Accounting practices are in many respects less rigorous than those applicable in more developed markets. Similarly, the amount and quality of information required for reporting by companies in emerging market countries is generally of a relatively lower degree than in more developed markets.

Risks relating to Operation of Collection Accounts

A collection account has been established at umbrella level in the name of the Company in each of the currencies in which the share classes of the Funds are denominated (the "Umbrella Cash Collection Account").

Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account. Investors will be unsecured creditors of such Fund with respect to any cash amount subscribed and held by the Company in the Umbrella Cash Collection Account until such time as the Shares subscribed are issued, and will not benefit from any appreciation in the Net Asset Value of the relevant Fund in respect of which the subscription request was made or any other shareholder rights (including dividend entitlement) until such time as the relevant Shares are issued. In the event of the insolvency of the Fund in respect of which the subscription request was made, or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by a Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the investor entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Administrator. Redemption and dividend amounts, including blocked redemption or dividend amounts, will, pending payment to the relevant investor, be held in the Umbrella Cash Collection Account. For as long as such amounts are held in the Umbrella Cash Collection Account, the investors entitled to such payments from a Fund will be unsecured creditors of the Company with respect to those amounts and, with respect to and to the extent of their interest in such amounts, will not benefit from any appreciation in the Net Asset Value of the relevant Fund or any other shareholder rights (including further dividend entitlement). Redeeming Shareholders will cease to be Shareholders with regard to the redeemed Shares as and from the relevant redemption date. In the event of the insolvency of the relevant Fund or the Company, there is no guarantee that the Fund or the Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to dividends should therefore ensure that any outstanding documentation and/or information required in order for them to receive such payments to their own account is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of a Fund, the rights of an investor shall be those of an unsecured creditor of the Company. In addition, investors should note that in the event of the insolvency of another Fund of the Company, recovery of any amounts to which other Funds are entitled, but which may have transferred to the insolvent Fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of the Act, Irish insolvency and trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and/or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to other Funds. Accordingly, there is no guarantee that any of the other Funds or the Company will recover such amounts, or that in such circumstances such other Funds or the Company would have sufficient funds to repay any unsecured creditors.

The Company has the right to cancel Shares, or to seek recovery, including any relevant credit charges, from investors who fail to pay subscription proceeds within the stated settlement period provided for in the relevant Supplement. Where an investor fails to pay, and cannot be forced to pay within the settlement period, the relevant Fund may cancel the allocation of the Shares.

Cyber Security Risk

With the increased use of technologies such as the internet to conduct business, each Fund is susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites (i.e. efforts to make network services unavailable to intended users).

Cyber security failures or breaches by a Fund's adviser, and other service providers (including, but not limited to, the Investment Manager, the Administrator and the Depositary) and the issuers of securities in which the Funds invest, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Fund's ability to calculate its Net Asset Value, impediments to trading, the inability of

Shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future.

While the Company and its service providers have established business continuity plans, there are inherent limitations in such plans and systems including the possibility that certain risks may not be identified. Furthermore, the Company cannot control the cyber security plans and systems put in place by service providers to companies and issuers in which the Funds may invest. The Shareholders could be negatively impacted as a result.

MANAGEMENT AND ADMINISTRATION

The Directors

The Company shall be managed and its affairs supervised by the Directors whose details are set out below. The Directors are all non-executive directors of the Company.

The Directors control the affairs of the Company and are responsible for its overall investment policy. The Directors have delegated certain of their duties to the Investment Manager and Administrator.

James Cleary (Irish) is the principal of Cleary Consulting, a fund consultancy practice based in Ireland, since 2002. He worked in public practice in London and Luxembourg focusing on the financial services sector from 1986 to 1990. He has focused directly on fund management since 1990 and has established and managed fund management offices as Head of Compliance and Regulatory Reporting in Luxembourg and Toronto for State Street Bank from February 1990 to October 1993, as director of finance of PFPC, Dublin from October 1993 to June 1997, and as Managing Director of SEI Investments, Dublin from June 1997 to June 2002. He has been a committee member of the Dublin Funds Industry Association and a member of the Alternative Investment Management Association. He has written and lectured within the industry and acts as chairman/director of a number of mutual fund companies and of a number of companies operating in the Ireland's International Financial Services Centre. He is a Fellow of the Chartered Association of Certified Accountants and received an MBA (cum laude) from the University of Limerick.

James Murphy (Irish) has been active in the financial services industry since 1998, with 16 years' experience in global organisations in the areas of investment banking, hedge funds and asset management. Prior to joining KB Associates (where James is currently employed), he was Vice President and manager of Business Unit Control for Citadel Investment Group Europe in London and Vice President and manager of Business Unit Control for Northern Trust Hedge Fund Services in London and Dublin. James also gained significant experience at JP Morgan Investment Bank in a variety of operational, management and project roles. James holds a M.B.S. in Strategic Management and Planning from University College Dublin Graduate School of Business (Smurfit School), a B.A Law & Accounting from University of Limerick and is a qualified barrister (The Honorable Society of King's Inns), accountant (ACCA) and tax professional (Associate of Irish Tax institute).

Ondrej Matuska (Czech Republic) graduated at the University of Economics in Prague, Faculty of Finance and Accounting, focusing on finance and capital markets. Prior to his graduation, Mr Matuska worked as a editor in Prague business daily Hospodarske noviny. After graduation he started his professional career as a credit analyst in Erste Bank CR/Geska sporitelna. Mr Matuska joined Conseq Finance in 2000 as a Portfolio Manager, taking part in preparing and implementing investment strategies and asset allocation of mostly institutional clients' mandates. Within years with the Investment Manager, Mr Matuska become senior Portfolio Manager taking responsibility for preparing strategic asset allocation and managing fixed-income institutional mandates as well as Conseq Invest fixed-income funds. Mr Matuska became a Member of the Board of Conseq Investment Management in 2008. He leads a team of portfolio managers and is responsible for managing of clients' mandates as well as Conseq Invest funds.

Richard Siuda (Czech Republic) Mr Siuda is a graduate of the Faculty of International Relations at the University of Economics, Prague. One year prior to his graduation from the University of Economics, Prague, Mr Siuda joined the Investment Manager as Portfolio Administrator, where his main responsibilities included portfolio valuation, performance analysis, managing relations and communications with the Company's service providers and

risk management. Mr Siuda also had responsibility for the reporting processes of both the Company and some of the institutional clients of the Investment Manager. He has also previously acted as AML officer to the Company. After two years as Portfolio Manager, Mr Siuda took up the position of Sales Manager, in which capacity he was responsible for developing relations with and the training of independent financial advisors. At the beginning of 2006, he was appointed as the Investment Manager's Head of Sales.

Veronika Juvova (Czech Republic) graduated at the Charles University, Faculty of Law in 2009, where she currently works in the Financial Law Department within her graduate studies of capital market law targeted on investor protection in capital market, prudent provision of investment services and collective investment. After a year of practice with the Financial Market Legislation Department of the Ministry of Finance, where she participated in preparation of national and European legislature, she joined Conseq Investment Management a.s. a lawyer and an expert on compliance. She started providing services to financial institutions (also to Conseq Investment Management, a.s. and its subsidiary companies).

Jan Martinec (Czech Republic) graduated at University of Economics in Prague, Faculty of Banking and Finance in 2010. As a part of his studies in Prague he also graduated an internship at Memorial University of Newfoundland, Canada where he focused on international financial markets and risk management. Mr Martinec started working for Conseq Investment Management, a.s. already during his studies in 2008 as a part time assistant at portfolio administration department. After he finished university he started working full time and from 2012 Mr Martinec became Head of portfolio administration department. Mr Martinec was also shortly responsible for Conseq Group Risk management in years 2011 to 2013.

The Investment Manager

The Company has appointed Conseq Investment Management, a.s. as its investment manager pursuant to the Investment Management Agreement between the Company and the Investment Manager dated 23 December 2002 as amended by a supplemental investment management agreement dated 12 December 2005 and delegated to the Investment Manager the responsibility for the investment and re-investment of the Company's assets. The Investment Manager will be responsible to the Directors in regard to the management of the investment of the assets of the Company in accordance with the investment objectives and policies for each Fund described in this Prospectus and the relevant Supplement, subject always to the supervision and direction of the Directors. The Investment Manager also currently acts as promoter of the Company and will use its reasonable endeavours to assist in the promotion of each Fund.

The Investment Manager was incorporated in the Czech Republic as a joint stock company on 14 November 2000 as a wholly owned subsidiary company of Conseq Finance, a.s. Conseq Finance, a.s. previously the Company's investment manager, which was established as a limited liability company on 18 July 1994. The Investment Manager is regulated by the Czech National Bank. As at 31 October 2016, the Investment Manager had €267 million in assets under management.

The Investment Management Agreement provides that the appointment of the Investment Manager will continue in force unless and until terminated by either party giving to the other not less than 90 days written notice although in certain circumstances (e.g. the insolvency of either party, unremedied breach after notice, etc.) the Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains indemnities in favour of the Investment Manager other than in respect of matters arising from any liability to the Shareholders imposed under Irish law or by reason of

its negligence, fraud or wilful default in the performance of its duties and obligations, and also contains provisions regarding the Investment Manager's legal responsibilities.

The Investment Manager may in accordance with the Central Bank Requirements appoint one or more investment adviser(s) to whom it may delegate all or part of the day to day conduct of its investment management responsibilities in respect of any Fund.

If more than one investment adviser is appointed to a Fund, the Investment Manager shall allocate the assets of the Fund between the investment advisers in such proportions as it shall, at its discretion, determine.

The Administrator, Registrar and Transfer Agent

The Company has appointed BNP Paribas Fund Administration Services (Ireland) Limited to act as its administrator pursuant to the terms of the Administration Agreement. The Administrator is a private limited liability company incorporated in Ireland on 6 August 2010 under registration number 487406, and has its registered office at Trinity Point, 10-11 Leinster Street South, Dublin 2, Ireland.

The Administrator is authorised by the Central Bank to provide fund administration services to collective investment schemes. Its services include share registration and transfer agency services, valuation of the Company's assets and calculation of the Net Asset Value per Share and the preparation of the Company's financial statements.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is responsible and liable only for the administration services that it provides to the Company pursuant to the Administration Agreement. The Administrator will not participate in any investment decision-making process of the Company.

The Administrator is a service provider to the Company and is not responsible for the preparation of this document or the activities of the Company and therefore accepts no responsibility for any information contained in this document other than the relevant description

The Depositary

BNP Paribas Securities Services, Dublin Branch, has been retained by the Company to perform depositary services on behalf of the Company pursuant to the Depositary Agreement. The Depositary is a branch of BNP Paribas Securities Services SCA, a company incorporated in France as a Partnership Limited by Shares and is authorised by the ACP (Autorité de Contrôle Prudential) and supervised by the AMF (Autorité des Marchés Financiers), whose head office is at 3 rue d'Antin, 75002 Paris, France. It is owned up to 99.99% by BNP Paribas Group, one of Europe's largest banks. The Depositary acts, inter alia, as depositary of a number of collective investment schemes. The Depositary's main business activity consists of providing custody and related services to collective investment schemes and other portfolios. The Depositary has its principal place of business in Ireland at Trinity Point, 10-11 Leinster Street South, Dublin 2, Ireland and is authorised and regulated by the Central Bank.

Under the terms of the Depositary Agreement, the Company has agreed to indemnify and keep indemnified the Depositary (and each of its directors, officers, employees and agents), on a full indemnity basis, and hold it harmless from and against all liabilities, costs, losses, claims, demands, damages and expenses (including legal and professional expenses), actions or proceedings of any nature which may be brought against, suffered, incurred or

sustained by the Depositary and which are in any way connected with or arising from the performance by the Depositary of its obligations under the Depositary Agreement, or other agreements the Depositary enters into or executes because of its role as Depositary of the Company, otherwise than where the Depositary is responsible for loss of custody assets by the Depositary or a sub-custodian or as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations.

The Depositary may, in the performance of its duties, appoint a sub-custodian or sub-custodians to which it may delegate its duties, obligations and powers under the Depositary Agreement. In order for the Depositary to discharge its responsibility under the Regulations, the Depositary shall exercise all due skill, care and diligence in its appointment of a sub-custodian and shall keep exercising all due skill, care and diligence in the periodic review and ongoing monitoring of the sub-custodian in respect of the matter delegated to it. The liability of the Depositary will not be affected by the fact that it has entrusted to a sub-custodian some or all of the assets of the Company for safekeeping.

The delegates to whom safekeeping of the Company's assets can be delegated to and any sub-delegates (if applicable) are set out at Appendix IV.

The Depositary Agreement may be terminated by either party on 180 days' prior written notice to the other party or such shorter time as the parties may agree provided that such termination shall not take effect until a successor depositary (approved as such by the Central Bank) has been appointed with the approval of the Central Bank and provided further that in the event that no successor depositary is appointed, such termination shall only take effect after revocation of authorisation of the Company.

The Depositary Agreement provides that, in the event a Fund invests in markets where safe-keeping and/or settlement systems are not fully developed, the assets of the Fund which are traded in such markets and which have been entrusted to the Depositary or any sub-custodian(s), where the use of such sub-custodians is necessary, may be exposed to certain risks. In such circumstances, the Depositary shall not be liable for the loss of a financial instrument of the Company as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. Prospective investors are referred to the section headed "Emerging Markets" under "Risk Factors" above.

The Depositary is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is responsible and liable only for the trustee and custodial services that it provides to the Company pursuant to the Depositary Agreement.

In accordance with the Regulations, the Depositary must not carry out activities with regard to the Company that may create conflicts of interest between itself and (i) the Company and/or (ii) the Shareholders unless it has separated the performance of its depositary tasks from its other potentially conflicting tasks in accordance with the Regulations and the potential conflicts are identified, managed, monitored and disclosed to Shareholders. Please refer to the section of this Prospectus entitled 'Conflicts of Interest' for details of potential conflicts that may arise involving the Depositary.

Up-to-date information in relation to the Depositary, its duties, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates to whom safe-keeping functions have been delegated and any relevant conflicts of interest that may arise will be made available to Shareholders upon request to the Depositary.

The Depositary is a service provider to the Company and is not responsible for the preparation of this document or the activities of the Company and therefore accepts no responsibility for any information contained in this document other than the relevant descriptions. The Depositary will not participate in any investment decision-making process of the Company.

The Company reserves the right to change the depositary arrangements described above by agreement with the Depositary.

The Distributor

The Company has delegated responsibility for the distribution, promotion and marketing of the Shares of the Company to Conseq Investment Management, a.s., on an exclusive basis, pursuant to the Distribution Agreement. The Distributor will have responsibility for the distribution, promotion and marketing of the Shares in all territories and in the manner detailed in the Distribution Agreement.

The Distributor was incorporated in the Czech Republic on 14 November 2000 as a joint stock company. Its principal activities are the management, promotion and marketing of investments and the provision of investment advice. The Distributor is regulated by the Czech National Bank in the conduct of its investment business activities.

The Distribution Agreement provides for the appointment of the Distributor for an indefinite period unless and until terminated by either the Company or the Distributor giving not less than 90 days' notice in writing to the other, although in certain circumstances (e.g. the insolvency of either of the said parties, unremedied breach after notice etc.) the Distribution Agreement may be terminated forthwith by notice in writing by either the Company or the Distributor to the other. The Distribution Agreement contains provisions regarding the Distributor's responsibilities and indemnities in favour of the Distributor other than due to fraud, negligence, wilful misfeasance or bad faith of the Distributor, its servants or agents.

Conflicts of Interest

Due to the widespread operations undertaken or which in the future may be undertaken by the Directors, the Investment Manager, any investment advisers appointed by the Investment Manager, the Administrator and the Depositary and their respective holding companies, subsidiaries, affiliates, employees, officers, directors and shareholders (each an "interested party") conflicts of interest may arise.

An interested party may contract or enter into any financial, banking or other transaction including, without limitation, investment in securities of a Shareholder or any company or body any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transaction and may invest in and deal with the Shares of any Fund or property of any kind included in the assets of the Company.

Any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2015, of Ireland, with an interested party or invested in certificates of deposit or banking instruments issued by an interested party. Banking and similar transactions may also be undertaken with or through an interested party or any such subsidiary, affiliate, associate, agent or delegate.

An interested party may provide similar services to others provided that the services they provide to the Company are not impaired thereby. Furthermore an interested party may acquire, hold or dispose of Investments notwithstanding that such Investments had been acquired or disposed of by or on behalf of the Company by virtue of a transaction effected by

the Company in which the interested party was concerned provided that the acquisition or disposal by an interested party of such investments is effected on normal commercial terms as if negotiated on an arm's length basis and the investments held by the Company are acquired on the best terms reasonably obtainable having regard to the interests of the Company. An interested party may deal with the Company as principal or as agent, provided that any such dealings are in the best interests of Shareholders and are conducted at an arm's length basis i.e. if:

- (a) a certified valuation of a transaction by a person approved by the Depositary as independent and competent is obtained; or
- (b) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or
- (c) where (a) and (b) are not practicable, the transaction is executed on terms which the Depositary is (or the Directors are in the case of a transaction involving the Depositary) satisfied are normal commercial terms negotiated at arm's length and consistent with the best interests of Shareholders.

In the event that a conflict of interest does arise, the Directors, the Investment Manager and the investment advisers, will endeavour, so far as they are reasonably able, to ensure that it is resolved fairly and that investment opportunities are allocated on a fair and equitable basis.

Accounts and Information

The Company's accounting period is generally a 12-month period ending on 30 September each year.

The Company will prepare an annual report and audited annual financial statements, which will be sent to Shareholders within four months of the end of the financial period to which they relate i.e. by 31 January in each year. Copies of the unaudited half yearly reports (made up to 31 March), will also be made available to Shareholders within two months of the end of the half year period to which they relate i.e. by 31 May in each year

Copies of this Prospectus, the Supplements, annual and half-yearly reports of the Company may be obtained from the Investment Manager at the address given under "Directory" above.

Meetings

Shareholders in the Company will be entitled to attend and vote at general meetings of the Company. The annual general meeting of the Company will be held in Ireland normally within six months of the end of each financial year.

Legal Matters

Mason Hayes & Curran, 6th Floor, South Bank House, Barrow Street, Dublin 4 acts as Irish legal counsel to the Company and has advised on Irish law matters in relation to the preparation of this Prospectus. Mason Hayes & Curran may continue to serve in such capacity in the future, but has not assumed any obligation to update this Prospectus. Mason Hayes & Curran does not represent and has not represented the existing investors or any prospective investors in the Company in the course of the organisation of the Company, the negotiation of its business terms, the offering of the Shares or in respect of its on-going operations. Investors must recognise that, as they have had no representation in the organisation process, the terms of the Company relating to themselves and the Shares have not been negotiated at arm's length.

Mason Hayes & Curran's engagement by the Company is limited to the specific matters as to which it is consulted by the Company and, therefore, there may exist facts or circumstances that could have a bearing on the Company's (or the Investment Manager's, the Depositary's or the Administrator's) financial condition or operations with respect to which Mason Hayes & Curran has not been consulted and for which Mason Hayes & Curran expressly disclaims any responsibility. More specifically, Mason Hayes & Curran does not undertake to monitor the compliance of the Company, the Investment Manager, the Depositary, the Administrator and their affiliates with the investment programme, valuation procedures and other relevant regulations applicable to the Company and any guidelines set forth herein, nor does it monitor compliance with applicable laws. In preparing this Prospectus, Mason Hayes & Curran relied upon information furnished to it in respect of the Company by the Investment Manager, the Depositary and the Administrator, and did not investigate or verify the accuracy and completeness of the information set forth herein concerning the Investment Manager, the Depositary, the Administrator and the Company's service providers and their affiliates and personnel.

VALUATION, SUBSCRIPTIONS AND REDEMPTIONS

Valuation of Assets and Calculation of Net Asset Value

The Net Asset Value of each Fund is expressed in its base currency. The calculation of the Net Asset Value of each Fund and of each class thereof will be carried out by the Administrator on each Dealing Day in accordance with the requirements of the Articles.

The Net Asset Value of each Fund shall be the value of all the assets comprised in the Fund less all the actual and estimated liabilities attributable to the Fund and subject to the Regulations.

The assets of the Company shall be deemed to include (i) all cash in hand, on deposit or on call including any interest accrued thereon and all accounts receivable, (ii) all bills, demand notes, certificates of deposit and promissory notes, (iii), all bonds, forward currency transactions, time notes, shares, stock, units of or participation in collective investment schemes/ mutual funds, debentures, debenture stock, subscription rights, warrants, futures contracts, options contracts, swap contracts, fixed rate securities, floating rate securities, securities in respect of which the return and/or repurchase amount is calculated by reference to any index, price or rate, financial instruments and other investments and securities owned or contracted for in respect of the Company, other than rights and securities issued by it; (iv) all stock and cash dividends and cash distributions to be received in respect of a Fund and not yet received by the Company but declared to stockholders on record on a date on or before the day as of which the Net Asset Value is being determined, (v) all interest accrued on any interest-bearing securities owned by the Company except to the extent that the same is included or reflected in, the principal value of such security, (vi) all other Investments of the Company, (vii) the establishment costs attributable to the Company and the cost of issuing and distributing Shares of the Company in so far as the same have not been written off and (viii) all other assets of the Company of every kind and nature including prepaid expenses as valued and defined from time to time by the Directors.

The valuation principles to be used in valuing the Company's assets are as follows:

- (a) the value of an Investment which is quoted, listed or normally dealt in on a Regulated Market shall (save in the specific cases set out in paragraphs (iii), (viii) and (ix)), in respect of bond Investments, be the middle market price on such Regulated Market as at the Valuation Point and, in respect of equity Investments be the last available traded price on such Regulated Market as at the Valuation Point, provided that:
 - (i) if an Investment is quoted, listed or normally dealt in on more than one Regulated Market, the Directors may, in their absolute discretion, select any one of such markets for the foregoing purposes (provided that the Directors have determined that such market constitutes the main market for such Investment or provides the fairest criteria for valuing such securities) and once selected a market shall be used for future calculations of the Net Asset Value with respect to that Investment unless the Directors otherwise determine; and
 - (ii) in the case of any Investment which is quoted, listed or normally dealt in on Regulated Market but in respect of which for any reason, prices on that market may not be available at any relevant time, or, in the opinion of the Directors, may not be representative, the value therefor shall be the probable realisation value thereof calculated with care and in good faith by a competent person, firm or association making a market in such Investment (selected for the purpose by the Directors and approved for the purpose by the Depositary) and/or any other competent person, in the opinion of the Directors (approved for the purpose by

the Depositary to provide such a certificate provided always that the Depositary shall not be responsible to any Shareholders or any other person for the accuracy of any valuation placed on Investments by such person so approved by the Depositary);

- (b) the value of any Investment which is not quoted, listed or normally dealt in on a Regulated Market shall be the probable realisable value estimated with care and in good faith by a competent person, firm or association making a market in such Investment (selected for the purpose by the Directors and approved for the purpose by the Depositary) and/or any other competent person, in the opinion of the Directors (and approved for the purpose by the Depositary. For this purpose:
 - (i) there shall be taken into account interest on interest bearing Investments up to the relevant Valuation Point; and
 - (ii) the Directors may accept a valuation of such Investment calculated by a person, firm or association qualified in the opinion of the Directors to provide such a calculation.
- (c) the value of any Investment which is a unit of or participation in an open-ended collective investment scheme/mutual fund shall be the latest available net asset value of such unit/participation;
- (d) the value of any cash in hand, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the net present value thereof unless in any case the Directors are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors (with the approval of the Depositary) may consider appropriate in such case to reflect the true value thereof (approved for the purpose by the Depositary to provide such a certificate provided always that the Depositary shall not be responsible to any Shareholders or any other person for the accuracy of any valuation placed on Investments by such person so approved by the Depositary);
- (e) deposits and interest bearing investments shall be valued at their principal amount plus accrued interest from the date on which the same were acquired or made up to the relevant Valuation Point;
- (f) treasury bills shall be valued at the middle market dealing price on the market on which same are traded or admitted to trading as at the Valuation Point, provided that where such price is not available, same shall be valued at the probable realisation value estimated with care and good faith by a competent person (approved for the purpose by the Depositary to provide such a certificate provided always that the Depositary shall not be responsible to any Shareholders or any other person for the accuracy of any valuation placed on Investments by such person so approved by the Depositary);
- (g) notes, debenture stocks, certificates of deposit, bank acceptances, trade bills and similar assets shall be valued at the latest available middle market dealing price on the market on which these assets are traded or admitted for trading (being the market which is the sole market or in the opinion of the Directors the principal market on which the assets in question are quoted or dealt in) plus any interest accrued thereon from the date on which same were acquired;

- (h) forward foreign exchange contracts will be valued by reference to the price at the Valuation Point at which a new forward contract of the same size and maturity could be undertaken;
- (i) the value of any futures contracts and options which are dealt in on a Regulated Market shall be the settlement price as determined by the market in question, provided that if such settlement price is not available for any reason or is unrepresentative, same shall be valued at the probable realisation value calculated with care and good faith by a competent person (approved for the purpose by the Depositary to provide such a certificate provided always that the Depositary shall not be responsible to any Shareholders or any other person for the accuracy of any valuation placed on Investments by such person so approved by the Depositary);
- (j) the value of any over the counter (“OTC”) contracts shall be the quotation from the counterparty provided that such quotation is provided on at least a daily basis and that this value is approved or verified by an independent party to the counterparty (such independent party to be the Investment Manager, or such other independent party approved by the Depositary) on at least a weekly basis (provided always that the Depositary shall not be responsible to any Shareholders or any other person for the accuracy of any valuation placed on Investments by such person so approved by the Depositary);

Notwithstanding any of the foregoing sub-paragraphs, the Directors:

- (a) with the approval of the Depositary may adjust the value of any Investment if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they may deem relevant, they consider that such adjustment is required to reflect the fair value thereof; and/or
- (b) may, in order to comply with any applicable accounting standards, present the value of any assets of the Company in financial statements to Shareholders in a manner different to that set out in Article 17.

If in any case a particular value is not ascertainable as above provided or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant Investment then in such case the method of valuation of the relevant Investment shall be such as the Directors shall decide with the concurrence of the Depositary;

Notwithstanding the foregoing, where at the time of valuation any asset of the Company has been realised or contracted to be realised there shall be included in the assets of the Company in place of such asset the net amount receivable by the Company in respect thereof provided that if such amount is not then known exactly then its value shall be the net amount estimated by the Directors as receivable by the Company and provided that such adjustment method is approved by the Depositary and provided further that if the net amount receivable is not payable until some future time after the time of any valuation the Directors make such allowance as they consider appropriate to reflect the true current value thereof.

The Company may adopt other valuation methods for future Funds and details in this regard will be outlined, in the relevant Supplement.

Any certificate as to Net Asset Value of Shares given in good faith (and in the absence of negligence or manifest error) by or on behalf of the Directors shall be binding on all parties.

Where the current price of an Investment is quoted as “ex” any dividend (including stock dividend), interest or other rights to which the Fund is entitled but such dividend, interest, or the property to which such rights relate has not been received and is not taken into account under any other provisions of this Prospectus, the amount of such dividend, interest, property or cash shall be taken into account.

Administrator’s Liability in calculating Net Asset Value

In calculating the Net Asset Value, the Administrator will not be liable for any loss suffered by the Company by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by any pricing service or competent person, firm or association approved for such purpose by the Depositary. The Administrator will not be liable for any loss suffered by the Company by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by the Investment Manager or its delegates. In circumstances where the Administrator is requested by the Investment Manager or its delegates and agrees to use particular pricing services, brokers, market makers or other intermediaries, the Administrator shall not be liable for any loss suffered by the Company by reason of any error in the calculation of the Net Asset Value resulting from any inaccuracy in the information provided by such pricing services, brokers, market makers or other intermediaries not appointed or selected by the Administrator.

Except when the determination of the Net Asset Value of any Fund has been suspended in the circumstances set out under the heading “Temporary Suspensions” below, the calculation of the Net Asset Value of each Fund, the Net Asset Value of each class and the Net Asset Value per Share will be calculated as at the relevant Valuation Point. The Net Asset Value per Share shall be made public at the offices of the Administrator during normal business hours and will be published daily by the Investment Manager on the website www.conseq.cz and on website of The Czech Capital Market Association www.akatcr.cz.

The Net Asset Value of any class of Shares within a Fund will be determined by taking the Net Asset Value of the Fund as a whole and deducting that class' pro rata share of the liabilities of the Fund from that class' pro rata share of the assets of the Fund, in all cases in a manner calculated by the Administrator with the approval of the Investment Manager and the Depositary. The Administrator, in calculating the Net Asset Value, may rely without further enquiry upon prices and valuations supplied to it in accordance with the foregoing and shall have no liability to the relevant Fund nor any shareholder in respect of such reliance. The Net Asset Value per Share of each class will be determined by dividing the Net Asset Value of the class by the number of Shares of that class in issue.

Operation of the Subscription and Redemption Collection Accounts

A collection account has been established at umbrella level in the name of the Company in each of the currencies in which the share classes of the Funds are denominated (the “Umbrella Cash Collection Account”). All subscriptions into and redemptions and dividends due from the Funds will be paid into the Umbrella Cash Collection Account.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds, the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account. Subscription amounts paid into the Umbrella Cash Collection Account will be paid into an account in the name of the relevant Fund on the

contractual settlement date. Where subscription monies are received in the Umbrella Cash Collection Account without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor to the account from which they were received within five (5) Business Days and as specified in the operating procedure in respect of the Umbrella Cash Collection Account.

Redemptions, including blocked redemptions, will be held in the Umbrella Cash Collection Account until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Shareholder/investor.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and / or to make payment into the Umbrella Cash Collection Account or the correct Cash Collection Account, as appropriate, is at the investor's risk.

The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Account in accordance with its obligations pursuant to the Regulations.

The Company and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account which identifies the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and / or transfers to a Fund of monies attributable to another Fund due to timing differences.

Subscriptions

The Directors may issue Shares of any class of any Fund and on such terms as they may from time to time determine. The terms and conditions applicable to the issue of Shares of any class together with subscription and settlement details and procedures and any Minimum Subscription or Minimum Holding requirements will be set out in the relevant Supplement. Shares shall be issued at the Net Asset Value per Share plus any charges as specified in the relevant Supplement. All Shares will be registered in inscribed form and evidenced by entry on the Company's register of shareholders and confirmations of ownership in writing (in the form of transaction confirmations) will be issued to Shareholders. The Company may impose a charge of up to CZK2000 (payable to the Administrator) in respect of each certificate to be issued, which charge may be waived in whole or in part at the discretion of the Directors.

Under the Articles, the Directors are given authority to effect the issue of Shares and have absolute discretion to accept or reject in whole or in part any application for Shares. The Directors have power to impose such restrictions as they think necessary to ensure that no Shares are acquired by any person which might result in the legal and beneficial ownership of Shares by persons who are not Qualified Holders or expose the Company to adverse tax or regulatory consequences.

If an application is rejected, any monies received will be returned to the applicant (minus any handling charge incurred in any such return) as soon as possible by post or telegraphic transfer (but without interest, costs or compensation).

No Shares of any Fund will be issued or allotted during a period when the determination of Net Asset Value of that Fund is suspended.

Applications for subscription received at the Administrator by 5.00p.m. on a Dealing Day will be dealt with on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point on the relevant Dealing Day.

Money Laundering

Measures provided for in Anti-Money Laundering and Countering Terrorist Financing Legislation which are aimed towards the prevention of money laundering may require detailed verification of each applicant's identity and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. Politically exposed persons ("PEPs"), being individuals who are or who have, at any time in the preceding year, been entrusted with prominent public functions, and immediate family members, or persons known to be close associates of such persons, must also be identified.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a notary public, together with evidence of his/her address such as an original or certified copy of a utility bill or bank statement, and also proof of date of birth and tax residence. In the case of corporate applicants, this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent) and the names, occupations, dates of birth and residential and business address of the directors of the company.

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 ratified the recommendations of the Financial Action Task Force and has equivalent anti-money laundering legislation to that in place in Ireland. Applicants may contact the Investment Manager in order to determine whether they meet the above exceptions.

The Investment Manager and any relevant distributor reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Investment Manager and any relevant distributor or the Company may refuse to accept the application and all subscription monies.

REDEMPTIONS

Shareholders may redeem their shares on any Dealing Day in accordance with the procedures set out in the relevant Supplement. Shares will be redeemed at the Net Asset Value per Share minus any charges as set out in the relevant Supplement.

Redemption applications received at the Administrator by 5.00p.m. Irish Time on a Dealing Day are dealt with on a forward pricing basis, i.e. by reference to the redemption price for Shares calculated at the Valuation Point on the relevant Dealing Day.

Conversions/Switching

Shareholders of one Fund may convert (switch) their holding of shares to shares of another Fund.

Switching may be effected by application to the Investment Manager or any relevant distributor for onward transmission to the Administrator on such switching form as may be

prescribed by the Directors. The holders of Shares of the class of each of the Funds in existence as at the date of this Prospectus may switch to the corresponding class of the others of such Funds in existence as at the date of the Prospectus. On the establishment of any new Fund (or class thereof) the Directors shall specify the switching rights relating to such Fund (or class thereof).

If the switch would result in the Shareholder holding a number of Shares in the original Fund with a value of less than the Minimum Holding, the Directors may, at their discretion, convert the whole of the applicant's holding of Shares in the Fund or refuse to effect any switch. No conversions will be made during any period in which the rights of Shareholders to require the redemption of their Shares are suspended. Notice of conversion must be received by the Administrator by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day (or such lesser period as the Directors may permit) in order to allow for differing settlement periods of the original Fund and the new Fund.

The number of Shares to be issued in the new Fund will be calculated in accordance with the following formula:

$$A = \frac{(1-F)(B \times C \times D)}{E}$$

Where

- A = number of Shares of the new Fund to be allotted
- B = number of Shares of the original Fund converted
- C = redemption price per Share on the relevant Dealing Day for the original Fund
- D = the currency conversion factor determined by the Administrator as representing the effective rate of exchange of settlement on the relevant Dealing Day applicable to the transfer of assets between the relevant Funds (where the base currencies of the relevant Funds are different) or where the base currencies of the relevant Funds are the same D = 1
- E = subscription price per Share on the relevant Dealing Day for the new Fund
- F = such conversion amount payable as may be outlined in the relevant Supplement.

Any minimum value of Shares which may be converted from one Fund to another at any time will be outlined in the relevant Supplement.

Total Redemption

All of the Shares of any class of any Fund may be redeemed:

- (a) if the holders of 75% in value of the relevant class approve of the redemption at a meeting of the Shareholders thereof of which not more than twelve and not less than four weeks' notice has been given; or
- (b) at the discretion of the Directors without Shareholder approval, if the Net Asset Value of such Fund falls below the equivalent of CZK 500 million for a period of not less than 90 consecutive days or if a change in the economical or political situation relating to the Fund concerned would justify such redemption. The decision to liquidate will be notified in writing to the Shareholders concerned prior to the effective date of redemption and the notification will indicate the reasons for, and the procedures for, the redemptions.

Compulsory Redemption

The Directors may, in their absolute discretion, on any Dealing Day effect the compulsory redemption of all (but not some) of the Shares registered in the name of a Shareholder at the redemption price per Shares of the relevant Fund if, in the opinion of the Directors, (i) Shares are being held directly or indirectly for the account of a person who is not a Qualified Holder or (ii) the subscription for or holding of Shares by such holder could result in legal, pecuniary, tax, regulatory or material administrative disadvantages to the Company or a Fund or its Shareholders, (iii) if at any time a Shareholder's holding of Shares is less than the Minimum Holding as set out in the relevant Supplement, (iv) where an original application form is not received within three Business Days of receipt of a faxed application form or (v) in the circumstances outlined at paragraph (b) under 'Total Redemption' above.

Subscriptions/Redemptions in Specie

Subscription in Specie

The Directors may issue Shares of any Fund by way of exchange for Investments provided that:

- (a) in the case of a person who is not an existing Shareholder no Shares shall be issued until the person concerned shall have completed and the Investment Manager or any relevant distributor shall have received an Application Form for onward transmission to the Administrator as required under this Prospectus (or otherwise) and satisfied all the requirements of the Directors as to such person's application;
- (b) the nature of the Investments transferred into the Fund is such as would qualify as Investments of such Fund in accordance with the investment objectives, policies and restrictions of such Fund;
- (c) no Shares shall be issued until the Investments shall have been vested in (settled to the account of) the Depositary or any sub-custodian to the Depositary's satisfaction and the Depositary shall be satisfied that the terms of such settlement will not be such as are likely to result in any prejudice to the existing Shareholders of the Fund;
- (d) any exchange shall be effected upon the terms (including provision for paying any expenses of exchange and any initial charge as would have been payable for Shares issued for cash) that the number of Shares issued shall not exceed the number which would have been issued for cash against payment of a sum equal to the value of the Investments concerned calculated in accordance with the procedures for the valuation of the assets of the Company. Such sum may be increased by such amount as the Directors may consider represents an appropriate provision for Duties and Charges which would have been incurred by the Fund in the acquisition of the Investments by purchase for cash or decreased by such amount as the Directors may consider represents any Duties or Charges to be paid to the Fund as a result of the direct acquisition by the Fund of the Investments.

Redemption in Specie

- (a) The Directors may, provided that they are satisfied that the terms of any exchange would not be such as would be likely to result in any prejudice to the remaining Shareholders and with the agreement of a Shareholder seeking the realisation of Shares in any Fund, elect that instead of the Shares being redeemed in cash, the redemption shall be satisfied in whole or in part in specie by the transfer to the Shareholder of Investments provided that the value thereof shall not exceed the

amount which otherwise would have been payable on a cash redemption. The shortfall (if any) between the value of the Investments transferred on a redemption in specie and the redemption proceeds which would have been payable on a cash redemption shall be satisfied in cash. The relevant Shareholder may, by notice in writing to the Directors, request the sale of the relevant Investments and the payment of the sale proceeds in cash.

- (b) If the discretion conferred upon the Directors by paragraph (a) is exercised, the Directors shall notify the Depositary and shall supply to the Depositary particulars of the Investments to be transferred and the amount of cash to be paid to the Shareholder. All stamp duties, transfer and registration fees in respect of such transfers shall be payable by the Shareholder.

Transfer of Shares

Shares are (save as hereinafter specified) freely transferable and may be transferred in writing in a form approved by the Directors (normally a Stock Transfer form). Prior to the registration of any transfer, transferees must complete an Application Form and provide such other information (e.g. as to identity) as the Company or any distributor may reasonably require. The Directors may decline to register any transfer of a Share where they reasonably believe that such transfer would result in the legal or beneficial ownership of such Share by a person who is not a Qualified Holder or expose the Company to adverse tax or regulatory consequences or would result in either the transferee or transferor holding a number of Shares which is less than the Minimum Holding.

Currency of Payment and Foreign Exchange Transactions

Where payments in respect of the purchase or redemption of Shares or dividend payments are tendered or requested in a major currency other than the base currency of the relevant Fund any necessary foreign exchange transactions may be arranged by the Company (at its discretion) for the account of, and at the risk and expense of, the applicant, in the case of purchases at the time cleared funds are received, in the case of redemptions at the time the request for redemption is received and accepted, and in the case of dividends at the time of payment. Accordingly, all subscriptions should be paid to the Depositary in the base currency of the Fund and all redemption and dividend payments will be made by the Depositary in the base currency of the Fund. Payments (if any) to be made in a currency other than the Base Currency of the relevant Fund shall be made by the Investment Manager or any relevant distributor (see relevant Supplement).

Temporary Suspensions

The Company may temporarily suspend the determination of the Net Asset Value of any Fund and the issue and redemption of Shares of any class of any Fund during the whole or any part of any period:

- (a) when any of the principal markets on which any significant portion of the Investments of the relevant fund from time to time are quoted, listed, traded or dealt in is closed (otherwise than for customary weekend or ordinary holidays) or during which dealings therein are restricted or suspended or trading on any relevant futures exchange or market is restricted or suspended;
- (b) when, as a result of political, economic, military or monetary events or any other circumstances outside the control, responsibility and power of the Directors, any disposal or valuation of Investments of the relevant Fund is not, in the opinion of the Directors, reasonably practicable without this being seriously detrimental to the

interests of owners of Shares in general or the owners of Shares of the relevant Fund or if, in the opinion of the Directors, the redemption price cannot fairly be calculated or such disposal would be materially prejudicial to the owners of Shares in general or the owners of Shares of the relevant Fund;

- (c) during which any breakdown occurs in the means of communication normally employed in determining the value of any of the Investments of the Company or when for any other reason the value of any of the Investments or other assets of the relevant Fund cannot reasonably or fairly be ascertained;
- (d) when the Company is unable to repatriate funds required for the purpose of making redemption payments or when such payments cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange or during which any transfer of funds involved in the realisation or acquisition of investments or when payments due or redemption cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange; or
- (e) when the Company has issued a notice of a general meeting of Shareholders at which a resolution to wind up the relevant Fund or the Company is to be considered provided that such suspension shall be in the best interests of Shareholders.

The Company, where possible, will take all necessary steps to bring any period of suspension to an end as soon as possible.

If total requests for redemption or switching on any Dealing Day for any Fund exceed 10% of the total number of Shares outstanding in that Fund, each redemption or switching request in respect of Shares in such Fund may, at the sole discretion of the Directors, be reduced so that the total number of Shares of each Fund for redemption or switching on that Dealing Day shall not exceed 10% of the total number of Shares outstanding in that Fund. Any redemption or switching request so reduced shall be carried forward to the next Dealing Day. If redemption or switching requests are so carried forward, the Directors shall procure that the Shareholders whose dealings are affected thereby are promptly informed.

In the event of any suspension as set out above, the Company will immediately publish such fact on the website www.conseq.cz and will immediately (and in any event during the Business Day on which the suspension occurred) notify the Central Bank and any other competent authority in a Member State or other country in which Shares are marketed.

FEES AND EXPENSES

Establishment Expenses

All fees and expenses relating to the establishment of the Company and the fees of the advisers to the Company (establishment expenses) have been amortised.

Service Providers' Fees

The Investment Manager is entitled to charge a fee equal to the percentage of Net Asset Value of each Fund as set out in the relevant Supplement. The fee will be accrued daily and will be paid monthly in arrears. The Investment Manager is also entitled to a performance fee calculated in accordance with the provisions laid out in the relevant Supplement. The fee will be accrued daily and paid semi-annually in arrears. The Investment Manager will be responsible for the fees and expenses of the investment advisers. The Investment Manager is also entitled to be paid its reasonable out-of-pocket expenses (apart from the fees and expenses of investment advisers).

The Depositary is entitled to charge a custody fee based on authorized custody services fee schedule and a trustee fee of 2.5 basis points per annum of the Net Asset Value of each Fund, subject to a minimum of €23,500 per Fund per year. The fee will be accrued daily and will be paid monthly in arrears out of the assets of the Company based on the Net Asset Value of each Fund as at the last Dealing Day of each month. The Depositary is also entitled to charge transaction fees and is entitled to be reimbursed for all sub-custodians' fees, both of which will be at normal commercial rates and for all expenses incurred by it or by its sub-custodians on behalf of the Fund.

The Administrator is entitled to charge a fee of up to 7 basis points per annum of the Net Asset Value of each Fund subject to a minimum of €22,500 per year per Fund and €150 per month per third and subsequent share classes. The Administrator is also entitled to transactional fees and to reports compilation fees based on authorized Fund administration fee schedule. The fee will be accrued daily and will be paid monthly in arrears out of the assets of the Company based on the Net Asset Value of each Fund as at the last Dealing Day of each month. The Administrator is also entitled to be reimbursed any expenses incurred by it on behalf of a Fund.

Soft Commission Payments

The Investment Manager, any investment adviser, or any of their associates may enter into arrangements for the provision to the Investment Manager, any investment adviser or their associates of goods and services which assist in the provision of investment services and which are of either direct or indirect demonstrable benefit to the Company or the relevant Fund. Transactions for the Company may be entered into through associates of the Investment Manager or the investment advisers, but the execution of all transactions for the Company will be on a best execution basis. The Company will pay brokerage which will not be in excess of the customary institutional full service brokerage rates. The Company will make adequate disclosure in its annual and half-yearly reports of all soft commission arrangements entered into.

Directors' Fees

The Directors shall be entitled to a fee and remuneration for their services at a rate to be determined from time to time by the Directors provided that such fee will not exceed the sum of €20,000 per annum per Director. The Directors may also be paid, inter alia, for travelling,

hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company.

Preliminary Charge

The Articles authorise the Directors to impose a preliminary charge on the issue of Shares of any class up to a maximum of 5% of the subscription amount. Such fee as may be charged will not be retained by the Company but will be retained up-front by any distributor and used exclusively to meet sales commissions and promotional costs. The preliminary charge in respect of any Fund will be outlined in the relevant Supplement.

Redemption Fees

The Shares of the Company are not subject to a redemption fee.

Conversion Fees

The Articles authorise the Directors to charge a fee on the switching of Shares of any Fund up to a maximum of 0.5% of the redemption amount for such Shares, which fee is payable to the relevant Fund.

Operational Expenses

The Company will also pay out of the assets of each Fund:

- stamp duties, taxes (including value added tax (if any) on fees payable by the Company);
- any fees in respect of circulating details of the Net Asset Value (including publishing prices) and Net Asset Value per Share; company secretarial fees; rating fees (if any), brokerage or other expenses of acquiring and disposing of Investments; fees and expenses of the auditors, tax, legal and other professional advisers of the Company; the Central Bank's industry funding levy; fees connected with the listing of Shares on any stock exchange; fees and expenses in connection with the distribution of Shares and costs of registration of the Company and the Funds in jurisdictions outside Ireland; costs of preparing, printing and distributing the Prospectus and Supplements, reports, accounts and any explanatory memoranda; any necessary translation fees; any costs incurred as a result of periodic updates of the Prospectus of the Company or any Supplements, or of a change in law or the introduction of any new law; (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law), any other fees and expenses relating to the management and administration of the Company or attributable to the Company's investments; in respect of each financial year of the Company in which expenses are being determined, such proportion (if any) of the establishment and reconstruction expenses as are being amortised in that year.

The above expenses shall be charged as between each Fund and class thereof on such terms and in such manner as the Directors (with the consent of the Depositary) deem fair and equitable.

All fees and expenses, Duties and Charges will be charged to the Fund (and class thereof, if appropriate) in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund (or class thereof), the expense will normally be allocated to all classes of Funds pro rata to the Net Asset Value of the relevant

Funds. Expenses of the Company which are directly attributable to a Fund are charged against the income available for distribution to the holders of the Shares of such Fund. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

Summary of Remuneration Policy

The Company has adopted a remuneration policy in a manner and to an extent that is appropriate to its size, internal organisation and the nature, scope and complexity of their activities, which:

- (a) is consistent with, and promotes, sound and effective risk management,
- (b) does not encourage risk taking that is inconsistent with the risk profiles of the Funds and the rules and instruments of incorporation of the Company,
- (c) does not impair compliance with the Company's duty to act in the best interests of its Shareholders,
- (d) is in line with the business strategy, objectives, values and interests of the Company, and
- (e) includes measures to avoid conflicts of interest.

The details of the up-to-date policy in respect of remuneration, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration/benefits can be accessed from the following website www.conseq.cz. A paper copy will be made available free of charge from the Investment Manager upon request.

ALLOCATION OF ASSETS AND LIABILITIES

The Articles require the establishment of a separate Fund for different classes of Shares in the following manner:

- (a) the records and accounts of each Fund shall be maintained separately in the base currency of the relevant Fund;
- (b) subject to paragraph (g), the assets of each Fund shall belong exclusively to that Fund, shall be segregated in the records of the Depositary from the assets of other Funds, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for any such purpose unless the assets of the Fund are insufficient to satisfy its liabilities;
- (c) the proceeds from the issue of each class of Share shall be applied to the relevant Fund established for that class of Share, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (d) where any asset is derived from another asset, the derived asset shall be applied to the same Fund as the assets from which it was derived, and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;
- (e) in the case of any asset which the Depositary does not consider as attributable to a particular Fund or Funds, the Depositary shall have discretion, subject to the approval of the Directors and the Auditors, to determine the basis upon which any asset shall be allocated between relevant Funds from time to time (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have power at

any time and from time to time to vary such basis, provided that the approval of the Directors and the Auditors shall not be required in any case where the asset is allocated to the Fund or Funds to which in the opinion of the Depositary it relates or if in the opinion of the Depositary it does not relate to any particular Fund or Funds, between all Funds pro rata to their Net Asset Values at the time when the allocation is made;

- (f) the Depositary shall have discretion, subject to the approval of the Directors and the Auditors, to determine the basis upon which any liability shall be allocated between relevant Funds from time to time or as between share classes in the same Fund (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have power at any time and from time to time to vary such basis, provided that the approval of the Directors and the Auditors shall not be required in any case where a liability is allocated to the Fund or Funds (or to a share class or classes in a particular Fund) to which in the opinion of the Depositary it relates or if in the opinion of the Depositary it does not relate to any particular Fund or Funds, between all the Funds pro rata to their Net Asset Values at the time the allocation is made;
- (g) subject to the approval of the Directors and the Auditors, the Depositary may transfer any assets to and from Funds if, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability would be borne in a different manner from that in which it would have been borne under paragraph (f) above or in any similar circumstances.

TAXATION

General

The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.

The following is a brief summary of certain aspects of Irish taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.

Dividends, interest and capital gains (if any) which the Company may receive with respect to its Investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of Investments are located. It is anticipated that the Company 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 a repayment to the Company, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of the repayment.

Taxation in Ireland

The Directors have been advised that on the basis that the Company is resident in Ireland for taxation purposes, the taxation position of the Company and the Shareholders is as set out below.

The Company

The Company will be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish Resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B of the Taxes Act. Under current Irish law and practice, on that basis, it is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a “chargeable event” in the Company. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation or transfer of Shares or appropriation or cancellation of Shares of a Shareholder by the Company for the purposes of meeting the amount of the tax payable on a gain arising on a transfer of an entitlement to a Share. It also includes the ending of a Relevant Period.

No tax will arise on the Company in respect of chargeable events in respect of a Shareholder who is neither Irish Resident nor Irish Ordinary Resident at the time of the chargeable event provided that a Relevant Declaration is in place and the Company is not in possession of any information which would reasonably suggest that the information contained therein is not or, is no longer materially correct.

A chargeable event will not be deemed to arise if at the time of the chargeable event Equivalent Measures have been formally agreed with the Revenue Commissioners and the approval has not been withdrawn. In the absence of a Relevant Declaration or Equivalent

Measures there is a presumption that the investor is Irish Resident or Irish Ordinary Resident.

A chargeable event does not include:

- an exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- any transactions (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- a transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses, former spouses, civil partners or former civil partners, subject to certain conditions; or
- an exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the Company with another investment undertaking.

The holding of Shares at the end of a Relevant Period will also constitute a chargeable event. To the extent that any tax credit arises on such a chargeable event, such tax will be allowed as a credit against any tax payable on the subsequent encashment, sale, cancellation or transfer of the relevant Shares. If the Company becomes liable to account for tax if a chargeable event occurs, the Company shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or such beneficial owner as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

The Company is allowed the option of electing to value the Shares at bi-annual dates (meaning 30 June or 31 December) rather than at the date of the deemed eight year disposal itself. Therefore, the Company will make an irrevocable election to allow the Shares in the calculation of the gain on a deemed disposal for Taxable Irish Persons to be valued at the later of the previous 30 June or 31 December prior to the date of the deemed disposal rather than at the date of the deemed disposal itself.

Where less than 10% of the net asset value of Shares in the Company is held by Taxable Irish Persons the Company will elect not to apply a withholding tax to a deemed disposal of Shares in the Company and will advise the Irish Revenue Commissioners of this election. Shareholders who are Taxable Irish Persons will therefore be required to return any gain and account for appropriate tax on the deemed disposal directly to the Irish Revenue Commissioners. Shareholders should contact the Company/Administrator to ascertain whether the Company has made such an election in order to establish their responsibility to account to the Irish Revenue Commissioners for any relevant tax.

Where less than 15% of the net asset value of Shares in the Company is held by Taxable Irish Persons the Company will elect not to repay Shareholders any overpaid tax and as such Shareholders must seek repayment of any overpaid tax directly from the Irish Revenue Commissioners. Shareholders should contact the Company/Administrator to ascertain whether the Company has made such an election in order to establish whether they must seek repayment of any overpaid tax directly from the Irish Revenue Commissioners.

Please see the “Shareholders” section below dealing with the tax consequences for the Company and the Shareholders of chargeable events in respect of:

- Shareholders who are neither Irish Resident nor Irish Ordinary Resident; and
- Shareholders who are either Irish Resident or Irish Ordinary Resident.

Dividends received by the Company from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the Company can make a declaration to the payer that it is an investment undertaking within the meaning of Section 739B of the Taxes Act beneficially entitled to the dividends which will entitle the Company to receive such dividends without deduction of Irish dividend withholding tax.

There is an obligation on the Company to provide an annual report to the Irish Revenue Commissioners in relation to certain Shareholders and the value of their investments in the Company. The obligation arises only in relation to Shareholders who are either Irish Resident or Irish Ordinary Resident.

Anti avoidance provisions apply where an investment undertaking is regarded as a PPIU in respect of Irish tax resident individual Shareholders. In such circumstances any payment to a Shareholder will be taxed at a rate of 60%. It is a matter of fact whether or not the Shareholder or a connected person has a right of selection as envisaged in the anti avoidance measures. Individual Shareholders should seek independent legal advice to ascertain whether the investment undertaking, as a result of their personal circumstances, could be regarded as a PPIU.

Shareholders

(i) Shareholders who are neither Irish Resident nor Irish Ordinary Resident

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if (a) the Shareholder is neither Irish Resident nor Irish Ordinary Resident, (b) the Shareholder has made a Relevant Declaration and (c) the Company is not in possession of any information which would reasonably suggest that the information contained therein is not, or is no longer materially correct. In the absence of a Relevant Declaration or approval from Revenue to operate Equivalent Measures, tax will arise on the happening of a chargeable event in the Company regardless of the fact that a Shareholder is neither Irish Resident nor Irish Ordinary Resident. The appropriate tax that will be deducted is as described in paragraph (ii) below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Irish Ordinary Resident no tax will have to be deducted by the Company on the occasion of a chargeable event provided that the Intermediary has made a Relevant Declaration that they are acting on behalf of such person and the Company is not in possession of any information that would reasonably suggest that the information contained therein is not, or is no longer materially correct or if the Directors have received approval from the Revenue Commissioners that Equivalent Measures are in place

A gain shall not be treated as arising to the Company on the happening of a chargeable event in respect of Shareholders who are neither Irish Residents nor Irish Ordinary Residents and who have made Relevant Declarations in respect of which the Company is not in possession of any information which would reasonably suggest that the information contained therein is not, or is no longer materially correct. However, any corporate Shareholder which is not Irish Resident and which holds Shares directly or indirectly by or for

a trading branch or agency in Ireland will be liable to Irish tax on income from the Shares or gains made on disposal of the Shares.

Where taxes are withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the Shareholder, Irish legislation does not provide for a refund of tax except in the following circumstances;

- i. The appropriate tax has been correctly returned by the Company and within one year of making of the return the Company can prove to the satisfaction of the Revenue Commissioners that it is just and reasonable for such tax which has been paid to be repaid to the Company.
- ii. Where a claim is made for a refund of Irish tax under Section 189, 189A and 192 of the Taxes Act (relieving provisions relating to incapacitated persons, trusts in relation thereto and persons incapacitated as a result of drugs containing thalidomide) the income received will be treated as net income chargeable to tax under Case III of Schedule D from which tax has been deducted.

(ii) Shareholders who are Irish Resident or Irish Ordinary Resident.

Unless a Shareholder is an Exempted Irish Investor and provides a Relevant Declaration to that effect or unless the Shares are purchased by the Courts Service or the Shareholder is a corporate which has provided a declaration of its corporate status, tax at the rate of 41% will have to be deducted by the Company on distributions and gains arising to the Shareholder on an encashment, redemption, cancellation or transfer of Shares by a Shareholder. Tax at a rate of 41% will also be required to be deducted by the Company on the ending of a Relevant Period at which time there is a deemed disposal of Shares by the Shareholder. Tax at a rate of 25% will have to be deducted by the Company where the Shareholder is a company regardless of the nature of the distribution and the Shareholder has provided a formal declaration of its corporate status.

In general, non-corporate Shareholders who are Irish Resident or Irish Ordinary Resident will not be subject to further Irish tax on income from their Shares or gains made on disposal of the Shares where tax has been deducted by the Company on payments received. Where a currency gain is made by a Shareholder on the disposal of his or her Shares, such a Shareholder may be liable to capital gains tax in the year assessment in which the Shares are disposed of. Irish Resident corporate Shareholders who receive distributions from which tax has been deducted will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D of the Taxes Act from which tax at the 25% rate has been deducted. An Irish Resident corporate Shareholder whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set-off against corporation tax payable for any tax deducted by the Company. Any Shareholder who is Irish Resident or Irish Ordinary Resident and receives a distribution or a gain on any encashment, redemption, cancellation or transfer of Shares from which tax has not been deducted may be liable to income tax or corporation tax on the amount of such distribution or gain.

(iii) Irish Courts Service

Where Shares are held by the Courts Service no tax is deducted by the Company on payments made to the Courts Service. Where money under the control or subject to the order of the Court Service is applied to acquire Shares in the Company, the Courts Service assumes, in respect of those Shares acquired, the responsibilities of the Company with regard to, inter alia, deduction of tax in respect of chargeable events, filing returns and collection of the tax.

In addition, the Courts Service must make, in respect of each year of assessment, on or before 28 February in the year following the year of assessment, a return to the Revenue Commissioners which:

- (a) specifies the total amount of gains arising to the investment undertaking in respect of the Shares acquired; and
- (b) specifies in respect of each person who is or was beneficially entitled to those Shares:
 - where available, the name and address of the person,
 - the amount of total gains to which the person has beneficial entitlement, and
 - such other information as the Revenue Commissioners may require.

Stamp Duty

Generally, no stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of Irish securities or other Irish property, Irish stamp duty may arise on the transfer of such securities or property.

No Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the Taxes Act) which is registered in Ireland.

No stamp duty will arise on reconstructions or amalgamations of Investment Undertakings under Section 739H of the Taxes Act, provided the reconstructions or amalgamations are undertaken for bona fide commercial purposes and not for the avoidance of tax.

Capital Acquisitions Tax

The disposal of Shares will not be subject to Irish gift or inheritance tax (Capital Acquisitions Tax), provided that the Company falls within the definition of an investment undertaking (within the meaning of Section 739B of the Taxes Act) and that: (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor ordinarily resident in Ireland; (b) at the date of the disposition, either the Shareholder disposing of the Shares is neither domiciled nor ordinarily resident in Ireland or the disposition is not subject to Irish law; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

FATCA and other cross-border reporting systems

The Hiring Incentives to Restore Employment Act was signed into US law on 18 March 2010 and includes foreign account tax compliance provisions generally known as "FATCA". The thrust of these provisions is that details of US investors holding assets outside the US will be reported by financial institutions to the US Internal Revenue Services ("IRS") as a safeguard against US tax evasion. To discourage non-US financial institutions from staying outside this regime, FATCA provides that US securities held by a financial institution that does not enter and comply with the regime will be subject to a US tax withholding of 30% on gross sales proceeds as well as income. This regime is effective from 1 July 2014. The basic terms of FATCA appear to include the Company as a 'Financial Institution', such that, in order to comply, the Company may require all Shareholders to provide mandatory documentary evidence of their tax residence.

The US has developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement (“Irish IGA”) on 21 December 2012.

The Irish IGA is intended to reduce the burden for Irish financial institutions of complying with FATCA by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant US investors will be provided on an annual basis by each Irish financial institution (unless the financial institution is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners, who will then provide such information to the IRS.

Accordingly, in order to comply with its FATCA obligations, the Company may require investors to provide the Company with information and documentation prescribed by applicable law and such additional documentation as reasonably requested by the Company. Each prospective investor should consult their own tax advisor regarding the requirements under FATCA with respect to their particular circumstances.

Although the Company will use commercially reasonable efforts to comply with any requirements that are necessary to avoid the imposition of withholding taxes on payments to the Company pursuant to FATCA, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of FATCA, the return of all investors may be materially affected.

Prospective investors should consult with their tax advisers regarding the possible implications of FATCA on their investment in the Company.

The Common Reporting Standard (“CRS”) is a new, single global standard on Automatic Exchange Of Information (“AEOI”). It was approved by the OECD in February 2014 and draws on earlier work of the OECD and the EU, global anti-money laundering standards and, in particular, the Model FATCA Intergovernmental Agreement. Under the CRS, participating jurisdictions will be required to exchange certain information held by financial institutions regarding their non resident investors. The CRS was effective in Ireland from 1 January 2016. The Company will be required to provide certain information to the Irish Revenue Commissioners about non-Irish tax resident Shareholders (which information will in turn be provided to the relevant tax authorities). It should also be noted the CRS replaces the EU Taxation on Savings Directive.

Each investor agrees to provide the Company with information and documentation prescribed by applicable law and such additional documentation reasonably requested by the Company as may be necessary for the Company to comply with its obligations under FATCA and the CRS.

Taxation in Czech Republic

The Company

According to the Double Taxation Agreement between Republic of Ireland and Czech Republic from 14 November 1995 and Czech Income Tax Law and Regulations of Ministry of Finance Shareholders of the Company (an investment undertaking – as defined in Section 739B of the Irish Taxes Act) who are resident for tax purposes in the Czech Republic, are liable to pay Czech taxes on income from their shares or on gains made on the disposal of their shares (as specified in the following text). The Company itself is not subject to any tax payable in the Czech Republic to the extent that it is not tax resident in the Czech Republic and/or does not carry out its business in the Czech Republic via a fixed place of business located in the Czech Republic.

Shareholder who is Czech Resident and taxpayer as an individual

Dividends (if any) of the Funds and redemption surpluses are subject to (currently) 15% tax on income in the Czech Republic (this tax forms a separate tax basis, which is part of the annual tax declaration form).

In general, net gains from sales of Shares are subject to (currently) 15% as a part of the general tax base of the Shareholder. Where the Shares are or were not included among the business assets of the Shareholder and the period of time between the acquisition and the sale of the Shares exceeds 6 months, the net gain is exempt from personal income tax.

Shareholder who is Czech Resident and taxpayer as a legal entity

Dividends (if any) of the Funds and redemption surpluses are subject to (currently) 15% tax on income in the Czech Republic (this income forms a separate tax basis, which is part of the annual tax declaration form).

Net gains from sales of Shares are liable to the normal corporate income tax rate for legal entities (currently) 21% with the exception of investment, pension and mutual funds, which are charged at (currently) 5%. Overall gains on sale of securities (inclusive of gains and losses on sales of Shares) realised in a calendar year is included into the general corporate income tax base of the shareholder which can be reduced by its business losses.

PART II
Statutory and General Information

1. Incorporation, Registered Office and Share Capital

- (a) The Company was incorporated in Ireland on 28 June 2000 as an investment company with variable capital with limited liability under registration number 329465.
- (b) The registered office of the Company is presently at 5 George's Dock, IFSC, Dublin 1, Ireland.
- (c) On incorporation the authorised share capital of the Company was CZK1,500,000 divided into 1,500,000 Subscriber Shares of a par value of CZK 1 each and 500,000,000,000 shares of no par value initially designated as unclassified shares. The unclassified shares are available for issue as Shares of classes within the Funds. There are seven Subscriber Shares currently in issue which are held by the Investment Manager and nominees of the Investment Manager.

These Subscriber Shares may be repurchased by the Company at any time. The repurchase price will be CZK1 per Subscriber Share.

- (d) As of the date of this Prospectus, no capital of the Company is under option or is agreed, conditionally or unconditionally to be put under option.
- (e) Neither the Subscriber Shares nor the unclassified shares carry pre-emption rights.

2. Share Rights

(a) Subscriber Shares

The holders of the Subscriber Shares shall:

- (i) on a vote taken on a show of hands, be entitled to one vote per holder and, on a poll, be entitled to one vote per Subscriber Share;
- (ii) not be entitled to any dividends whatsoever in respect of their holding of Subscriber Shares; and
- (iii) in the event of a winding up or dissolution of the Company, have the entitlements referred to under "Distribution of Assets on a Liquidation" below.

(b) Shares

The holders of Shares shall:

- (iii) on a vote taken on a show of hands, be entitled to one vote per holder and, on a poll, be entitled to one vote per whole Share;
- (iv) be entitled to such dividends as the Directors may from time to time declare; and

- (v) in the event of a winding up or dissolution of the Company, have the entitlements referred to under “Distribution of Assets on a Liquidation” below.

3. Voting Rights

This is dealt with under the rights attaching to the Subscriber Shares and Shares respectively referred to at 2 above.

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, at any general meeting on a show of hands every holder of shares who (being an individual) is present in person or (being a corporation) is present by duly authorised representative shall have one vote. On a poll every such holder present as aforesaid or by proxy shall have one vote for every share held.

To be passed, ordinary resolutions of the Company in general meeting will require a simple majority of the votes cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed.

A majority of not less than 75% of the shareholders present in person or by proxy and (being entitled to vote) voting in general meetings is required in order to pass a Special Resolution including a resolution to (i) rescind, alter or amend an Article or make a new Article and (ii) wind up the Company.

A member, being the Depositary, the Investment Manager, any investment adviser appointed by the Investment Manager and the associates of all of them may not be counted in the quorum nor may they vote the Shares held beneficially by them in respect of any general meeting at which they have a material interest in the business to be transacted.

4. Memorandum of Association

The Memorandum of Association of the Company provides that the Company’s sole object is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the Regulations, of capital raised from the public operating on the principle of spreading investment risk in accordance with the Regulations. The object of the Company is set out in full in Clause 3 of the Memorandum of Association which is available for inspection at the registered office of the Company.

5. Articles of Association

The following Section is a summary of the principal provisions of the Articles of Association of the Company not previously summarised in this Prospectus.

Alteration of share capital

The Company may from time to time by ordinary resolution increase its capital, consolidate and divide its shares or any of them into shares of a larger amount, subdivide its shares or any of them into shares of a smaller amount, or cancel any shares not taken or agreed to be taken by any person. The Company may also by special resolution from time to time reduce its share capital in any way permitted by law.

Issues of shares

The Shares shall be at the disposal of the Directors and they may (subject to the provisions of the Companies Act allot, offer or otherwise deal with or dispose of them to such persons, at such times and on such terms as they may consider in the best interests of the Company.

Variation of rights

Whenever the share capital is divided into different classes of shares, the rights of any class may be varied or abrogated with the consent in writing of the holders of three quarters of the issued and outstanding shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of that class of shares and the necessary quorum shall be at least two persons holding between them or representing by proxy at least 25% of the shares of that class in issue and, at an adjourned meeting, at least one person holding such percentage of shares of that class or his proxy.

The special rights attaching to any shares of any class shall not (unless the conditions of issue of such class of shares expressly provide otherwise) be deemed to be varied by the creation or issue of other shares ranking *pari passu* therewith.

Transfers of Shares

- (a) All transfers of shares shall be effected by an instrument in writing in a form approved by the Directors but need not be under seal. No transfer of Subscriber Shares can be effected without the prior written consent of the Company.
- (b) The instrument of transfer of a share must be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Company's register of shareholders in respect of such share.
- (c) The Directors may decline to register a transfer of shares unless the instrument of transfer is deposited at the registered office of the Company together with such evidence as is required by the Directors to show the right of the transferor to make the transfer and satisfying the Directors as to their requirements to prevent money laundering as they may apply from time to time. The registration of transfers may be suspended for such times and at such periods as the Directors may determine provided always that such registration may not be suspended for more than thirty days in any one year.
- (d) The Directors shall decline to register any transfer of a Share where:
 - (i) they are aware or believe that such transfer would be likely to result in the legal or beneficial ownership of such Shares by a person who is not a Qualified Holder or expose the Company to adverse tax or regulatory consequences; or
 - (ii) to a person who is not already a Shareholder if, as a result of such transfer, the proposed transferee would not be the holder of a Minimum Holding.

Directors

- (a) Each Director shall be entitled to such remuneration for his services as the Directors shall from time to time resolve provided no Director shall be paid in excess of the figure set out in the Prospectus without the approval of the Board. The Directors may also be paid, inter alia, for travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company. Any Director who devotes special attention to the business of the Company may be paid such extra remuneration as the Directors may determine.
- (b) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company on such terms as the Directors may determine.
- (c) Subject to the provisions of the Companies Act, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
 - (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company thereof or in which the Company or associated company thereof is otherwise interested;
 - (ii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company thereof is otherwise interested; and
 - (iii) shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- (d) A Director shall not generally be permitted to vote at a meeting of the Directors or a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote. Notwithstanding the foregoing, a Director shall be entitled to vote (and be counted in the quorum) in respect of resolutions concerning certain matters in which he has an interest including (inter alia) any proposal concerning any other company in which he is interested, directly or indirectly provided, that he is not the holder of or beneficially interested in 10% or more of the issued shares of any class of such company or of the voting rights available to members of such company (or of a third company through which his interest is derived).
- (e) There is no provision in the Articles requiring a Director to retire by reason of any age limit and no share qualification for Directors.
- (f) The number of Directors shall not be less than two (2).

- (g) The quorum for meetings of Directors may be fixed by the Directors and unless so fixed shall be two (2).
- (h) The office of a Director shall be vacated in any of the following circumstances i.e. if:
 - (i) he ceases to be a Director by virtue of any provisions of the Companies Act or becomes prohibited by law from being a Director;
 - (ii) he becomes a bankrupt or makes any arrangement or composition with his creditors generally;
 - (iii) in the opinion of a majority of the Directors he becomes incapable by reason of mental disorder of discharging his duties as a Director;
 - (iv) he resigns from his office by notice to the Company;
 - (v) he is convicted of an indictable offence and the Directors determine that as a result of such conviction he should cease to be a Director;
 - (vi) if the Central Bank of Ireland has issued a prohibition notice against such Director;
 - (vii) to comply with any suspension notice issued by the Central Bank;
 - (viii) if a majority of the Directors are satisfied on reasonable grounds that he no longer complies with any standards of Fitness and Probity issued by the Central Bank; and
 - (ix) he shall for more than six (6) consecutive months have been absent without permission of the Directors from any meetings of the Directors held during that period and the Directors pass a resolution that he has by reason of such absence vacated office.

The Company may also, as a separate power, in accordance with and subject to the provisions of the Companies Act, by ordinary resolution of the shareholders, remove any Director (including any managing director or other executive director) before the expiry of his period of office notwithstanding anything to the contrary contained in the Articles or in any agreement between the Company and any such Director.

Borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money (including the power to borrow for the purpose of repurchasing shares) and to hypothecate, mortgage, charge or pledge (where delivery of assets is not required) its undertaking, property, assets or any part thereof, and to issue debentures, debenture stock or other securities, whether outright or as collateral security for any debt, liability or obligation of the Company. The Company may not borrow other than in accordance with the provisions of the Regulations.

Dividends

No dividends are payable on the Subscriber Shares.

Subject to the provisions of the Companies Act, the Company may by ordinary resolution declare dividends on a class or classes of Shares, but no dividends shall exceed the amount recommended by the Directors. If the Directors so resolve and in any event on the winding up of the Company or on the total redemption of Shares, any dividend which has remained unclaimed for six (6) years shall be forfeited and become the property of the relevant Fund.

Distribution of assets on a liquidation

- (a) If the Company shall be wound up, the liquidator shall, subject to the provisions of the Companies Act, apply the assets of the Company in such manner and as he thinks fit in satisfaction of creditors' claims. The liquidator shall in relation to the assets available for distribution among the members make in the books of the Company such transfers thereof to and from Funds as may be necessary to ensure that the effective burden of such creditors' claims may be shared between the holders of shares of different classes in such proportions as the liquidator in his discretion may deem equitable having regard to the provisions under the heading "Allocation of Assets and Liabilities" above.
- (b) The assets available for distribution among the members shall then be applied in the following priority:
 - (i) firstly, in the payment to the holders of the Shares of each class of each Fund of a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made recourse shall be had:
 - A. first, to the assets of the Company (if any) not comprised within any of the Funds; and
 - B. second, to the assets remaining in the Funds for the other classes of Shares (after payment to the holders of the Shares of the classes to which they relate of the amounts to which they are respectively entitled under this paragraph (i)) pro rata to the total value of such assets remaining within each such Fund;
 - (ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (i) A. above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
 - (iii) thirdly, in the payment to the holders of each class of Shares of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares held;
 - (iv) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds, such payment being

made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion and to the number of Shares held in each class.

- (c) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution and any other sanction required by the Companies Act, divide among the members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is liability and any member may instruct the liquidator to sell any assets, to which he is entitled, on his behalf.

Indemnities

The Directors (including alternates), Secretary and other officers of the Company and its former directors and officers shall be indemnified by the Company against losses and expenses which any such person may become liable to by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of fraud, negligence or wilful default or any obligation to Shareholders imposed under or Irish law).

6. Circumstances of a Winding Up

The Company shall be wound up in the following circumstances:

- (a) by the passing of a special resolution for a winding-up;
- (b) where the Company does not commence business within a year of being incorporated or where it suspends its business for a year;
- (c) where the number of members falls below the statutory minimum of 7;
- (d) where the Company is unable to pay its debts and a liquidator has been appointed;
- (e) where the appropriate court in Ireland is of the opinion that the Company's affairs and the powers of the Directors have been exercised in a manner oppressive to members;
- (f) the appropriate court in Ireland is of the opinion that it is just and equitable that the Company should be wound up.

7. Commissions

Save as disclosed under the heading "Fees and Expenses" above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company.

8. Directors' Interests

Save for the contracts listed in paragraph 10 below, no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.

Mr Siuda, Mr Matuska and Mr Martinec are all employees of the Investment Manager.

9. Litigation

The Company is not engaged in any litigation or arbitration proceedings and the Directors are not aware of any litigation or claim pending or threatened by or against the Company since its incorporation.

10. Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

- (a) the Investment Management Agreement dated 23 December 2002 between the Company and the Investment Manager as amended;
- (b) the Depositary Agreement dated 31 October 2014 between the Company and the Depositary as amended;
- (c) the Administration Agreement dated 31 October 2014 between the Company and the Administrator as amended.

On the 30 December 2015, BNP Paribas Fund Services Dublin Limited merged with BNP Paribas Fund Administration Services (Ireland) Limited pursuant to Chapter 3 of Part 9 of the Companies Act. By virtue of the merger any contract, agreement or instrument to which BNP Paribas Fund Services Dublin Limited was a party must, notwithstanding anything to the contrary contained in that contract, agreement or instrument, be read and have effect as if BNP Paribas Fund Administration Services (Ireland) Limited had been a party thereto instead of BNP Paribas Fund Services Dublin Limited. In addition every contract, agreement or instrument to which BNP Paribas Fund Services Dublin Limited is a party became a contract, agreement or instrument between BNP Paribas Fund Administration Services (Ireland) Limited and the counterparty with the same rights, and subject to the same obligations, liabilities and incidents (including rights of set-off), as would have been applicable thereto if that contract, agreement or instrument had continued in force between BNP Paribas Fund Services Dublin Limited and the counterparty, and any money due and owing (or payable) by or to BNP Paribas Fund Services Dublin Limited under or by virtue of any such contract, agreement or instrument became due and owing (or payable) by or to BNP Paribas Fund Administration Services (Ireland) Limited instead of BNP Paribas Fund Services Dublin Limited. Therefore, as a consequence of the merger and by operation of law, the Administration Agreement is read as if BNP Paribas Fund Administration Services (Ireland) Limited had been a party thereto instead of BNP Paribas Fund Services Dublin Limited and, thereby, any reference (however worded and whether express or implied) therein to BNP Paribas Fund Services Dublin Limited is by operation of law substituted for a reference to BNP Paribas Fund Administration Services (Ireland) Limited; and

- (d) the Distribution Agreement dated 19 December 2000 between the Company and the Distributor as amended.

Details of the above contracts are given under the heading "Management and Administration" above.

11. Miscellaneous

- (a) The Company does not have as at the date of this Prospectus any loan capital (including term loans) outstanding or created but unissued, or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdraft, liabilities under acceptances or acceptance credits, obligations under finance leases, hire purchase, commitments, guarantees or other contingent liabilities.
- (b) The Company does not have, nor has it had since its incorporation, any employees.
- (c) Save as disclosed in paragraph 8 above, no Director has any interest direct or indirect in the promotion of the Company or in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired by, disposed of or leased to the Company, nor is there any contract or arrangement subsisting at the date of this document in which a Director is materially interested and which is unusual in its nature and conditions or significant in relation to the business of the Company.
- (d) The Company has not and does not intend to purchase or acquire nor agree to purchase or acquire any property.

12. Inspection of Documents

Copies of the following documents will be available for inspection at any time during normal business hours on any day (excluding Saturdays, Sundays and public holidays) free of charge at the registered offices of the Company in Dublin and at the registered office of the Investment Manager in Prague:

- (a) the Memorandum and Articles of Association of the Company (which may also be obtained from the Administrator or the Investment Manager, free of charge);
- (b) the Prospectus and Supplements; and
- (c) the most recently published annual report and audited financial statements and semi-annual report and unaudited financial statements relating to the Company.

APPENDIX I

Stock Exchanges and Regulated Markets

With the exception of permitted investment in unlisted securities, investment in securities will be restricted to those stock exchanges and markets in this Prospectus (as may be updated from time to time), as set out below.

2. The following stock exchanges:

- (a) Stock exchanges in any Member State or Australia, Canada, Japan, New Zealand, Switzerland, the United States, Norway, or Hong Kong;
- (b) any of the following regulated stock exchanges:

<u>Country</u>	<u>Exchange</u>
Albania	Tirana Stock Exchange
Argentina	Buenos Aires Stock Exchange
Bangladesh	Dhaka Stock Exchange
Bosnia and Herzegovina	Sarajevo Stock Exchange
Brazil	Sao Paulo Stock Exchange Rio de Janeiro Stock Exchange Bolsa de Mercadorias & Futuros
Chile	Bolsa de Comercio de Santiago Bolsa Electronica de Santiago Bolsa de Corredores de Valparaiso
China	Shanghai Stock Exchange Schenzhen Stock Exchange
Egypt	Cairo Stock Exchange
Ecuador	Guayaquill Stock Exchange Quito Stock Exchange
India	Bombay Stock Exchange National Stock Exchange Delhi Stock Exchange Madras Stock Exchange
Indonesia	Jakarta Stock Exchange
Israel	Tel Aviv Stock Exchange
Macedonia	Macedonia Stock Exchange
Malaysia	Kuala Lumpur Stock Exchange
Mexico	Mexican Stock Exchange
Montenegro	Montenegro Stock Exchange
Morocco	Casablanca Stock Exchange
Pakistan	Karachi Stock Exchange Lahore Stock Exchange Islamabad Stock Exchange
Peru	Lima Stock Exchange
Philippines	Philippines Stock Exchange

Singapore	Stock Exchange of Singapore Limited
Serbia	Belgrade Stock Exchange
South Africa	Johannesburg Stock Exchange
South Korea	Korea Stock Exchange
Sri Lanka	Colombo Stock Exchange
Taiwan	Taiwan Stock Exchange
Turkey	Istanbul Stock Exchange
Thailand	Stock Exchange of Thailand
Ukraine	Ukrainian Stock Exchange
Uruguay	Montevideo Stock Exchange
Venezuela	Caracas Stock Exchange
	Maracaibo Stock Exchange
	Electronic Stock Exchange
Zimbabwe	Zimbabwe Stock Exchange

3. The following regulated markets:

- (a) the market organised by the International Capital Market Association (ICMA);
- (b) NASDAQ in the United States;
- (c) the market in US Government Securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;
- (d) the over-the-counter market in the United States conducted by primary and secondary 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);
- (e) the market conducted by “listed money market institutions” as described in the Bank of England publication on “The Regulation of the Wholesale Cash and OTC Derivatives Markets in Sterling, Foreign Exchange and Bullion” dated April 1988 (as amended);
- (f) AIM – the Alternative Investment Market in the UK, regulated and operated by the London Stock Exchange;
- (g) the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- (h) the French market for “Titres de Creance Negotiable” (over-the-counter market in negotiable debt instruments);
- (i) the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada;
- (j) the over-the-counter market in Czech government securities traded on the Short-Term Bond Market known as the SKD System.

3. The following regulated markets on which financial derivative instruments may be traded:

Chicago Board of Trade
Chicago Mercantile Exchange
Montreal Stock Exchange
the Stock Exchange of Singapore Limited
Sydney Futures Exchange
Tokyo Stock Exchange.

The above markets are set out in the Articles of Association and are listed in accordance with the Central Bank Requirements, it being noted the Central Bank does not issue a list of approved markets or stock exchanges.

APPENDIX II

Investments in Financial Derivative Instruments (“FDI”) - Efficient Portfolio Management/Direct Investment

The following provisions apply whenever a Fund proposes to engage in transactions in FDIs where the transactions are for the purposes of efficient portfolio management and, where the intention is disclosed in the Fund’s investment policy, for investment purposes of the Fund. The FDI employed by a Fund include swaps, forward foreign currency exchange contracts, interest rate swaps, futures contracts, options and convertible debt securities, subject to the conditions and limits set down by the Central Bank.

Such FDI, as detailed below, will be used to hedge risk in order to protect a Fund against, or minimise liability from, fluctuations in market value or foreign currency exposure, and for efficient portfolio management. The Company may engage in such techniques or instruments for the reduction of risk, cost or the generation of additional capital or income for each Fund with an appropriate level of risk, taking into account the risk profile of the Company, as described in this Prospectus and/or in any Supplement and the general provisions of the Regulations.

Swaps

The Fund may enter into interest rate swaps or currency swaps. Swap agreements can be individually negotiated and structured to include a variety of different types of investments or market factors. Depending on their structure, the commercial purpose of swap agreements may be to increase or decrease a Fund’s exposure to long term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. For example, interest rate swaps may be used by a Fund for the purposes of hedging a Fund’s cash flow. Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party are paid by one party to the other. 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. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Forwards

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be ‘closed out’ by entering into a reverse contract. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another. Forward foreign exchange contracts may be used for hedging in connection with hedged currency classes of shares. In a spot transaction, the purchase or sale of currency takes place straight away at the current market exchange rate instead of at a future date.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures are primarily used to gain exposure to securities and indices for investment or hedging purposes. Unlike physical securities they are bought or sold on margin and thus require a smaller upfront payment to gain the same amount of exposure to the selected underlying investment. Futures will primarily be used on equity indices. The use of indices shall in each case be within the conditions and limits set down in the Central Bank's guidance entitled "UCITS Financial Indices" and where indices are used, the Investment Manager shall not use indices that rebalance more frequently than monthly. Equity securities will be the primary underlying asset where such instruments are used but any other transferable securities provided for in the investment policy, such as debt securities, could also constitute the underlying assets for such instruments.

Options

Subject to the requirements laid down by the Central Bank, the Investment Manager may use options (both writing and purchasing) to hedge risks in a Fund to reduce downside volatility. Options are contracts whereby the holder has the right but not the obligation to either purchase (call option) or sell (put option) to the counterparty (or to the exchange for exchange traded options) the underlying for a specified price (the strike price) on a specified date or during a period to expire on a specified date. The assets or indices underlying such instruments may consist of any one or more of the following: transferable securities (such as preferred or common stocks and debt securities), money market instruments and financial indices.

A Fund may purchase put options on specific stocks to hedge against losses caused by declines in the prices of stocks held by a Fund, and may purchase call options on individual stocks to realise gains if the prices of the stocks increase. A Fund may also write and/or purchase call and put options on financial indices to hedge the overall risk of the portfolio.

Convertible Debt Securities

A convertible debt security is usually a bond or a preferred stock issued by a corporation that can be converted into a different security and usually gives the holder the option to trade in the security for shares in the company that issued it. This gives the holder both a fixed-income investment with coupon payments as well as the potential to benefit from an increase in the company's share price. Convertible debt securities may embed derivatives. These derivatives will be options to convert the underlying security into equity or debt. Convertible debt securities will not be used to achieve leverage. The additional value of the conversion option, however, will mean that the coupon payment on the security will be lower than that of an equivalent security with no conversion option. A convertible debt security issue, like that of other securities, will state the maturity and the coupon on the bond. A convertible debt security also has information about the conversion option, or how many shares will be received for the security if it is converted. Such convertible debt securities will not be used to achieve leverage. The value of a convertible debt security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible debt security's investment value.

The Company shall employ a risk management process ("RMP") to enable it to monitor and measure, on a continuous basis, the risk of all open derivative positions and their contribution to the overall risk profile of a Fund's portfolio. The Company will, on request,

provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment. The FDI employed by a Fund will be set out in the Company's documented RMP. Any FDI not included in the RMP will not be utilised by a Fund until such time as a revised submission of the RMP has been provided to the Central Bank.

Global exposure and leverage as a result of its investment in FDI, as measured using the commitment approach, shall not exceed 100% of the Net Asset Value of a Fund on a permanent basis. The commitment approach is a standard methodology used to calculate the gross notional exposure and global exposure (net leverage/gearing) arising from a Fund's derivatives. The expected level of leverage of a Fund will be set out in the relevant Supplement for each Fund.

The use of derivative instruments for the purposes outlined above may expose a Fund to the risks disclosed under the section of the Prospectus entitled "Risk Factors".

The conditions and limits for the use of such techniques and instruments in relation to each Fund are set out at section 6 in Appendix III.

A. Efficient Portfolio Management - Other Techniques and Instruments

1. In addition to the investments in FDIs noted above, the Company may employ other techniques and instruments relating to transferable securities and money market instruments for efficient portfolio management purposes such as repurchase/reverse repurchase agreements and sell/buy-back agreements ("repo contracts") and stocklending subject to the conditions imposed by the Central Bank.

Repo contracts

A 'repurchase transaction' means a transaction governed by an agreement by which a counterparty transfers securities or guaranteed rights relating to title to securities where that guarantee is issued by a recognised exchange which holds the rights to the securities and the agreement does not allow a counterparty to transfer or pledge a particular security to more than one counterparty at a time, subject to a commitment to repurchase them, or substituted securities of the same description at a specified price on a future date specified, or to be specified, by the transferor, being a repurchase agreement for the counterparty selling the securities and a reverse repurchase agreement for the counterparty buying them.

A 'sell/buy-back transaction' refers to a transaction by which a counterparty buys or sells securities, commodities or guaranteed rights to title to securities, agreeing respectively to sell or buy back securities, commodities or such guaranteed rights of the same description, at a specified price on a future date, that transaction being a buy-sell back transaction for the counterparty buying the securities, commodities or guaranteed rights, or a sell-buy back transaction for the counterparty selling them, such buy-sell back or sell-buy back transactions not being governed by a repurchase/ reverse repurchase agreement, as defined above.

Techniques and instruments which relate to transferable securities and money market instruments and which are used for the purpose of efficient portfolio management, including FDI which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
 - (i) reduction of risk;
 - (ii) reduction of cost;
 - (iii) generation of additional capital or income for a Fund with a level of risk which is consistent with the risk profile of a Fund and the risk diversification rules set out in the Regulations;
- (c) their risks are adequately captured by the risk management process of a Fund; and
- (d) they cannot result in a change to a Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

It is the Company's policy that all of the revenues arising from techniques and instruments entered into, on behalf of a Fund, for efficient portfolio management purposes will be returned to the relevant Fund net of any direct and indirect operational costs/fees incurred in respect thereof. The identity of the entity or entities to which such direct and indirect operational costs/fees are paid, together with confirmation as to whether or not the entities in question are related parties to the Depositary shall be disclosed in the Company's audited annual accounts.

Techniques and instruments (other than FDI) may be used for efficient portfolio management purposes subject to the conditions set out below.

2. The following applies to repo contracts and stocklending arrangements, in particular, and reflects the Central Bank Requirements:
 - (a) Repo contracts and stocklending may only be effected in accordance with normal market practice.
 - (b) The Company must have the right to terminate any stocklending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.
 - (c) Repo contracts or stocklending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.
 - (d) Where the Company enters into repurchase agreements, it must be able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.
 - (e) Where the Company enters into reverse repurchase agreements, it must be able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of

the reverse repurchase agreement should be used for the calculation of a Fund's Net Asset Value. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.

- (f) The Company conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or stocklending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by the ESMA that rating shall be taken into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Investment Manager without delay.

B. Management of collateral for OTC FDI transactions and efficient portfolio management techniques

For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

- (a) Collateral obtained in respect of OTC FDI transactions and efficient portfolio management techniques ("Collateral"), such as a repo contract or stocklending arrangement, must comply with the following criteria:
 - (i) **liquidity:** Collateral (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 should also comply with the provisions of Regulation 74 of the Regulations;
 - (ii) **valuation:** Collateral 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 should be of high quality. The Investment Manager shall ensure that:
 - A. where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Investment Manager in the credit assessment process; and
 - B. where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (A) this shall result in a new credit assessment being conducted of the issuer by the Investment Manager without delay;
 - (iv) **correlation:** Collateral should be issued by an entity that is independent from the counterparty. There should be a reasonable ground for the Investment Manager to expect that such Collateral would not 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 a Fund's Net Asset Value. When a 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. A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, as well as non-Member States and public international bodies of which one or more Member States are members provided such Fund receives securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value. The Member States, local authorities, non-Member States or public international bodies issuing or guaranteeing securities that may be accepted as collateral for more than 20% of a Fund's Net Asset Value are identified in paragraph 2.12 of Appendix III; and
 - (vi) **immediately available:** Collateral should be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
- (b) Subject to the above criteria, Collateral must be in the form of one of the following:
- (i) cash;
 - (ii) government or other public securities;
 - (iii) certificates of deposit issued by Relevant Institutions;
 - (iv) bonds/commercial paper issued by Relevant Institutions or by non-bank issuers where rating of the issue or the issuer are compliant with the investment restrictions of the particular sub-fund;
 - (v) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions; and
 - (vi) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia, New Zealand, Taiwan, Singapore and Hong Kong.
- (c) Until the expiry of the repo contract or stocklending arrangement, collateral obtained under such contracts or arrangements:
- (i) must be marked to market daily; and
 - (ii) is intended to equal or exceed the value of the amount invested or securities loaned.
- (d) Collateral must be held by the Depositary or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a sub-custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.
- (e) **Non-cash Collateral:**

Non- cash Collateral cannot be sold, re-invested or pledged.

(f) **Cash Collateral:**

Cash as Collateral may only be:

- (i) placed on deposit with Relevant Institutions;
- (ii) invested in high quality government bonds;
- (iii) used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company can recall at any time the full amount of the cash on an accrued basis; and
- (iv) invested in short term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money-Market Funds (Ref: CESR/10-049).

Re-invested Cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral and shall not be placed on deposit with a counterparty or any entity that is related or connected to the counterparty.

- (g) The Company has implemented a haircut policy in respect of each class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any Collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.
- (h) The risk exposures to a counterparty arising from OTC FDI transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits set out in Appendix III, paragraph 2.8.

C. When Issued, Delayed Delivery and Forward Commitment Securities

The Company may invest in securities on a when-issued, delayed delivery and forward commitment basis and such securities will be taken into consideration in calculating a Fund's investment restriction limits.

D. Risks and potential conflicts of interest involved in efficient portfolio management techniques.

While the use of efficient portfolio management techniques and instruments will be in line with the best interests of the Company, there are certain risks involved in efficient portfolio management activities and the management of collateral in relation to such activities. Risks linked to the management of collateral, including operational and legal risks, are identified and mitigated by risk management procedures employed by the Company. The Company ensures that the value of the collateral required exceeds the market value of securities on loan for each security loan entered into by the Company. Collateral received shall be capable of being fully enforced by a Fund at any time without reference to or approval from the counterparty. Accordingly, collateral will be immediately available to the Company without recourse to the counterparty in the event of default by that entity.

Where a Fund enters into transactions in over-the counter derivative markets or engages in efficient portfolio management techniques (such as repurchase/reverse repurchase and sell/buy-back agreements, and stocklending), this will expose a Fund to the credit risk of its counterparties and their ability to satisfy the terms of such contacts. In the event of a bankruptcy or other default of a counterparty, a Fund could experience both delays in liquidating the underlying securities and losses including a possible decline in value of the underlying securities during the period when the Fund seeks to enforce its rights thereto. This could have the effect of reducing levels of capital and income in the Fund and could result in lack of access to income during this period as well as the Fund being obliged to incur a degree of expense to enforce its rights.

In addition, a Fund may have to transact with counterparties on standard terms which it may not be able to negotiate and may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction or if the transaction becomes unenforceable due to relevant legislation and regulation or because the contract with the counterparty does not accurately reflect the intention of the parties, is otherwise not documented correctly or is legally unenforceable.

The above listed techniques and instruments involve various types and degrees of risk, depending upon the characteristics of the particular instrument and the assets of a Fund as a whole. Use of these instruments may entail investment exposures that are greater than their cost would suggest, meaning that a small investment in derivatives could have a large impact on a Fund's performance.

Put and call options on indexes involve certain risks, because a securities index fluctuates with changes in the market values on the securities included in the index. The effectiveness of the use of securities index options will depend upon the extent to which price movements in the portion of the securities Fund being hedged through the use of the option correlate with price movements in the selected securities index. Perfect correlation is not possible because the securities held by the Fund will not match exactly the securities represented in the securities indexes on which the options are based. Moreover, the purchase of securities index options involves essentially the same risks as the purchase of options on future contracts. The principal risk is that the premium and transaction costs paid by the Fund in purchasing an option will be lost as a result of unanticipated movements in prices of the securities comprising the securities index on which the option is based. Gains or losses on the Fund transactions in securities index options depend on price movements in the securities markets generally, rather than price movements of a particular securities held by the Fund.

The use of futures and futures options also involves risks, including the potential for losses in excess of the amount invested in the futures contract. There can be no guarantee that there will be a correlation between price movements in the instrument used and the securities of the Fund that are being hedged through the use of the instrument. Moreover, there are significant differences between the securities and futures markets that could result in imperfect correlation between the markets, causing the use of a particular technique not to achieve its intended objectives. The degree of imperfection of correlation depends upon circumstances such as variations in speculative market demand, and differences between financial instruments being hedged and instruments underlying the standard contracts available for trading in such respects as interest rate levels, maturities and creditworthiness of issuers. A decision as to whether, when and how to hedge involves exercise of skill and judgement, and even a well-conceived hedge may be unsuccessful to some degree because of market behaviour or unexpected interest rate trends.

Futures exchanges may limit the amount of fluctuation permitted in certain futures contract prices during a single trading day. The daily limit establishes the maximum amount that the

price of a futures contract may vary either up or down from the previous day's settlement price at the end of the current trading session. Once the daily limit has been reached in a futures contract subject to such a limit, no more trades may be made on that day at a price beyond that limit. The daily limit governs only price movements during a particular trading day and therefore does not limit potential losses because the limit may work to prevent the liquidation of unfavourable positions.

In addition, the ability to establish and close out positions in options on futures contracts will be subject to the development and maintenance of a liquid market in the options. There can be no assurance that a liquid market on an exchange will exist for any particular option or for any particular time.

Use of forward currency contracts, as a method of protecting the value of the Fund assets against a decline in the value of a currency, establishes a rate of exchange which can be achieved at some future point in time, but does not eliminate fluctuations in the underlying prices of securities. Use of forward currency contracts may also reduce any potential gain which may have otherwise occurred had the currency value increased above the settlement price of the contract. Successful use of forward contracts depends on the investment adviser's skill in analysing and predicting relative currency values. Forward contracts alter the Fund's exposure to currency exchange rate activity and could result in losses to the Fund in the event that the currencies do not perform in the manner that the investment adviser anticipated. The Fund may also incur significant costs when converting assets from one currency to another.

In addition to the counterparty risk set out above, the risks engaging in stocklending involve primarily those relating to the borrower not being in a position to meet any necessary increases in collateral payment or that trades involving securities will not settle resulting in a short market.

APPENDIX III

Investment and Borrowing Restrictions

Investment of the assets of the relevant Fund must comply with the Regulations. The Regulations provide:

1	Permitted Investments
1.1	Investments of each Fund are confined to: Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
1.2	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
1.3	Money market instruments other than those dealt on a regulated market.
1.4	Units of UCITS.
1.5	Units of Alternative Investment Funds (“AIFs”).
1.6	Deposits with credit institutions.
1.7	Financial derivative instruments.
2	Investment Restrictions
2.1	Each Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
2.2	<p>Recently Issued Transferable Securities Subject to paragraph (2), a responsible person shall not invest any more than 10% of assets of a Fund in securities of the type to which Regulation 68(1)(d) of the Regulations apply. Paragraph (1) does not apply to an investment by a responsible person in US Securities known as “Rule 144 A securities”, provided that:</p> <ul style="list-style-type: none"> (a) the relevant securities have been issued with an undertaking to register the securities with the US Securities and Exchange Commission within one year of issue; and (b) the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, which they are valued by the Fund.
2.3	A 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%.
2.4	The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a 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 Fund. Prior approval will be obtained from the Central Bank before the Company avails of the provisions of

this restriction.

- 2.5** The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6** The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7** Deposits with any single credit institution, other than a credit institution specified in Regulation 7 of the Central Bank UCITS Regulations held as ancillary liquidity shall not exceed:
- (a) 10% of the Net Asset Value of the Fund; or
 - (b) where the deposit is made with the Depositary, 20% of the Net Asset Value of the Fund.
- 2.8** The risk exposure of a Fund to a 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 EEA; 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.
- 2.9** Notwithstanding paragraphs 2.3, 2.7 and 2.8 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) counterparty risk exposures arising from OTC derivatives transactions.
- 2.10** The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

2.11	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
2.12	<p>Each 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 body of which one or more Member States are members.</p> <p>The individual issuers must be listed in the prospectus and may be drawn from the following list:</p> <p>OECD Governments (provided the relevant issues are of investment grade), Government of the People’s Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the 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, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority and Straight-A Funding LLC.</p> <p>Each Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
3	Investment in Collective Investment Schemes (“CIS”)
3.1	A Fund may not invest more than 20% of net assets in any one CIS.
3.2	Investment in AIFs may not, in aggregate, exceed 30% of net assets.
3.3	The CIS are prohibited from investing more than 10% of net assets in other open-ended CIS.
3.4	When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the Fund’s 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 Fund’s investment in the units of such other CIS.
3.5	Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the Fund (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the Fund.
4	Index Tracking UCITS
	Intentionally left blank

5	General Provisions
5.1	An investment company, Irish Collective Asset-management Vehicle (“ICAV”) 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.
5.2	<p>A Fund may acquire no more than:</p> <ul style="list-style-type: none"> (i) 10% of the non-voting shares of any single issuing body; (ii) 10% of the debt securities of any single issuing body; (iii) 25% of the units of any single CIS; (iv) 10% of the money market instruments of any single issuing body. <p>NOTE: The limits laid down in (ii), (iii) and (iv) 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.</p>
5.3	<p>5.1 and 5.2 shall not be applicable to:</p> <ul style="list-style-type: none"> (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities; (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State; (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; (iv) shares held by a Fund in the capital of a company incorporated in a non-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 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-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed. (v) Shares held by an investment company or investment companies or ICAV or ICAVs 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.
5.4	A 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.
5.5	The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
5.6	If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the 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.
5.7	Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:

	<ul style="list-style-type: none"> - transferable securities; - money market instruments*; - units of investment funds; or - financial derivative instruments.
5.8	A Fund may hold ancillary liquid assets.
6	Financial Derivative Instruments ('FDIs')
6.1	Any Fund's global exposure relating FDI must not exceed its total Net Asset Value.
6.2	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 UCITS Regulations/Central Bank Requirements. (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 UCITS Regulations/Central Bank Requirements.
6.3	Any Fund may invest in FDIs dealt in over-the-counter (OTC) provided that <ul style="list-style-type: none"> - the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
6.4	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.
	*any short selling of money market instruments by a Fund is prohibited.

APPENDIX IV

List of delegates and sub-delegates of BNP Paribas Securities Services appointed depository of UCITS funds.

Country	Agent Name	Location	Sub-delegate Name
ARGENTINA	EUROCLEAR BANK S.A	BRUSSELS	HSBC Bank Argentina S.A. for equities
BAHRAIN	HSBC BANK MIDDLE EAST LTD	BAHRAIN	
BANGLADESH	HONG KONG AND SHANGHAI BANKING CORP LIMITED	DHAKA	
BENIN	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
BERMUDA	BANK OF BERMUDA (HSBC Group)	BERMUDA	
BOSNIA AND HERZEGOVINA	UNICREDIT BANK AUSTRIA AG VIENNA	VIENNA	UniCredit Bank d.d., Sarajevo
BOTSWANA	STANDARD CHARTERED BANK OF BOTSWANA LTD	GABORONE	
BRAZIL	BANCO BNP PARIBAS BRASIL SA	SAO PAULO	
BULGARIA	UNICREDIT BULBANK A.D.	SOFIA	
BURKINA FASO	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
CANADA	ROYAL BANK OF CANADA (INVESTOR & TREASURY SERVICES)	TORONTO	
CHILE	BANCO DE CHILE (CITIBANK N.A)	SANTIAGO DE CHILE	
CHINA	HSBC BANK (CHINA) COMPANY LIMITED	SHANGHAI	
COLOMBIA	BNP PARIBAS SECURITIES SERVICES SOCIEDAD FIDUCIARIA BOGOTA	BOGOTA	
COSTA RICA	BANCO BCT S.A.	SAN JOSÉ	
CROATIA	UNICREDIT BANK AUSTRIA AG VIENNA	VIENNA	Zagrebacka Banka d.d., Zagreb
CZECH REPUBLIC	CITIBANK EUROPE PLC PRAGUE BRANCH	PRAGUE	
DENMARK	NORDEA BANK DANMARK A/S	COPENHAGEN	
ECUADOR	BANCO DE LA PRODUCCION SA-PRODUBANCO	QUITO	
EGYPT	CITIBANK N.A. Egypt	CAIRO	
ESTONIA	AS SEB PANK	TALLINN	
FINLAND	NORDEA BANK FINLAND PLC	HELSINKI	
GHANA	STANDARD CHARTERED BANK OF GHANA LTD	ACCRA	
GUINEA - BISSAU	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
ICELAND	ISLANDSBANKI	REIJKAVIK	
INDIA	BNP PARIBAS	MUMBAI	
INDONESIA	HONG KONG AND SHANGHAI BANKING CORP LIMITED, JAKARTA	JAKARTA	
INTERNATIONAL CSD	CLEARSTREAM BANKING SA	LUXEMBOURG	<ul style="list-style-type: none"> • LUXCSD S.A. • VP LUX S.à.r.l., LUXEMBOURG

Country	Agent Name	Location	Sub-delegate Name
INTERNATIONAL CSD	EUROCLEAR BANK SA	BRUSSELS	<ul style="list-style-type: none"> • Euroclear Belgium • Banque Nationale de Belgique S.A. / Nationale Bank van België (BNB) • RBC Investor Services Belgium • Banque et Caisse d'Epargne de l'Etat, Luxembourg
ISRAEL	CITIBANK N.A. ISRAEL	TEL AVIV	
IVORY COAST	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
JAPAN	HONG KONG AND SHANGHAI BANKING CORP LIMITED, TOKYO	TOKYO	
JORDAN	STANDARD CHARTERED BANK, JORDAN BRANCH	AMMAN	
KAZAKHSTAN	JSC CITIBANK KAZAKHSTAN	ALMATY	
KENYA	STANDARD CHARTERED BANK PLC	NAIROBI	
KOREA, REPUBLIC OF	HONG KONG AND SHANGHAI BANKING CORP LIMITED, SEOUL	SEOUL	
KUWAIT	HSBC BANK MIDDLE EAST LTD	KUWAIT CITY	
LATVIA	AS SEB BANKA	RIGA	
LEBANON	HSBC BANK MIDDLE EAST LTD	BEYROUTH	
LITHUANIA	AB SEB BANKAS	VILNIUS	
MALAYSIA	HSBC BANK MALAYSIA BERHAD, KUALA LUMPUR	KUALA LUMPUR	
MALI	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
MALTA	CLEARSTREAM BANKING SA	LUXEMBOURG	
MAURITIUS	HONG KONG AND SHANGHAI BANKING CORP LIMITED, PORT-LOUIS	PORT-LOUIS	
MEXICO	BANCO NACIONAL DE MEXICO (BANAMEX)	MEXICO CITY	
MOROCCO	BANQUE MAROCAINE POUR LE COMMERCE ET L'INDUSTRIE	CASABLANCA	
NAMIBIA	STANDARD BANK OF NAMIBIA LIMITED	WINDHOEK	
NIGER	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
NIGERIA	STANBIC IBTC BANK	LAGOS	
NORWAY	NORDEA BANK NORGE ASA	OSLO	
OMAN	HSBC BANK OMAN SAOG	MUSCAT	
PAKISTAN	CITIBANK N.A. KARACHI	KARACHI	
PERU	CITIBANK DEL PERU	LIMA	
PHILIPPINES	HONG KONG AND SHANGHAI BANKING CORP LIMITED, MANILA	MANILA	
QATAR	HSBC BANK MIDDLE EAST LTD	DOHA	
ROMANIA	CITIBANK EUROPE PLC BUCHAREST BRANCH	BUCHAREST	
RUSSIA	AO CITIBANK (JOINT STOCK COMPANY COMMERCIAL BANK CITIBANK)	MOSCOW	

Country	Agent Name	Location	Sub-delegate Name
SAUDI ARABIA	SAUDI ARABIA BRITISH BANK(HSBC GROUP)	RIYADH	
SENEGAL	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
SERBIA	UNICREDIT BANK AUSTRIA AG VIENNA	VIENNA	UniCredit Bank Srbija d.d., Belgrad
SINGAPORE	BNP PARIBAS SECURITIES SERVICES S.C.A	SINGAPORE	United Overseas Bank LTD for government bonds
SLOVAK REPUBLIC	CITIBANK EUROPE PLC BRATISLAVA BRANCH	BRATISLAVA	
SLOVENIA	UNICREDIT BANKA SLOVENIJA D.D. LJUBLJANA	LJUBLJANA	
SOUTH AFRICA	STANDARD BANK OF SOUTH AFRICA LIMITED	JOHANNESBURG	
SRI LANKA	HONG KONG AND SHANGHAI BANKING CORP LIMITED, COLOMBO	COLOMBO	
SWAZILAND	STANDARD BANK OF SWAZILAND LIMITED	MBABANE	
SWEDEN	SKANDINAVISKA ENSKILDA BANKEN AB (publ)	STOCKHOLM	
TAIWAN, ROC	HSBC BANK (TAIWAN) LIMITED	TAIPEI	
TANZANIA	STANBIC BANK TANZANIA LIMITED	DAR ES SALAAM	
THAILAND	HONG KONG AND SHANGHAI BANKING CORP LIMITED, BANGKOK	BANGKOK	
TOGO	STANDARD CHARTERED BANK CÔTE D'IVOIRE SA	ABIDJAN	
TUNISIA	UNION INTERNATIONALE DES BANQUES (SGSS)	TUNIS	
TURKEY	TEB SECURITIES SERVICES	ISTANBUL	
UGANDA	STANDARD CHARTERED BANK UGANDA LIMITED	KAMPALA	
UKRAINE	UNICREDIT BANK AUSTRIA AG VIENNA	VIENNA	PJSC Ukrsotsbank, Kiev
UAE (Dubai)	HSBC BANK MIDDLE EAST LTD	DUBAI	
UAE (Abu Dhabi)	HSBC BANK MIDDLE EAST LTD	DUBAI	
URUGUAY	BANCO ITAU URUGUAY S.A.	MONTEVIDEO	
USA	BNP PARIBAS NEW YORK BRANCH	NEW YORK	
VENEZUELA	CITIBANK N.A.	CARACAS	
VIETNAM	HSBC BANK (VIETNAM) LTD	HO CHI MINH CITY	
ZAMBIA	STANDARD CHARTERED BANK PLC	LUSAKA	
ZIMBABWE	STANDARD CHARTERED BANK ZIMBABWE LIMITED	HARARE	

The following countries are covered directly by BNP Paribas Securities Services:

- AUSTRALIA;
- AUSTRIA;
- BELGIUM;
- CYPRUS;
- FRANCE;
- GERMANY;
- GREECE;

- HONG KONG SAR;
- HUNGARY;
- IRELAND;
- ITALY;
- NETHERLANDS;
- NEW ZEALAND;
- POLAND;
- PORTUGAL;
- SINGAPORE;
- SPAIN;
- SWITZERLAND;
- UNITED KINGDOM.

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker or other financial adviser.

The Directors of Conseq Invest public limited company (the “Company”), whose names appear under the heading “Management and Administration” in the Prospectus of the Company dated 23 October 2017 (the “Prospectus”) accept responsibility for the information contained in the Prospectus and 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) the information contained in the Prospectus and in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information.

CONSEQ INVEST BOND FUND

A SHARE CLASS

B SHARE CLASS

D SHARE CLASS

*(A Fund of Conseq Invest public limited company
an investment company with variable capital structured as an umbrella fund
with segregated liability between sub-funds)*

SUPPLEMENT

This Supplement contains information relating to the A Class of Shares (the “A Class”), the B Class of Shares (the “B Class”) and the D Class of Shares (the “D Class”) of the Conseq Invest Bond Fund (the “Fund”). This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus of the Company.

The date of this Supplement is 23 October 2017.

This Supplement replaces the Supplement for the Conseq Invest Bond Fund dated 1 November 2014.

CONTENTS

DEFINITIONS	84
INTRODUCTION.....	85
INVESTMENT OBJECTIVE AND POLICY	85
BASE CURRENCY	88
INVESTMENT AND BORROWING RESTRICTIONS.....	88
MANAGEMENT AND ADMINISTRATION.....	88
DIVIDEND POLICY.....	88
SUBSCRIPTIONS.....	89
APPLICATION PROCEDURE.....	89
PAYMENT OF SUBSCRIPTION MONIES.....	90
MINIMUM SUBSCRIPTIONS/HOLDINGS.....	91
REDEMPTIONS.....	91
PROCEDURE	91
REDEMPTION PRICE	93
FEES AND EXPENSES.....	94
INVESTMENT MANAGEMENT FEE	94
RISK FACTORS	95
SWITCHING.....	95

DEFINITIONS

“*Bond Fund*”, the Conseq Invest Bond Fund.

“*Business Day*”, a day on which banks are open for business in Dublin and Prague.

“*Central Bank*”, the Central Bank of Ireland or any successor thereof.

“*Dealing Day*”, every Business Day.

“*Net Revenue*”, income from interest, dividends or otherwise, realised and unrealised profits (gains) on the disposal/valuation of the investments and other assets less realised and unrealised losses and the relevant portion of accrued expenses.

“*Regulated Markets*”, the Stock Exchanges and/or regulated markets listed in Appendix I of the Prospectus.

“*Shares*”, shares of whatever Share Class of a Fund as are constituted.

“*Share Class*” or “*Share Classes*”, such class of shares in a Fund as the Directors from time to time designate, the current shares classes in respect of Conseq Invest Bond Fund being the A Class, B Class and D Class.

“*Valuation Point*”, in respect of the assets and liabilities of the Bond Fund shall be the close of business in the relevant market on a Dealing Day.

All other capitalised terms shall bear the same definitions as are set out in the Prospectus.

INTRODUCTION

Conseq Invest public limited company (the “Company”) is authorised in Ireland by the Central Bank as a UCITS for the purposes of the Regulations. The Company is structured as an umbrella fund with segregated liability between sub-funds in that the share capital of the Company may be divided into different classes of Shares with one or more classes representing a separate Fund of the Company. Each Fund may have more than one Share Class.

This Supplement contains information relating to the A Class and the B Class of the Bond Fund which were approved by the Central Bank on 30 August 2000 and the D Class which was approved by the Central Bank on 3 December 2001. This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus together with the most recent audited annual report and financial statements and if published after such report, a copy of the latest unaudited semi-annual report.

The Shares of the Bond Fund are registered for distribution in the Czech Republic. In the Czech Republic, the Czech translation of the name of the Bond Fund is the Conseq Invest Dluhopisový fond.

As at the date of this Supplement, there are no other Share Classes in the Bond Fund, but additional Share Classes may be added in the future in accordance with the requirements of the Central Bank.

As at the date this Supplement, there are three other Funds of the Company, the Conseq Invest New Europe Equity Fund, the Conseq Invest Conservative Bond Fund and the Conseq Invest New Europe Bond Fund.

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

Profile of a Typical Investor

The Fund is suitable for investors seeking capital appreciation measured in CZK over the medium term (2-4 years) and who are willing to accept a moderate level of volatility.

INVESTMENT OBJECTIVE AND POLICY

The objective of the Bond Fund is to achieve capital appreciation measured in Czech Crowns by investing in a diversified portfolio of fixed-income securities.

The Bond Fund will aim to outperform its benchmark (the “Benchmark”), the Bloomberg Effas Czech Govt All >1 Yr TR Index. The Bloomberg Effas Czech Govt All >1 Yr TR Index is calculated and published by Bloomberg and is a Czech Crowns denominated government bond index which tracks the complete universe of existing Czech Crowns denominated government bonds with maturities of 1 year and more weighted by their market capitalisation.

Investments will be made primarily in short, medium and long term fixed-income securities listed or traded on Regulated Markets in the Czech Republic, Poland, Hungary and Slovakia or any OECD country, and denominated in Czech Crowns. The Bond Fund may also invest, less extensively, in short, medium and long term fixed income securities listed or traded on

Regulated Markets in the Czech Republic, Poland, Hungary and Slovakia or any other OECD country, but denominated in other currencies. Securities denominated in other currencies will not exceed 30% of the Net Asset Value of the Bond Fund. The Investment Manager will seek to manage the currency exposure in the portfolio with a view to ensuring that this exposure does not exceed 10% of the Net Asset Value of the Bond Fund. For this purpose the Investment Manager may employ forward currency contracts and foreign exchange options for hedging purposes and to provide protection against exchange rate risks. These instruments will be used in accordance with the requirements of the Central Bank.

Such securities including, but not limited to fixed interest debentures, bonds and floating rate notes will primarily be those which are listed or traded on Regulated Markets in OECD countries.

The Investment Manager will seek to reduce the inherent investment risks by concentrating on fixed income securities of high quality, having regard to the financial substance and reputation of the issuer. Accordingly, it is the intention to limit investments to bonds and other fixed income securities issued or guaranteed by the Czech or any OECD country Government, the Czech National Bank or the Central Bank of any OECD country, Czech municipalities, Czech or foreign banks and/or corporations and/or other issuers, which have all been credited with Ba3 or better rating by Moody's or BB-minus or better by Standard & Poor's or which having not applied for such a rating, are, in the opinion of the Investment Manager of equivalent credit status.

The Investment Manager will attempt to add value relative to the Benchmark by qualified duration and yield-curve decisions, active credit, liquidity, option, tax and currency risk management and by using short-term market trends.

The Bond Fund may engage in stocklending and enter into repurchase/ reverse repurchase and/or sell/buy-back agreements for efficient portfolio management purposes in accordance with the Central Bank Requirements and as set out in Appendix II to the Prospectus. In accordance with the Regulations and Appendix II of the Prospectus, the Fund will not take material exposure to Securities Financing Transactions. The proportion of assets under management subject to Securities Financing Transactions is expected to vary between 0% and 50%, subject to a maximum exposure not exceeding 50% of the assets under management of the Fund. The Investment Manager may invest in Securities Financing Transactions on an opportunistic basis and, accordingly, the proportion of the Fund's assets invested in Securities Financing Transactions may, subject to the above limit, vary significantly depending on prevailing market conditions.

The Bond Fund may also invest in financial derivative instruments ("FDI") for efficient portfolio management. Such instruments will be used in accordance with the requirements of the Central Bank. A description of the FDI the Bond Fund may use and their commercial purpose is as follows:

Swaps

The Bond Fund may enter into interest rate swaps or currency swaps. Swap agreements can be individually negotiated and structured to include a variety of different types of investments or market factors. Depending on their structure, the commercial purpose of swap agreements may be to increase or decrease the Bond Fund's exposure to long term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. For example, interest rate swaps may be used by the Bond Fund for the purposes of hedging the Bond Fund's cash flow. Interest rate swaps involve the exchange by a Fund with another

party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party are paid by one party to the other. 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. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Forwards

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another. Forward foreign exchange contracts may be used by the Bond Fund for hedging in connection with hedged currency classes of shares. In a spot transaction, the purchase or sale of currency takes place straight away at the current market exchange rate instead of at a future date.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures are primarily used to gain exposure to securities and indices for investment or hedging purposes. Unlike physical securities they are bought or sold on margin and thus require a smaller upfront payment to gain the same amount of exposure to the selected underlying investment. The underlying assets or indices of these instruments may consist of debt and fixed income securities, money market instruments and financial indices. The use of indices shall in each case be within the conditions and limits set down in the Central Bank's guidance entitled "UCITS Financial Indices", and where indices are used, the Investment Manager shall not use indices that rebalance more frequently than monthly.

Options

Subject to the requirements laid down by the Central Bank, the Investment Manager may use options (both writing and purchasing) to hedge risks in a Fund to reduce downside volatility. Options are contracts whereby the holder has the right but not the obligation to either purchase (call option) or sell (put option) to the counterparty (or to the exchange for exchange traded options) the underlying for a specified price (the strike price) on a specified date or during a period to expire on a specified date. The assets underlying such instruments may consist of any one or more of the following: preferred or common stocks, debt securities and money market instruments. A Fund may purchase put options on specific stocks to hedge against losses caused by declines in the prices of stocks held by a Fund, and may purchase call options on individual stocks to realise gains if the prices of the stocks increase.

Convertible Debt Securities

A convertible debt security is usually a bond or a preferred stock issued by a corporation that can be converted into a different security and usually gives the holder the option to trade in

the security for shares in the company that issued it. This gives the holder both a fixed-income investment with coupon payments as well as the potential to benefit from an increase in the company's share price. Convertible debt securities may embed derivatives. These derivatives will be options to convert the underlying security into equity or debt. Convertible debt securities will not be used to achieve leverage. The additional value of the conversion option, however, will mean that the coupon payment on the security will be lower than that of an equivalent security with no conversion option. A convertible debt security issue, like that of other securities, will state the maturity and the coupon on the bond. A convertible debt security also has information about the conversion option, or how many shares will be received for the security if it is converted. The value of a convertible debt security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible debt security's investment value.

The Bond Fund may be leveraged up to 100% of its Net Asset Value as a result of its use of FDI, but it is anticipated that leverage will typically be less than 30% of the Fund's Net Asset Value. The Company will calculate leverage on the basis of the commitment approach.

BASE CURRENCY

The base currency of the Bond Fund will be the Czech Crown.

INVESTMENT AND BORROWING RESTRICTIONS

The Company is a UCITS and accordingly the Bond Fund is subject to the investment and borrowing restrictions set out in the Central Bank Requirements. These are set out in detail in the Prospectus.

MANAGEMENT AND ADMINISTRATION

Detailed descriptions of the Directors and service providers to the Company are set out in the Prospectus.

DIVIDEND POLICY

The A Class and B Class of the Bond Fund are accumulating share classes and, therefore, it is not intended to distribute dividends to the Shareholders in these Share Classes. The income and other profits attributable to these Share Classes will be accumulated and reinvested on behalf of Shareholders. Dividends, if paid on these Share Classes, may be paid out of the Net Revenue attributable to the Share Classes.

The D Class of the Bond Fund is a distributing Share Class. The Fund intends to declare at least semi-annually a dividend that will be determined with the objective of distributing the majority of Net Revenue, if any, attributable to the D Class Shares.

The maximum amount that may be paid as a dividend per Share will be calculated in accordance with the following formula:

$$\text{Div} = \text{NAVRD} - \text{NAVLD}, \text{ if NAVRD is higher than NAVLD, otherwise } \text{Div} = 0; \text{ where}$$

$$\text{Div} = \text{Dividend per Share};$$

NAVRD = NAV per Share on the Dividend record day before distribution of declared dividends.

NAVLD = NAV per Share on the previous Dividend record day;

Dividend record day = Valuation point decisive for the dividend calculation. Shares subscribed for/redeemed on the Dividend record day are issued/redeemed as relevant at ex-dividend NAV per Share.

Dividends are distributed to the Shareholders on the number of Shares held as an opening balance on Dividend record Day.

The dividend will be reinvested automatically on the Dividend record day unless otherwise requested by the Shareholders. Normally these dividends will be paid by the Fund in July and January respectively. The dividend record date will be the last valuation date in June and December respectively. The Directors may also declare interim dividends on such other days within the year as they deem appropriate. Such dividends will be paid within 20 working days of their declaration. No interest will be paid on accrued but unpaid dividend.

SUBSCRIPTIONS

Application Procedure

Application Forms.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the application form prescribed by the Directors from time to time in relation to the Company (the "Application Form"). An Application Form accompanies this Supplement and sets out the methods by which and to whom the subscription monies should be sent. Application Forms shall be irrevocable and may be sent by facsimile at the risk of the applicant to the Investment Manager or any relevant distributor for onward transmission to the Administrator. The originals of the Application Forms should be sent to the Investment Manager or any relevant distributor for onward transmission to the Administrator to arrive within three Business Days after the time for receipt of such application.

Failure to provide the original Application Form by such time may, at the discretion of the Directors, result in the compulsory redemption of the relevant Shares on the next Dealing Day at the prevailing Net Asset Value per Share. However, applicants will be unable to redeem Shares on request until the original Application Form has been received.

Applications for subscription received at the Administrator, by 5.00p.m. Irish Time on a Dealing Day will be dealt with on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point on the relevant Dealing Day.

Fractions.

Subscription monies representing less than the subscription price for a Share will not be returned to the applicant. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than .0001 of a Share.

Subscription monies, representing less than .0001 of a Share will not be returned to the applicant but will be retained by the Company in order to defray administration costs.

Offer.

Applications for A Class, B Class and D Class Shares must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. All subscriptions will be dealt on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point for the relevant Dealing Day. Any applications received after that time will normally be held over until the next Dealing Day but, provided they are received prior to the Valuation Point, may be accepted for dealing on the Dealing Day (at the discretion of the Directors in consultation with the Administrator).

Subscription Price.

The subscription price per Share of the Share Classes of the Bond Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and adding thereto such sum as the Directors may consider represents an appropriate figure for Duties and Charges and any other amounts necessary to account for actual expenditure on the purchase of the underlying investments;
- (b) dividing the resultant figure under (a) above by the total number of Shares of the relevant class in issue; and
- (c) adding thereto such amount as may be necessary to round the resulting amount to four decimal places using standard rounding.

Preliminary Charge.

The Directors may impose a preliminary charge on the issue of Shares in the Bond Fund up to a maximum of 5% of the subscription amount, which shall be paid to the Distributor.

Payment of Subscription Monies

Method of Payment.

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic transfer to the bank account specified in the Application Form. Other methods of payment are subject to the prior approval of the Directors in consultation with the Depositary. No interest will be paid in respect of payments received in circumstances where the application is held or until a subsequent Dealing Day.

Timing of Payment.

Payment in respect of subscriptions must be received by the Depositary by 3:00pm Irish Time on the fourth Business Day following the relevant Dealing Day. If payment in full in cleared funds in respect of a subscription has not been received by the relevant time, the Directors in consultation with the Depositary may instruct the Administrator to cancel the allotment and/or charge the applicant interest at the 7 day Prague Interbank Offer Rate as fixed by the Czech National Bank (PRIBOR) + 1%, together with an administration fee of CZK5,000 which fee is payable to the Company. The Directors may in consultation with the Depositary waive such charge either in whole or in part. In addition, the Company will have

the right to sell all or part of the applicant's holding of Shares in the Bond Fund or any other Fund of the Company in order to meet these charges.

Minimum Subscriptions/Holdings

Initial Subscriptions.

The minimum initial subscription amount for Shares is as follows:

A Class	-	CZK	10,000
B Class	-	CZK	1,000,000
D Class	-	CZK	500,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Subsequent Subscriptions.

Any subsequent subscriptions must be a minimum of:

Class A	-	CZK	2,000
Class B	-	CZK	100,000
D Class	-	CZK	50,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Minimum Holdings.

Any Shareholder who redeems or otherwise disposes of part of his holding must maintain an aggregate holding in each Share Class in which he holds Shares as follows:

A Class	-	CZK	10,000
B Class	-	CZK	1,000,000
D Class	-	CZK	500,000

or its foreign currency equivalent (or less at the discretion of the Directors). The Directors have the power to redeem the remaining holding of any Shareholder who redeems his minimum holding of Shares in a Share Class to below the levels set out above or its currency equivalent.

Subscriptions paid in a currency other than the base currency of the Fund will be converted by the Investment Manager or relevant distributor at the prevailing exchange rate.

REDEMPTIONS

Procedure

Redemption.

Every Shareholder will have the right to require the Company to redeem his Shares in each of the Funds on any Dealing Day (save during any period when the calculation of the Net Asset Value is suspended in the circumstances set out in the Prospectus) on furnishing to the Investment Manager or any relevant distributor for onward transmission to the Administrator a redemption request. Shares may be redeemed either by written application to the Administrator or electronically via SWIFT.

Redemption applications received at the Administrator by 5.00p.m. Irish Time on a Dealing Day are dealt with on a forward pricing basis, i.e. by reference to the redemption price for Shares calculated at the Valuation Point on the relevant Dealing Day.

Redemption Form.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the redemption form (the "Redemption Form") prescribed by the Directors in relation to the Bond Fund. Redemption Forms may be obtained from the Investment Manager or any relevant distributor. The Redemption Form sets out the methods by which and to whom redemption monies may be sent.

Redemption Forms in respect of the Bond Fund must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. If the Redemption Form is received after that time it shall (unless otherwise determined by the Directors) be treated as a request for redemption on the Dealing Day following such receipt and Shares will be redeemed at the redemption price for that day. Shares will be redeemed at the redemption price calculated at the Valuation Point on the relevant Dealing Day.

Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions. The Administrator will not remit redemption proceeds if an investor has not submitted an originally signed redemption requests containing valid bank details or is not considered to be compliance with all necessary anti-money laundering legislation. Nor will the Administrator remit any payment to a third party bank account.

Redemption Forms shall (save as determined by the Directors) be irrevocable and may be sent by facsimile to the Investment Manager or any relevant Distributor for onward transmission to the Administrator at the risk of the relevant Shareholder.

Fractions.

Apart from circumstances in which a Shareholder is redeeming his entire holding of Shares in the Bond Fund:

- (a) fractions of Shares will be issued where any part of the redemption monies for Shares represents less than the redemption price for one Share, provided however that fractions shall not be less than .0001 of a Share; and
- (b) redemption monies, representing less than .0001 of a Share will not be returned to a Shareholder but will be retained by the Company in order to defray administration costs.

Compulsory Redemption.

All the Shares of the Fund may be redeemed at the discretion of the Directors if, after the first anniversary of the first issue of Shares of any of the Funds, the Net Asset Value of the Fund falls below CZK500,000,000 or its foreign currency equivalent for a period of not less than 90 consecutive days.

Redemption Price

The Redemption Price per Share in each class of the Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and deducting therefrom such sums as the Manager may consider represents an appropriate provision for Duties and Charges and any other amounts necessary to account for the actual sale price of underlying investments;
- (b) dividing the resultant figure calculated under (a) above by the total number of Shares of the relevant class in issue; and
- (c) deducting therefrom such amount as may be necessary to round the resulting sum to four decimal places using standard rounding.

The latest Redemption Price for Shares will be available during normal business hours at the office of the Administrator and will be published by the Investment Manager on the website www.conseq.cz. Redemption proceeds will be paid by the Depositary in the base currency of the Bond Fund. At the election of the Shareholder redemption proceeds can be paid by the Investment Manager or any relevant distributor in such other currencies as the Directors permit. Any redemption proceeds to be paid in a currency other than the base currency, in respect of Shares being redeemed to the Shareholder, will be paid through the Investment Manager or any relevant distributor and determined on the basis of the exchange rate between the payable currency and the base currency as is available to the Investment Manager or any relevant distributor for transactions for the date of payment less any currency exchange costs.

Method of Payment.

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing.

Timing.

Redemption proceeds in respect of Shares will be paid for value four Business Days following the relevant Dealing Day provided that all the required documentation has been furnished to and received by the Investment Manager or any relevant distributor for onward transmission to the Administrator.

In the case of a partial redemption of a Shareholder's holding, the Administrator will advise the Shareholder of the remaining Shares held by him by way of transaction confirmation.

Redemption Fee.

It is not currently proposed to charge a redemption fee.

FEES AND EXPENSES

Please see the Prospectus for full details of the fees and expenses which apply to the Bond Fund.

Investment Management Fee

The Investment Manager is entitled to charge a fee as follows:

- 1% per annum of the Net Asset Value of A Class,
- 0.7% per annum of the Net Asset Value of B Class; and
- 0.7% per annum of the Net Asset Value of D Class.

The fee will be accrued daily based on the daily Net Asset Value of the relevant Share Class of the Bond Fund and will be paid half yearly in arrears.

The Investment Manager shall be entitled to a performance fee (a "Performance Fee") calculated by the Administrator and shall be verified by the Depositary as follows:

- (i) in each successive period ending on the last Dealing Day in January and July respectively, the first of which commenced on August 16, 2010 on which an "Initial NAV" (as defined in paragraph (ii) below) is calculated (each a "Performance Period") in which the "Portfolio Return" (as defined in paragraph (ii) below) exceeds the "Benchmark Return" (as defined in paragraph (iii) below) the Investment Manager shall be entitled to a Performance Fee, payable out of the assets of the Bond Fund, equal to 12% of the amount by which the Portfolio Return exceeds the Benchmark Return in that Performance Period;
- (ii) the "Portfolio Return" in any Performance Period is calculated by deducting the "Initial NAV" (as defined below) of the Bond Fund for that Performance Period, (less redemption monies paid plus subscription monies received less any declared dividends, during that Performance Period) from the "Closing NAV" (as defined below) of the Bond Fund for that Performance Period. For the purposes of such calculation, the "Initial NAV" per Share shall be the Net Asset Value per Share of the Bond Fund (for the avoidance of doubt, after all previously accrued fees have been paid) on the last Dealing Day in the previous Performance Period (and shall be the starting price) and the "Closing NAV" per Share shall be the Net Asset Value of the Bond Fund per Share on the last Dealing Day in the relevant Performance Period before any deduction has been made for the relevant Performance Period's Performance Fee (but after deducting all other accrued fees for such Performance Period);
- (iii) the Benchmark Return of the Bond Fund in any Performance Period shall be the sum of:
 - A. the notional return which would have accrued in that Performance Period had a sum equal in value to the Initial Net Asset Value been invested at the Benchmark Rate (as described below) for that Performance Period; and
 - B. the notional return which would have accrued in that Performance Period had sums equal in value to subscription monies received during the Performance Period been invested since each relevant Dealing Day at the relevant Benchmark Rate (as described below) less redemption monies

paid during such Performance Period up until each relevant Dealing Day at the Benchmark Rate.

The Benchmark Rate is the percentage movement in the Benchmark between the Dealing Day on which the Initial NAV is calculated and the Dealing Day on which the Closing NAV is calculated for any Performance Period, except in the case of subscriptions and redemptions received during such Performance Period when such rate will be calculated by reference to the Dealing Day on which such subscription or redemption is effected and the Dealing Day on which the Closing NAV is calculated;

- (iv) at all times the Performance Fee will only be payable where the Portfolio Return exceeds the Benchmark Return meaning that the Bond Fund has outperformed the Benchmark in the current Performance Period; and
- (v) once payable pursuant to paragraphs (i) to (iv) above, a Performance Fee for any Performance Period will not be affected by any losses experienced by the Bond Fund in a subsequent Performance Period, however, any underperformance of the Benchmark by the Bond Fund in preceding Performance Periods (being Performance Periods after which the Performance Fee was last payable) is clawed back before a Performance Fee is accrued or becomes due in subsequent Performance Periods.

The accrual for the payment of the Performance Fee will be calculated daily and will be paid half yearly in arrears.

Where Performance Fees are payable by the Company these will be based on net realised and net unrealised gains and losses as at the end of each calculation period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

RISK FACTORS

Potential investors should consider the risk factors set out in the Prospectus and the additional risk factors set out below before investing in the Fund:

1. the Directors will seek to minimise the volatility of the Net Asset Value of each of the Funds. However, prospective investors should be aware that investments are subject to normal market fluctuations and other risks inherent in investing in securities; and
2. depending on an investor's currency of reference, currency fluctuations between that currency and the base currency of the Funds may adversely affect the value of an investment in the Funds.

SWITCHING

Shareholders of any Share Class of the Bond Fund may switch to the corresponding Share Class of any other Fund of the Company, as the Directors may permit.

Shareholders of any Share Class of the Bond Fund may also switch to any other Share Class of the Bond Fund subject to the minimum subscription/holdings applicable to such other Share Classes. No switching fee will be imposed.

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker or other financial adviser.

The Directors of Conseq Invest public limited company (the “Company”), whose names appear under the heading “Management and Administration” in the Prospectus of the Company dated 23 October 2017 (the “Prospectus”) accept responsibility for the information contained in the Prospectus and 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) the information contained in the Prospectus and in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information.

CONSEQ INVEST CONSERVATIVE BOND FUND

A SHARE CLASS

D SHARE CLASS

*(A Fund of Conseq Invest public limited company
an investment company with variable capital
structured as an umbrella fund with segregated liability
between sub funds)*

SUPPLEMENT

This Supplement contains information relating to the A Class of Shares (the “A Class”) and the D Class of Shares (the “D Class”) of the Conseq Invest Conservative Bond Fund. This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus of the Company.

The date of this Supplement is 23 October 2017.

This Supplement replaces the Supplement for the Conseq Invest Conservative Bond Fund dated 1 November 2014.

CONTENTS

DEFINITIONS	98
INTRODUCTION.....	99
INVESTMENT OBJECTIVE AND POLICY	99
BASE CURRENCY	102
INVESTMENT AND BORROWING RESTRICTIONS	102
MANAGEMENT AND ADMINISTRATION.....	102
DIVIDEND POLICY.....	103
SUBSCRIPTIONS.....	103
APPLICATION PROCEDURE.....	103
PAYMENT OF SUBSCRIPTION MONIES.....	105
MINIMUM SUBSCRIPTIONS/HOLDINGS.....	105
REDEMPTIONS.....	106
PROCEDURE	106
REDEMPTION PRICE	107
FEES AND EXPENSES.....	108
INVESTMENT MANAGEMENT FEE	108
RISK FACTORS	110
SWITCHING.....	110

DEFINITIONS

“*Business Day*”, a day on which banks are open for business in Dublin and Prague.

“*Central Bank*”, the Central Bank of Ireland or any successor thereof.

“*Conservative Bond Fund*”, the Conseq Invest Conservative Bond Fund.

“*Dealing Day*”, every Business Day.

“*Net Revenue*”, income from interest, dividends or otherwise, realised and unrealised profits (gains) on the disposal/valuation of the investments and other assets less realised and unrealised losses and the relevant portion of accrued expenses.

“*Regulated Markets*”, the Stock Exchanges and/or regulated markets listed in Appendix I of the Prospectus.

“*Shares*”, shares of whatever Share Class of a Fund as are constituted.

“*Share Class*” or “*Share Classes*”, such class of shares in a Fund as the Directors from time to time designate, the current shares classes in respect of Conseq Invest Conservative Bond Fund being the A Class and D Class.

“*Valuation Point*”, in respect of the assets and liabilities of the Conservative Bond Fund shall be the close of business in the relevant market on a Dealing Day.

All other capitalised terms shall bear the same definitions as are set out in the Prospectus.

INTRODUCTION

Conseq Invest public limited company (the “Company”) is authorised in Ireland by the Central Bank as a UCITS for the purposes of the Regulations. The Company is structured as an umbrella fund with segregated liability between sub-funds in that the share capital of the Company may be divided into different classes of Shares with one or more classes representing a separate Fund of the Company. Each Fund may have more than one Share Class.

This Supplement contains information relating to the A Class and the D Class of the Conservative Bond Fund. This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus together with the most recent audited annual report and financial statements and if published after such report, a copy of the latest unaudited semi-annual report.

The Shares of the Conservative Bond Fund are registered for distribution in the Czech Republic. In the Czech Republic, the Czech translation of the name of the Conservative Bond Fund is the Conseq Invest Konzervativní dluhopisový fond.

As at the date of this Supplement, there are no other Share Classes in the Conservative Bond Fund, but additional Share Classes may be added in the future in accordance with the requirements of the Central Bank. A separate pool of assets is not being maintained for each Share Class.

As at the date this Supplement, there are three other Funds of the Company, the Conseq Invest Bond Fund, the Conseq Invest New Europe Bond Fund and the Conseq Invest New Europe Equity Fund.

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

Profile of a Typical Investor

The Fund is suitable for investors seeking current income and a stable value measured in CZK over the short to medium term (1-3 years).

INVESTMENT OBJECTIVE AND POLICY

The Conservative Bond Fund’s investment objective is to provide investors with current income and a stable value over the medium term by investing in CZK denominated negotiable fixed-income securities.

The Conservative Bond Fund will aim to outperform the daily average of six month Prague Interbank Offer Rate (6M PRIBOR) as fixed by Czech National Bank (published by Bloomberg under PRIB06M Index) less 0,35, (the “Benchmark”). The formula will be:

$$1+((\text{AVERAGE}(6\text{M PRIBOR}_t)-0,35)/100)*(\text{Days}/365)$$

where:

“6M PRIBOR_t” are all 6M PRIBOR values published in the current Performance Period and

“Days are the number” of calendar days in the current Performance Period.

The Conservative Bond Fund will seek to achieve its investment objective by investing normally at least 90% of its net assets in a portfolio of investment grade, transferable, fixed income securities and short term debt securities traded on Regulated Markets principally in the Czech Republic and other European countries which will be either fixed or variable rate, including but not limited to: commercial paper, government obligations, supranational bonds, asset and mortgage-backed securities, certificates of deposit, floating rate notes and short and medium term obligations. Investment grade securities are securities which have ratings of at least BBB by Standard & Poor's or Moody's or the equivalent rating by any other internationally recognised statistical rating organisation or, if unrated by such rating organisations, are determined by investment manager to be of comparable credit quality. A security will be deemed to have met this rating requirement if it receives the minimum required rating from at least one such rating organisation even though it has been rated below the minimum rating by one or more other rating organisations. For purposes of this paragraph, ancillary liquid assets will be included in the calculation of the percentage of the Conservative Bond Fund's Net Assets Value in fixed income securities to the extent that they constitute assets such as interest due on securities held in the Conservative Bond Fund's portfolio or the value of securities pending settlement.

It is intended that the modified duration of the Conservative Bond Fund will not exceed 18 months. As interest rates and bond prices move in different directions, modified duration is a formula that expresses the measurable change in the value of a fixed income security in response to a change in interest rates.

The Conservative Bond Fund may invest in fixed income securities issued by a variety of issuers, in accordance with the Regulations.

The fixed income securities in which the Conservative Bond Fund may invest include: (i) securities issued or guaranteed by the government of an OECD member state, local authorities of an OECD member state; (ii) securities issued or guaranteed by supranational entities (i.e., international organisations designated or supported by governmental entities to promote economic reconstruction or development, such as the World Bank); (iii) debt securities of corporate and other issuers which satisfy the Conservative Bond Fund's rating criteria; (iv) certificates of deposit and bankers' acceptances issued or guaranteed by banks having total assets of more than US\$1 billion; and (v) commercial paper rated A-1 or better by Standard & Poor's, Prime-1 or better by Moody's, or, if not rated by such rating organisations, determined by Investment Manager to be of comparable credit quality.

While the Conservative Bond Fund will invest primarily in CZK denominated fixed income securities or other short-term transferable debt securities, it may invest to a limited degree in fixed income securities denominated in other currencies. In addition, the Conservative Bond Fund may employ techniques and instruments intended to provide protection against exchange rate risks such as forward currency contracts in the context of the management of its assets and liabilities in accordance with the provisions set out under the heading Efficient Portfolio Management in the Prospectus. Where the Conservative Bond Fund invests in fixed income securities denominated other than in CZK, the currency exposure will be hedged back to CZK.

The Conservative Bond Fund may engage in stocklending and enter into repurchase/reverse repurchase and/or sell/buy-back agreements for efficient portfolio management purposes in accordance with the Central Bank Requirements and as set out in Appendix II to the Prospectus. In accordance with the Regulations and Appendix II of the Prospectus, the Fund will not take material exposure to Securities Financing Transactions. The proportion of assets under management subject to Securities Financing Transactions is expected to vary between 0% and 50%, subject to a maximum exposure not exceeding 50% of the assets

under management of the Fund. The Investment Manager may invest in Securities Financing Transactions on an opportunistic basis and, accordingly, the proportion of the Fund's assets invested in Securities Financing Transactions may, subject to the above limit, vary significantly depending on prevailing market conditions.

The Conservative Bond Fund may also invest in financial derivative instruments ("FDI") for efficient portfolio management. Such instruments will be used in accordance with the requirements of the Central Bank. A description of the FDI the Conservative Bond Fund may use and their commercial purposes is as follows:

Swaps

The Conservative Bond Fund may enter into interest rate swaps or currency swaps. Swap agreements can be individually negotiated and structured to include a variety of different types of investments or market factors. Depending on their structure, the commercial purpose of swap agreements may be to increase or decrease the Conservative Bond Fund's exposure to long term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. For example, interest rate swaps may be used by the Conservative Bond Fund for the purposes of hedging the Conservative Bond Fund's cash flow. Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party are paid by one party to the other. 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. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Forwards

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another. Forward foreign exchange contracts may be used for hedging in connection with hedged currency classes of shares. In a spot transaction, the purchase or sale of currency takes place straight away at the current market exchange rate instead of at a future date.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures are primarily used to gain exposure to securities and indices for investment or hedging purposes. Unlike physical securities they are bought or sold on margin and thus require a smaller upfront payment to gain the same amount of exposure to the selected underlying investment. The underlying assets or indices of such instruments may consist of debt and fixed income securities, money market instruments and financial indices. The use of indices shall in each case be within the conditions and limits set down in the Central Bank's guidance entitled "UCITS Financial Indices", and where indices

are used, the Investment Manager shall not use indices that rebalance more frequently than monthly.

Options

Subject to the requirements laid down by the Central Bank, the Investment Manager may use options (both writing and purchasing) to hedge risks in a Fund to reduce downside volatility. Options are contracts whereby the holder has the right but not the obligation to either purchase (call option) or sell (put option) to the counterparty (or to the exchange for exchange traded options) the underlying for a specified price (the strike price) on a specified date or during a period to expire on a specified date. The assets underlying such instruments may consist of any one or more of the following: preferred or common stocks, debt securities and money market instruments. A Fund may purchase put options on specific stocks to hedge against losses caused by declines in the prices of stocks held by a Fund, and may purchase call options on individual stocks to realise gains if the prices of the stocks increase.

Convertible Debt Securities

A convertible debt security is usually a bond or a preferred stock issued by a corporation that can be converted into a different security and usually gives the holder the option to trade in the security for shares in the company that issued it. This gives the holder both a fixed-income investment with coupon payments as well as the potential to benefit from an increase in the company's share price. Convertible debt securities may embed derivatives. These derivatives will be options to convert the underlying security into equity or debt. Convertible debt securities will not be used to achieve leverage. The additional value of the conversion option, however, will mean that the coupon payment on the security will be lower than that of an equivalent security with no conversion option. A convertible debt security issue, like that of other securities, will state the maturity and the coupon on the bond. A convertible debt security also has information about the conversion option, or how many shares will be received for the security if it is converted. The value of a convertible debt security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible debt security's investment value.

The Conservative Bond Fund may be leveraged up to 100% of its Net Asset Value as a result of its use of FDI, but it is anticipated that leverage will typically be less than 20% of the Fund's Net Asset Value. The Company will calculate leverage on the basis of the commitment approach.

BASE CURRENCY

The base currency of the Conservative Bond Fund will be the Czech Crown (CZK).

INVESTMENT AND BORROWING RESTRICTIONS

The Company is a UCITS and, accordingly, the Conservative Bond Fund is subject to the investment and borrowing restrictions set out in the Central Bank Requirements. These are set out in detail in the Prospectus.

MANAGEMENT AND ADMINISTRATION

Detailed descriptions of the Directors and service providers to the Company are set out in the Prospectus.

DIVIDEND POLICY

The A Class of the Conservative Bond Fund is an accumulating share class and, therefore, it is not intended to distribute dividends to the Shareholders in this Share Class. The income and other profits attributable to this Share Class will be accumulated and reinvested on behalf of Shareholders.

The D Class of the Conservative Bond Fund is a distributing Share Class. The Conservative Bond Fund intends to declare at least quarterly a dividend that will be determined with the objective of distributing the majority of Net Revenue, if any, attributable to the D Class Shares.

The amount of any dividend per Share to be paid will be calculated in accordance with the following formula:

$Div = NAVRD - NAVLD$, if NAVRD is higher than NAVLD, otherwise $Div = 0$; where

Div = Dividend per Share;

NAVRD = NAV per Share on the Dividend record day before distribution of declared dividends;

NAVLD = NAV per Share on the previous Dividend record day;

Dividend record day = Valuation point decisive for the dividend calculation. Shares subscribed for/redeemed on the Dividend record day are issued/redeemed as relevant at ex-dividend NAV per Share.

Dividends are distributed to the Shareholders on the number of Shares held as an opening balance on Dividend record Day.

The dividend will be reinvested automatically on the Dividend record day unless otherwise requested by the Shareholders. Normally these dividends will be paid by the Fund in April, July, October and January respectively. The dividend record date will be the last valuation date in March, June, September and December respectively. The Directors may also declare interim dividends on such other days within the year as they deem appropriate. Such dividends will be paid within 20 working days of their declaration. No interest will be paid on accrued but unpaid dividend.

SUBSCRIPTIONS

Application Procedure

Application Forms.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the application form prescribed by the Directors from time to time in relation to the Company (the "Application Form"). An Application Form accompanies this Supplement and sets out the methods by which and to whom the subscription monies should be sent. Application Forms shall be irrevocable and may be sent by facsimile at the risk of the applicant to the Investment Manager or any relevant distributor for onward transmission to the Administrator. The originals of the Application Forms should be sent to the Investment Manager or any relevant distributor for onward transmission to the Administrator to arrive within three Business Days after the time for receipt of such application.

Failure to provide the original Application Form by such time may, at the discretion of the Directors, result in the compulsory redemption of the relevant Shares on the next Dealing Day at the prevailing Net Asset Value per Share. However, applicants will be unable to redeem Shares on request until the original Application Form has been received.

Applications for subscription received at the Administrator by 5.00p.m. Irish Time on a Dealing Day will be dealt with on a forward pricing basis i.e. by reference to the subscription price for Shares calculated as at the Valuation Point on the relevant Dealing Day.

Fractions.

Subscription monies representing less than the subscription price for a Share will not be returned to the applicant. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than .0001 of a Share.

Subscription monies, representing less than .0001 of a Share will not be returned to the applicant but will be retained by the Company in order to defray administration costs.

Offer.

Applications for A Class and D Class Shares must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. All subscriptions will be dealt on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point for the relevant Dealing Day. Any applications received after that time will normally be held over until the next Dealing Day but, provided they are received prior to the Valuation Point, may be accepted for dealing on the Dealing Day (at the discretion of the Directors in consultation with the Administrator and the Depositary).

Subscription Price.

The subscription price per Share of the Share Classes of the Conservative Bond Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and adding thereto such sum as the Directors may consider represents an appropriate figure for Duties and Charges and any other amounts necessary to account for actual expenditure on the purchase of the underlying investments;
- (b) dividing the resultant figure under (a) above by the total number of Shares of the relevant class in issue; and
- (c) adding thereto such amount as may be necessary to round the resulting amount to four decimal places using standard rounding.

Preliminary Charge.

The Directors may impose a preliminary charge on the issue of Shares in the Conservative Bond Fund up to a maximum of 5% of the subscription amount, which shall be paid to the Distributor.

Payment of Subscription Monies

Method of Payment.

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic transfer to the bank account specified in the Application Form. Other methods of payment are subject to the prior approval of the Directors in consultation with the Depositary. No interest will be paid in respect of payments received in circumstances where the application is held or until a subsequent Dealing Day.

Timing of Payment.

Payment in respect of subscriptions must be received by the Depositary by 3:00pm Irish Time on the fourth Business Day following the relevant Dealing Day. If payment in full in cleared funds in respect of a subscription has not been received by the relevant time, the Directors in consultation with the Depositary may instruct the Administrator to cancel the allotment and/or charge the applicant interest at the 7 day Prague Interbank Offer Rate as fixed by the Czech National Bank (PRIBOR) + 1%, together with an administration fee of CZK5,000 which fee is payable to the Company. The Directors may in consultation with the Depositary waive such charge either in whole or in part. In addition, the Company will have the right to sell all or part of the applicant's holding of Shares in the Conservative Bond Fund or any other Fund of the Company in order to meet these charges.

Minimum Subscriptions/Holdings

Initial Subscriptions.

The minimum initial subscription amount for Shares is as follows:

A Class	-	CZK	10,000
D Class	-	CZK	500,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Subsequent Subscriptions.

Any subsequent subscriptions must be a minimum of:

A Class	-	CZK	2,000
D Class	-	CZK	50,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Minimum Holdings.

Any Shareholder who redeems or otherwise disposes of part of his holding must maintain an aggregate holding in each Share Class in which he holds Shares as follows:

A Class	-	CZK	10,000
D Class	-	CZK	500,000

or its foreign currency equivalent (or less at the discretion of the Directors). The Directors have the power to redeem the remaining holding of any Shareholder who redeems his minimum holding of Shares in a Share Class to below the levels set out above or its currency equivalent.

Subscriptions paid in a currency other than the base currency of the Conservative Bond Fund will be converted by the Investment Manager or relevant distributor at the prevailing exchange rate.

REDEMPTIONS

Procedure

Redemption.

Every Shareholder will have the right to require the Company to redeem his Shares in each of the Funds on any Dealing Day (save during any period when the calculation of the Net Asset Value is suspended in the circumstances set out in the Prospectus) on furnishing to the Investment Manager or any relevant distributor for onward transmission to the Administrator a redemption request. Shares may be redeemed either by written application to the Administrator or electronically via SWIFT.

Redemption applications received at the Administrator by 5.00p.m. Irish Time on a Dealing Day are dealt with on a forward pricing basis, i.e. by reference to the redemption price for Shares calculated at the Valuation Point on the relevant Dealing Day.

Redemption Form.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the redemption form (the "Redemption Form") prescribed by the Directors in relation to the Conservative Bond Fund. Redemption Forms may be obtained from the Investment Manager or any relevant distributor. The Redemption Form sets out the methods by which and to whom redemption monies may be sent.

Redemption Forms in respect of the Conservative Bond Fund must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. If the Redemption Form is received after that time it shall (unless otherwise determined by the Directors in consultation with the Administrator and the Depositary) be treated as a request for redemption on the Dealing Day following such receipt and Shares will be redeemed at the redemption price for that day. Shares will be redeemed at the redemption price calculated at the Valuation Point on the relevant Dealing Day.

Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions. The Administrator will not remit redemption proceeds if an investor has not submitted an originally signed redemption request containing valid bank details or is not considered to be in compliance with all necessary anti-money laundering legislation. Nor will the Administrator remit any payment to a third party bank account.

Redemption Forms shall (save as determined by the Directors) be irrevocable and may be sent by facsimile to the Investment Manager or any relevant Distributor for onward transmission to the Administrator at the risk of the relevant Shareholder.

Fractions.

Apart from circumstances in which a Shareholder is redeeming his entire holding of Shares in the Conservative Bond Fund:

- (a) fractions of Shares will be issued where any part of the redemption monies for Shares represents less than the redemption price for one Share, provided however that fractions shall not be less than .0001 of a Share; and
- (b) redemption monies, representing less than .0001 of a Share will not be returned to a Shareholder but will be retained by the Company in order to defray administration costs.

Compulsory Redemption.

All the Shares of the Conservative Bond Fund may be redeemed at the discretion of the Directors if, after the first anniversary of the first issue of Shares of any of the Funds, the Net Asset Value of the Conservative Bond Fund falls below CZK500,000,000 or its foreign currency equivalent for a period of not less than 90 consecutive days.

Redemption Price

The Redemption Price per Share in each class of the Conservative Bond Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and deducting therefrom such sums as the Manager may consider represents an appropriate provision for Duties and Charges and any other amounts necessary to account for the actual sale price of underlying investments;
- (b) dividing the resultant figure calculated under (a) above by the total number of Shares of the relevant class in issue; and
- (c) deducting therefrom such amount as may be necessary to round the resulting sum to four decimal places using standard rounding.

The latest Redemption Price for Shares will be available during normal business hours at the office of the Administrator and will be published by the Investment Manager on the website www.conseq.cz. Redemption proceeds will be paid by the Depositary in the base currency of the Conservative Bond Fund. At the election of the Shareholder redemption proceeds can be paid by the Investment Manager or any relevant distributor in such other currencies as the Directors permit. Any redemption proceeds to be paid in a currency other than the base currency, in respect of Shares being redeemed to the Shareholder, will be paid through the Investment Manager or any relevant distributor and determined on the basis of the exchange rate between the payable currency and the base currency as is available to the Investment Manager or any relevant distributor for transactions for the date of payment less any currency exchange costs.

Method of Payment.

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing.

Timing.

Redemption proceeds in respect of Shares will be paid for value four Business Days following the relevant Dealing Day provided that all the required documentation has been furnished to and received by the Investment Manager or any relevant distributor for onward transmission to the Administrator.

In the case of a partial redemption of a Shareholder's holding, the Administrator will advise the Shareholder of the remaining Shares held by him by way of transaction confirmation.

Redemption Fee.

It is not currently proposed to charge a redemption fee.

FEES AND EXPENSES

Establishment Expenses.

All fees and expenses relating to the establishment of the Conservative Bond Fund and the fees of the legal advisers to the Company in the establishment of the Conservative Bond Fund, the cost of printing the Supplement and other promotional expenses all in aggregate not exceeding €30,000 will be borne by the Conservative Bond Fund. These fees and expenses will be amortised over the first five years of the lifetime of the Conservative Bond Fund or such other period as the Directors may determine and, at the discretion of the Directors, charged within the amortisation period on such terms and in such manner as the Directors deem fair and equitable.

The Conservative Bond Fund shall bear its attributable proportion of the organisational expenses of the Company. These are set out in detail under the heading "Fees and Expenses" in the Prospectus.

Investment Management Fee

The Investment Manager is entitled to charge a fee which may be from time to time revised by the Directors not exceeding the maximum fee set as follows:

- 0.65% per annum of the Net Asset Value of A Class,
- 0.65% per annum of the Net Asset Value of D Class.

The fee will be accrued daily based on the daily Net Asset Value of the relevant Share Class of the Conservative Bond Fund and will be paid monthly in arrears.

The Investment Manager shall be entitled to a performance fee (a "Performance Fee") calculated by the Administrator and shall be verified by the Depositary as follows:

- (i) in each successive period ending on the last Dealing Day in January and July respectively, the first of which commenced on July 7, 2010 on which an "Initial NAV" (as defined in paragraph (ii) below) is calculated (each a "Performance Period") in which the "Portfolio Return" (as defined in paragraph (ii) below) exceeds the "Benchmark Return" (as defined in paragraph (iii) below) the Investment Manager shall be entitled to a Performance Fee, payable out of the assets of the Conservative Bond Fund, equal to 12% of the amount by which the Portfolio Return exceeds the Benchmark Return in that Performance Period;

- (ii) the "Portfolio Return" in any Performance Period is calculated by deducting the "Initial NAV" (as defined below) of the Conservative Bond Fund for that Performance Period, (less redemption monies paid plus subscription monies received less any declared dividends, during that Performance Period) from the "Closing NAV" (as defined below) of the Conservative Bond Fund for that Performance Period. For the purposes of such calculation, the "Initial NAV" shall be the total Net Asset Value of the Conservative Bond Fund (for the avoidance of doubt, after all previously accrued Performance Fees have been paid) on the last Dealing Day in the previous Performance Period (and shall be the starting price) and the "Closing NAV" shall be the Net Asset Value of the Conservative Bond Fund on the last Dealing Day in the relevant Performance Period before any deduction has been made for the relevant Performance Period's Performance Fee (but after deducting all other accrued fees for such Performance Period);
- (iii) the Benchmark Return of the Conservative Bond Fund in any Performance Period shall be the sum of:
 - A. the notional return which would have accrued in that Performance Period had a sum equal in value to the Initial NAV been invested at the Benchmark Rate (as described below) for that Performance Period; and
 - B. the notional return which would have accrued in that Performance Period had sums equal in value to subscription monies received during the Performance Period been invested since each relevant Dealing Day at the relevant Benchmark Rate (as described below) less redemption monies paid during such Performance Period up until each relevant Dealing Day at the Benchmark Rate.

The Benchmark Rate is the daily average of six month Prague Interbank Bid Rate (6M PRIBOR) as fixed by Czech National Bank, (the "Benchmark") calculated from daily values as at each Dealing Day in the Performance Period, except in the case of subscriptions and redemptions received during such Performance Period when such rate will be calculated by reference to the Dealing Day on which such subscription or redemption is effected and the Dealing Day on which the Closing NAV is calculated; and

- (iv) once payable pursuant to paragraphs (i) to (iii) above, a Performance Fee for any Performance Period will not be affected by any losses experienced by the Conservative Bond Fund in a subsequent Performance Period, however, any underperformance of the Benchmark by the Conservative Bond Fund in preceding Performance Periods is clawed back before a Performance Fee is accrued or becomes due in subsequent Performance Periods.

The accrual for the payment of the Performance Fee will be calculated daily and will be paid half yearly in arrears.

Where Performance Fees are payable by the Company these will be based on net realised and net unrealised gains and losses as at the end of each calculation period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

RISK FACTORS

Potential investors should consider the risk factors set out in the Prospectus and the additional risk factors set out below before investing in the Funds:

1. the Directors will seek to minimise the volatility of the Net Asset Value of each of the Funds. However, prospective investors should be aware that investments are subject to normal market fluctuations and other risks inherent in investing in securities; and
2. depending on an investor's currency of reference, currency fluctuations between that currency and the base currency of the Funds may adversely affect the value of an investment in the Funds.

SWITCHING

Shareholders of any Share Class of the Conservative Bond Fund may switch to the corresponding Share Class of any other Fund of the Company, as the Directors may permit.

Shareholders of any Share Class of the Conservative Bond Fund may also switch to any other Share Class of the Conservative Bond Fund subjected to the minimum subscription/holdings applicable to such other Share Classes. No switching fee will be imposed.

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker or other financial adviser.

The Directors of Conseq Invest public limited company (the “Company”), whose names appear under the heading “Management and Administration” in the Prospectus of the Company dated 23 October 2017 (the “Prospectus”) accept responsibility for the information contained in the Prospectus and 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) the information contained in the Prospectus and in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information.

CONSEQ INVEST NEW EUROPE EQUITY FUND

A SHARE CLASS

B SHARE CLASS

D SHARE CLASS

I SHARE CLASS

*(A Fund of Conseq Invest public limited company
an investment company with variable capital structured as an umbrella fund
with segregated liability between sub-funds)*

SUPPLEMENT

This Supplement contains information relating to the A Class of Shares (the “A Class”), the B Class of Shares (the “B Class”), the D Class of Shares (the “D Class”) and the I Class of Shares (the “I Class”) of the Conseq Invest New Europe Equity Fund (the “Fund”). This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus of the Company.

The date of this Supplement is 23 October 2017.

This Supplement replaces the Supplement for the Conseq Invest New Europe Equity Fund dated 1 November 2014.

CONTENTS

DEFINITIONS	113
INTRODUCTION.....	114
INVESTMENT OBJECTIVE AND POLICY	114
BASE CURRENCY	117
INVESTMENT AND BORROWING RESTRICTIONS.....	117
MANAGEMENT AND ADMINISTRATION.....	117
DIVIDEND POLICY.....	117
SUBSCRIPTIONS.....	118
APPLICATION PROCEDURE.....	118
PAYMENT OF SUBSCRIPTION MONIES.....	119
MINIMUM SUBSCRIPTIONS/HOLDINGS.....	120
REDEMPTIONS.....	121
PROCEDURE	121
REDEMPTION PRICE	122
FEES AND EXPENSES.....	123
INVESTMENT MANAGEMENT FEE	123
RISK FACTORS	124
SWITCHING.....	125

DEFINITIONS

“Business Day”, a day on which banks are open for business in Dublin and Prague.

“Central Bank”, the Central Bank of Ireland or any successor thereof.

“Converging European Countries”, the following countries: Bulgaria, Croatia, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Poland, Romania, the Slovak Republic and Slovenia, Ukraine, Serbia, Bosnia and Herzegovina, Montenegro, Macedonia, Albania and other countries that will become members of the EU in the future.

“Dealing Day”, every Business Day.

“Equity Fund”, the Conseq Invest New Europe Equity Fund.

“Net Revenue”, income from interest, dividends or otherwise, realised and unrealised profits (gains) on the disposal/valuation of the investments and other assets less realised and unrealised losses and the relevant portion of accrued expenses.

“Regulated Markets”, the Stock Exchanges and/or regulated markets listed in Appendix I of the Prospectus.

“Shares”, shares of whatever Share Class of a Fund as are constituted.

“Share Class” or “Share Classes”, such class of shares in a Fund as the Directors from time to time designate, the current shares classes in respect of Conseq Invest New Europe Equity Fund being the A Class, the B Class, the D Class and the I Class.

“Valuation Point”, in respect of the assets and liabilities of the Equity Fund shall be the close of business in the relevant market on a Dealing Day.

All other capitalised terms shall bear the same definitions as are set out in the Prospectus.

INTRODUCTION

Conseq Invest public limited company (the “Company”) is authorised in Ireland by the Central Bank as a UCITS for the purposes of the Regulations. The Company is structured as an umbrella fund with segregated liability between sub-funds in that the share capital of the Company may be divided into different classes of Shares with one or more classes representing a separate Fund of the Company. Each Fund may have more than one Share Class.

This Supplement contains information relating to the A Class and the B Class of the Equity Fund, which were approved by the Central Bank on 30 August 2000 and the D Class of the Equity Fund which was approved by the Central Bank on 3 December 2001 and the I Class which was approved by the Central Bank on 23 October 2017. This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus together with the most recent audited annual report and financial statements and if published after such report, a copy of the latest unaudited semi-annual report.

The Shares of the Equity Fund are registered for distribution in the Czech Republic. In the Czech Republic, the Czech translation of the name of the Equity Fund is Conseq Invest Akcie Nové Evropy fond.

As at the date of this Supplement, there are no other Share Classes in the Equity Fund, but additional Share Classes may be added in the future in accordance with the requirements of the Central Bank.

As at the date of this Supplement, there are three other Funds of the Company, the Conseq Invest Bond Fund, the Conseq Invest Conservative Bond Fund and the Conseq Invest New Europe Bond Fund.

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

Profile of a Typical Investor

The Fund is suitable for investors seeking long-term (over 5 years) capital appreciation measured in CZK and who are willing to accept a high level of volatility.

INVESTMENT OBJECTIVE AND POLICY

The objective of the Equity Fund is to achieve long-term capital appreciation measured in Czech Crowns by investing principally in a diversified portfolio of equity securities listed or traded on Regulated Markets in Converging European Countries.

The Equity Fund will aim to outperform the benchmark composed from four indices being 25% of the PX Index and 40% of the WIG 30 Index, 15% of the BUX Index and 20% of the SETX EUR Index (the “Benchmark”). All indexes are measured in CZK. The benchmark composition may need to be revised by the Directors from time to time where, in the opinion of the Directors, the evolution of the market would require it so as to include substantial new stocks entering the market or substantial changes in market capitalisations or liquidity. Such changes will be valid from the next performance period and notification of such changes will be contained in the next set of financial statements and published by the Investment

Manager on the website pages www.conseq.cz and such other publications as the Directors may decide.

The PX Index is the Prague Stock Exchange Equity Index comprised of the most liquid stocks listed on the Prague Stock Exchange. The WIG 30 Index is the Warsaw Stock Exchange Equity Index comprised of the most liquid stocks on the Warsaw Stock Exchange. The BUX Index is the Budapest Stock Exchange Equity Index comprised of the most liquid stocks listed on the Budapest Stock Exchange. The SETX EUR Index is comprised of the most liquid stocks on stock exchanges in the region of Southeast Europe.

Investments of the Equity Fund will be made primarily in equity securities in Converging European Countries.

Such securities shall include, but not be limited to, common stocks, preference shares, convertible debt securities and subscription rights which are issued by a Company to allow holders to subscribe for additional securities issued by that Company and warrants to purchase common stock. These will be listed on Regulated Markets and will primarily be those in the Czech Republic, Poland, Hungary, Slovenia, Romania, Serbia, Croatia and Bulgaria. The Equity Fund may in addition, invest in depository receipts and T-bills.

The Equity Fund may engage in stocklending and enter into repurchase/ reverse repurchase and/or sell/buy-back agreements for efficient portfolio management purposes in accordance with the Central Bank Requirements and as set out in Appendix II to the Prospectus. In accordance with the Regulations and Appendix II of the Prospectus, the Fund will not take material exposure to Securities Financing Transactions. The proportion of assets under management subject to Securities Financing Transactions is expected to vary between 0% and 50%, subject to a maximum exposure not exceeding 50% of the assets under management of the Fund. The Investment Manager may invest in Securities Financing Transactions on an opportunistic basis and, accordingly, the proportion of the Fund's assets invested in Securities Financing Transactions may, subject to the above limit, vary significantly depending on prevailing market conditions.

The Equity Fund may also invest in financial derivative instruments ("FDI") for efficient portfolio management. Such instruments will be used in accordance with the requirements of the Central Bank. A description of the FDI the Equity Fund may use and their commercial purposes is set out as follows:

Swaps

The Equity Fund may enter into currency swaps. Swap agreements can be individually negotiated and structured to include a variety of different types of investments or market factors. Depending on their structure, the commercial purpose of swap agreements may be to increase or decrease the Equity Fund's exposure to long term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. For example, interest rate swaps may be used by the Equity Fund for the purposes of hedging the Equity Fund's cash flow. Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party are paid by one party to the other. 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. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Forwards

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another. Forward foreign exchange contracts may be used for hedging in connection with hedged currency classes of shares. In a spot transaction, the purchase or sale of currency takes place straight away at the current market exchange rate instead of at a future date.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures are primarily used to gain exposure to securities and indices for investment or hedging purposes. Unlike physical securities they are bought or sold on margin and thus require a smaller upfront payment to gain the same amount of exposure to the selected underlying investment. Futures will primarily be used on equity indices. The use of indices shall in each case be within the conditions and limits set down in the Central Bank's guidance entitled "UCITS Financial Indices" and where indices are used, the Investment Manager shall not use indices that rebalance more frequently than monthly. Equity securities will be the primary underlying asset where such instruments are used but any other transferable securities provided for in the investment policy, such as debt securities, could also constitute the underlying assets for such instruments.

Options

Subject to the requirements laid down by the Central Bank, the Investment Manager may use options (both writing and purchasing) to hedge risks in a Fund to reduce downside volatility. Options are contracts whereby the holder has the right but not the obligation to either purchase (call option) or sell (put option) to the counterparty (or to the exchange for exchange traded options) the underlying for a specified price (the strike price) on a specified date or during a period to expire on a specified date. The assets underlying such instruments may consist of any one or more of the following: preferred or common stocks, debt securities and money market instruments. A Fund may purchase put options on specific stocks to hedge against losses caused by declines in the prices of stocks held by a Fund, and may purchase call options on individual stocks to realise gains if the prices of the stocks increase.

Convertible Debt Securities

A convertible debt security is usually a bond or a preferred stock issued by a corporation that can be converted into a different security and usually gives the holder the option to trade in the security for shares in the company that issued it. This gives the holder both a fixed-income investment with coupon payments as well as the potential to benefit from an increase in the company's share price. Convertible debt securities may embed derivatives. These derivatives will be options to convert the underlying security into equity or debt. Convertible debt securities will not be used to achieve leverage. The additional value of the conversion option, however, will mean that the coupon payment on the security will be lower than that of an equivalent security with no conversion option. A convertible debt security issue, like that of other securities, will state the maturity and the coupon on the bond. A

convertible debt security also has information about the conversion option, or how many shares will be received for the security if it is converted. The value of a convertible debt security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible debt security's investment value.

The Equity Fund may be leveraged up to 100% of its Net Asset Value as a result of its use of FDI, but it is anticipated that leverage will typically be less than 40% of the Fund's Net Asset Value. The Company will calculate leverage on the basis of the commitment approach.

BASE CURRENCY

The base currency of the Equity Fund will be the Czech Crown.

INVESTMENT AND BORROWING RESTRICTIONS

The Company is a UCITS and accordingly the Equity Fund is subject to the investment and borrowing restrictions set out in the Central Bank Requirements. These are set out in detail in the Prospectus.

MANAGEMENT AND ADMINISTRATION

Detailed descriptions of the Directors and service providers to the Company are set out in the Prospectus.

DIVIDEND POLICY

The A Class, B Class and I Class Shares of the Equity Fund are accumulating Share Classes and, therefore, it is not intended to distribute dividends to the Shareholders in these Classes. The income and other profits attributable to these Share Classes will be accumulated and reinvested on behalf of Shareholders. Dividends, if paid on these Shares Classes, may be paid out of the Net Revenue attributable to the Share.

The D Class of the Equity Fund is a distributing Share Class. The Fund intends to declare at least annually a dividend that will be determined with the objective of distributing the majority of Net Revenue, if any, attributable to the D Class Shares.

The maximum amount that may be paid as a dividend per Share will be calculated in accordance with the following formula:

$Div = NAVRD - NAVLD$, if NAVRD is higher than NAVLD, otherwise $Div = 0$; where

Div = Dividend per Share;

NAVRD = NAV per Share on the Dividend record day before distribution of declared dividends.

NAVLD = NAV per Share on the previous Dividend record day;

Dividend record day = Valuation point decisive for the dividend calculation. Shares subscribed for/redeemed on the Dividend record day are issued/redeemed as relevant at ex-dividend NAV per Share.

Dividends are distributed to the Shareholders on the number of Shares held as an opening balance on Dividend record Day.

The dividend will be reinvested automatically on the Dividend record day unless otherwise requested by the Shareholders. Normally these dividends will be paid by the Fund in January. The dividend record date will be the last valuation date in December. The Directors may also declare interim dividends on such other days within the year as they deem appropriate. Such dividends will be paid within 20 working days of their declaration. No interest will be paid on accrued but unpaid dividend.

SUBSCRIPTIONS

Application Procedure

Application Forms.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the application form prescribed by the Directors from time to time in relation to the Company (the "Application Form"). An Application Form accompanies this Supplement and sets out the methods by which and to whom the subscription monies should be sent. Application Forms shall be irrevocable and may be sent by facsimile at the risk of the applicant to the Investment Manager or any relevant distributor for onward transmission to the Administrator. The originals of the Application Forms should be sent to the Investment Manager or any relevant distributor for onward transmission to the Administrator to arrive within three Business Days after the time for receipt of such application.

Failure to provide the original Application Form by such time may, at the discretion of the Directors, result in the compulsory redemption of the relevant Shares on the next Dealing Day at the prevailing Net Asset Value per Share. However, applicants will be unable to redeem Shares on request until the original Application Form has been received.

Applications for subscription received at the Administrator, by 5.00p.m. Irish Time on a Dealing Day will be dealt with on a forward pricing basis, i.e. by reference to the Subscription Price for Shares calculated as at the Valuation Point on the relevant Dealing Day.

Fractions.

Subscription monies representing less than the subscription price for a Share will not be returned to the applicant. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than .0001 of a Share.

Subscription monies, representing less than .0001 of a Share will not be returned to the applicant but will be retained by the Company in order to defray administration costs.

Offer.

Applications for A Class, B Class, D Class and I Class Shares must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. All subscriptions will be dealt on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point on the relevant Dealing Day. Any applications received after that time will normally be held over until the next Dealing Day but, provided they are received prior to the Valuation Point, may be accepted

for dealing on the Dealing Day (at the discretion of the Directors in consultation with the Administrator).

Initial Offer Price for I Class.

The initial offer price per Share for the I Class shall be 10 EUR per Share.

Initial Offer Period for I Class.

The initial offer period in respect of the I Class Shares shall open at 9:00a.m Irish Time on 27 October 2017 and shall close at 5:00p.m. Irish Time on 27 October 2017, unless such period is shortened or extended by the Directors and any extension shall be notified to the Central Bank.

Subscription Price.

Shares in respect of I Class Shares will be issued at the initial offer price during the initial offer period. Thereafter, the subscription price per Share for the I Class will be calculated as hereinafter provided.

The subscription price per Share of the Share Classes of the Equity Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and adding thereto such sum as the Directors may consider represents an appropriate figure for Duties and Charges and any other amounts necessary to account for actual expenditure on the purchase of the underlying investments;
- (b) dividing the resultant figure under (a) above by the total number of Shares of the relevant class in issue; and
- (c) adding thereto such amount as may be necessary to round the resulting amount to four decimal places using standard rounding.

Preliminary Charge.

The Directors may impose a preliminary charge on the issue of Shares in the Equity Fund up to a maximum of 5% of the subscription amount, which shall be paid to the Distributor.

Payment of Subscription Monies

Method of Payment.

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic transfer to the bank account specified in the Application Form. Other methods of payment are subject to the prior approval of the Directors in consultation with the Depositary. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

Timing of Payment.

Payment in respect of subscriptions must be received by the Depositary by 3:00pm Irish Time on the fourth Business Day following the relevant Dealing Day. If payment in full in cleared funds in respect of a subscription has not been received by the relevant time, the Directors in consultation with the Depositary may instruct the Administrator to cancel the allotment and/or charge the applicant interest at the 7 day Prague Interbank Offer Rate as fixed by the Czech National Bank (PRIBOR) + 1%, together with an administration fee of CZK5000 which fee is payable to the Company. The Directors may in consultation with the Depositary waive such charge either in whole or in part. In addition, the Company will have the right to sell all or part of the applicant's holding of Shares in the Equity Fund or any other Fund of the Company in order to meet these charges.

Minimum Subscriptions/Holdings

Initial Subscriptions.

The minimum initial subscription amount for Shares is as follows:

A Class	-	CZK	10,000
B Class	-	CZK	1,000,000
D Class	-	CZK	500,000
I Class	-	EUR	500,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Subsequent Subscriptions.

Any subsequent subscriptions must be a minimum of:

A Class	-	CZK	2,000
B Class	-	CZK	100,000
D Class	-	CZK	50,000
I Class	-	EUR	50,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Minimum Holdings.

Any Shareholder who redeems or otherwise disposes of part of his holding must maintain an aggregate holding in each Share Class in which he holds Shares as follows:

A Class	-	CZK	10,000
B Class	-	CZK	1,000,000
D Class	-	CZK	500,000
I Class	-	EUR	500,000

or its foreign currency equivalent (or less at the discretion of the Directors). The Directors have the power to redeem the remaining holding of any Shareholder who redeems his minimum holding of Shares in a Share Class to below the levels set out above or its currency equivalent.

In respect of Share Classes other than the I Class, subscriptions paid in a currency other than the base currency of the Equity Fund will be converted by the Investment Manager or relevant distributor at the prevailing exchange rate. In respect of the I Class, subscriptions

paid in a currency other than EUR will be converted by the Investment Manager or relevant distributor at the prevailing exchange rate in EUR.

REDEMPTIONS

Procedure

Redemption.

Every Shareholder will have the right to require the Company to redeem his Shares in each of the Funds on any Dealing Day (save during any period when the calculation of the Net Asset Value is suspended in the circumstances set out in the Prospectus) on furnishing to the Investment Manager or any relevant distributor for onward transmission to the Administrator a redemption request. Shares may be redeemed either by written application to the Administrator or electronically via SWIFT.

Redemption applications received at the Administrator by 5.00p.m. Irish Time on a Dealing Day are dealt with on a forward pricing basis, i.e. by reference to the redemption price for Shares calculated at the Valuation Point on the relevant Dealing Day.

Redemption Form.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the redemption form (the "Redemption Form") prescribed by the Directors in relation to the Equity Fund. Redemption Forms may be obtained from the Investment Manager or any relevant distributor. The Redemption Form sets out the methods by which and to whom redemption monies may be sent.

Redemption Forms in respect of the Equity Fund must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. If the Redemption Form is received after that time it shall (unless otherwise determined by the Directors) be treated as a request for redemption on the Dealing Day following such receipt and Shares will be redeemed at the redemption price for that day. Shares will be redeemed at the redemption price calculated at the Valuation Point on the relevant Dealing Day.

Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions. The Administrator will not remit redemption proceeds if an investor has not submitted an originally signed redemption request containing valid bank details or is not considered to be in compliance with all necessary anti-money laundering legislation. Nor will the Administrator remit any payment to a third party bank account.

Redemption Forms shall (save as determined by the Directors) be irrevocable and may be sent by facsimile to the Investment Manager or any Relevant distributor for onward transmission to the Administrator at the risk of the relevant Shareholder.

Fractions.

Apart from circumstances in which a Shareholder is redeeming his entire holding of Shares in the Equity Fund:

- (a) fractions of Shares will be issued where any part of the redemption monies for Shares represents less than the redemption price for one Share, provided however that fractions shall not be less than .0001 of a Share; and

- (b) redemption monies, representing less than .0001 of a Share will not be returned to a Shareholder but will be retained by the Company in order to defray administration costs.

Compulsory Redemption.

All the Shares of the Equity Fund may be redeemed at the discretion of the Directors if, after the first anniversary of the first issue of shares of any of the Funds, the Net Asset Value of the Fund or the Company falls below CZK 500,000,000 or its foreign currency equivalent for a period of not less than 90 consecutive days.

Redemption Price

The Redemption Price per Share in each class of the Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and deducting therefrom such sums as the Directors may consider represents an appropriate provision for Duties and Charges and any other amounts necessary to account for the actual sale price of underlying investments;
- (b) dividing the resultant figure calculated under (a) above by the total number of Shares of the relevant class in issue; and
- (c) deducting therefrom such amount as may be necessary to round the resulting sum to four decimal places using standard rounding.

The latest Redemption Price for Shares will be available during normal business hours at the office of the Administrator and will be published by the Investment Manager on the website www.conseq.cz. Redemption proceeds for all Share Classes other than the I Class will be paid by the Depositary in the base currency of the Equity Fund. Redemption proceeds for the I Class will be paid by the Depositary in EUR. At the election of the Shareholder redemption proceeds can be paid by the Investment Manager or any relevant distributor in such other currencies as the Directors permit. Any redemption proceeds to be paid in a currency other than the base currency, in respect of Shares being redeemed by the Shareholder, will be paid through the Investment Manager or the relevant distributor and determined on the basis of the exchange rate between the payable currency and the base currency as is available to the Investment Manager or any relevant distributor for transactions for the date of payment less any currency exchange costs. A currency conversion will not occur for any redemption proceeds of I Class of the Equity Fund; such redemptions will be paid in EUR.

Method of Payment.

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing.

Timing.

Redemption proceeds in respect of Shares will be paid for value four Business Days following the relevant Dealing Day provided that all the required documentation has been

furnished to and received by the Investment Manager or any relevant distributor for onward transmission to the Administrator.

In the case of a partial redemption of a Shareholder's holding, the Administrator will advise the Shareholder of the remaining Shares held by him by way of transaction confirmation.

Redemption Fee.

It is not currently intended to charge a redemption fee.

FEES AND EXPENSES

Please see the Prospectus for full details of the fees and expenses which apply to the Equity Fund.

Investment Management Fee

The Investment Manager is entitled to charge a fee as follows:

- 1.15% per annum of the Net Asset Value of A Class;
- 0.75% per annum of the Net Asset Value of B Class;
- 0.75% per annum of the Net Asset Value of D Class; and
- 0.60% per annum of the Net Asset Value of I Class.

The fee will be accrued daily based on the daily Net Asset Value of the relevant Share Class of the Equity Fund and will be paid half yearly in arrears.

The Investment Manager shall be entitled to a performance fee (a "Performance Fee") calculated by the Administrator and shall be verified by the Depositary as follows:

- (i) in each successive period ending on the last Dealing Day in January and July respectively, the first of which commenced on August 16, 2010 on which an "Initial NAV" (as defined in paragraph (ii) below) is calculated (each a "Performance Period") in which the "Portfolio Return" (as defined in paragraph (ii) below) exceeds the "Benchmark Return" (as defined in paragraph (iii) below) the Investment Manager shall be entitled to a Performance Fee, payable out of the assets of the Equity Fund, equal to 12% of the amount by which the Portfolio Return exceeds the Benchmark Return in that Performance Period;
- (ii) the "Portfolio Return" in any Performance Period is calculated by deducting the "Initial NAV" (as defined below) of the Equity Fund for that Performance Period, (less redemption monies paid plus subscription monies received less any declared dividends, during that Performance Period) from the "Closing NAV" (as defined below) of the Equity Fund for that Performance Period. For the purposes of such calculation, the "Initial NAV" per Share shall be the Net Asset Value per Share of the Equity Fund (for the avoidance of doubt, after all previously accrued fees have been paid) on the last Dealing Day in the previous Performance Period (and shall be the starting price) and the "Closing NAV" per Share shall be the Net Asset Value per Share of the Equity Fund on the last Dealing Day in the relevant Performance Period before any deduction has been made for the relevant Performance Period's Performance Fee (but after deducting all other accrued fees for such Performance Period);

- (iii) the Benchmark Return of the Equity Fund in any Performance Period shall be the sum of:
 - A. the notional return which would have accrued in that Performance Period had a sum equal in value to the Initial Net Asset Value been invested at the Benchmark Rate (as described below) for that Performance Period; and
 - B. the notional return which would have accrued in that Performance Period had sums equal in value to subscription monies received during the Performance Period been invested since each relevant Dealing Day at the relevant Benchmark Rate (as described below) less redemption monies paid during such Performance Period up until each relevant Dealing Day at the Benchmark Rate.

The Benchmark Rate is the percentage movement in the Benchmark between the Dealing Day on which the Initial NAV is calculated and the Dealing Day on which the Closing NAV is calculated for any Performance Period, except in the case of subscriptions and redemptions received during such Performance Period when such rate will be calculated by reference to the Dealing Day on which such subscription or redemption is effected and the Dealing Day on which the Closing NAV is calculated;

- (iv) at all times the Performance Fee will only be payable where the Portfolio Return exceeds the Benchmark Return meaning that the Equity Fund has outperformed the Benchmark in the current Performance Period; and
- (v) once payable pursuant to paragraphs (i) to (iv) above, a Performance Fee for any Performance Period will not be affected by any losses experienced by the Equity Fund in a subsequent Performance Period, however, any underperformance of the Benchmark by the Equity Fund in preceding Performance Periods (being Performance Periods after which the Performance Fee was last payable) is clawed back before a Performance Fee is accrued or becomes due in subsequent Performance Periods.

The accrual for the payment of the Performance Fee will be calculated daily and will be paid half yearly in arrears.

Where Performance Fees are payable by the Company these will be based on net realised and net unrealised gains and losses as at the end of each calculation period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

RISK FACTORS

Potential investors should consider the risk factors set out in the Prospectus and the additional risk factors set out below before investing in the Funds:

1. the Directors will seek to minimise the volatility of the Net Asset Value of each of the Funds. However, prospective investors should be aware that investments are subject to normal market fluctuations and other risks inherent in investing in securities;
2. depending on an investor's currency of reference, currency fluctuations between that currency and the base currency of the Funds may adversely affect the value of an investment in the Funds; and

3. where a Share Class of a Fund is denominated in a currency other than the base currency of the Fund, the Company will attempt to minimise the effect of currency fluctuations between that currency and the Fund's base currency through the use of hedging; however the result cannot be guaranteed.

SWITCHING

Shareholders of any Share Class of the Equity Fund may switch to the corresponding Share Class of any other Fund of the Company, as the Directors may permit.

Shareholders of any Share Class of the Equity Fund may also switch to any other Share Class of the Equity Fund subject to the minimum subscription/holdings applicable to such other Share Classes. No switching fee will be imposed.

If you are in any doubt about the contents of this Supplement, you should consult your stockbroker or other financial adviser.

The Directors of Conseq Invest public limited company (the “Company”), whose names appear under the heading “Management and Administration” in the Prospectus of the Company dated 23 October 2017 (the “Prospectus”) accept responsibility for the information contained in the Prospectus and 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) the information contained in the Prospectus and in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information.

CONSEQ INVEST NEW EUROPE BOND FUND

A SHARE CLASS

D SHARE CLASS

*(A Fund of Conseq Invest public limited company
an investment company with variable capital
structured as an umbrella fund with segregated liability
between sub funds)*

SUPPLEMENT

This Supplement contains information relating to the A Class of Shares (the “A Class”) and the D Class of Shares (the “D Class”) of the Conseq Invest New Europe Bond Fund. This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus of the Company.

The date of this Supplement is 23 October 2017.

This Supplement replaces the Supplement for the Conseq Invest New Europe Bond Fund dated 1 November 2014.

CONTENTS

DEFINITIONS	128
INTRODUCTION.....	129
INVESTMENT OBJECTIVE AND POLICY	129
BASE CURRENCY	132
INVESTMENT AND BORROWING RESTRICTIONS.....	132
MANAGEMENT AND ADMINISTRATION.....	132
DIVIDEND POLICY.....	132
SUBSCRIPTIONS.....	133
APPLICATION PROCEDURE.....	133
PAYMENT OF SUBSCRIPTION MONIES.....	134
MINIMUM SUBSCRIPTIONS/HOLDINGS.....	134
REDEMPTIONS.....	135
PROCEDURE	135
REDEMPTION PRICE	136
FEES AND EXPENSES.....	137
INVESTMENT MANAGEMENT FEE	137
RISK FACTORS	138
SWITCHING.....	139

DEFINITIONS

“Business Day”, a day on which banks are open for business in Dublin and Prague.

“Central Bank”, the Central Bank of Ireland or any successor thereof.

“Dealing Day”, every Business Day.

“Net Revenue”, income from interest, dividends or otherwise, realised and unrealised profits (gains) on the disposal/valuation of the investments and other assets less realised and unrealised losses and the relevant portion of accrued expenses.

“New Europe Bond Fund”, the Conseq Invest New Europe Bond Fund.

“New Europe Countries”, the following countries: Albania, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Romania, the Slovak Republic, Slovenia and Turkey, Ukraine, Serbia, Bosnia and Herzegovina, Montenegro, Macedonia and other countries that will become members of the EU in the future.

“Shares”, shares of whatever Share Class of a Fund as are constituted.

“Share Class” or “Share Classes”, such class of shares in a Fund as the Directors from time to time designate, the current shares classes in respect of New Europe Bond Fund being the A Class and D Class.

“Valuation Point”, in respect of the assets and liabilities of the New Europe Bond Fund shall be the close of business in the relevant market on a Dealing Day.

All other capitalised terms shall bear the same definitions as are set out in the Prospectus.

INTRODUCTION

Conseq Invest public limited company (the “Company”) is authorised in Ireland by the Central Bank as a UCITS for the purposes of the Regulations. The Company is structured as an umbrella fund with segregated liability between sub-funds in that the share capital of the Company may be divided into different classes of Shares with one or more classes representing a separate Fund of the Company. Each Fund may have more than one Share Class.

This Supplement contains information relating to the A Class and the D Class of the New Europe Bond Fund. This Supplement forms part of and should be read in conjunction with the general description of the Company contained in the current Prospectus together with the most recent audited annual report and financial statements and if published after such report, a copy of the latest unaudited semi-annual report.

The Shares of the New Europe Bond Fund are registered for distribution in the Czech Republic. In the Czech Republic, the Czech translation of the name of the New Europe Bond Fund is the Conseq Invest Fond dluhopisů nové Evropy.

As at the date of this Supplement, there are no other Share Classes in the New Europe Bond Fund, but additional Share Classes may be added in the future in accordance with the requirements of the Central Bank.

As at the date of this Supplement, there are three other Funds of the Company, namely the Conseq Invest Bond Fund, the Conseq Invest New Europe Equity Fund and the Conseq Invest Conservative Bond Fund.

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

Profile of a Typical Investor

The Fund is suitable for investors seeking capital appreciation measured in CZK over the medium to long term (3-5 years) and who are willing to accept medium to high level of volatility.

INVESTMENT OBJECTIVE AND POLICY

The objective of the New Europe Bond Fund is to maximise total investment return through a combination of interest income, capital appreciation and currency gains by investing in a diversified portfolio of fixed and floating rate debt securities denominated in the currencies of the New Europe Countries. The total investment return will be measured in the base currency of the New Europe Bond Fund which is currently Czech Crowns.

Investments of the New Europe Bond Fund will be made primarily in short, medium and long term fixed and floating rate debt securities and debt obligations of governments, government-related, municipal or corporate issuers in the New Europe Countries denominated in domestic currencies of the New Europe Countries or in any major currencies. The New Europe Bond Fund may also invest in fixed or floating rate debt securities issued by supranational entities or corporate issuers in the European Union denominated in any major currencies or in currencies of the New Europe Countries. Such securities will primarily be listed or traded on Regulated Markets.

The New Europe Bond Fund may invest in investment grade and non-investment grade debt securities, subject to a 30% maximum allocation of the New Europe Bond Fund's total net assets in debt issued by issuers which have all been credited with B1 or lower rating by Moody's or B-plus or lower rating by Standard & Poor's.

The Investment Manager will attempt to maximise total investment return measured in the Fund's base currency by selecting securities for the New Europe Bond Fund based on qualified duration and yield-curve trends, active credit, liquidity, tax and currency risk and short-term market trends.

The New Europe Bond Fund may engage in stocklending and enter into repurchase/ reverse repurchase and/or sell/buy-back agreements for efficient portfolio management purposes in accordance with the Central Bank Requirements and as set out in Appendix II to the Prospectus. In accordance with the Regulations and Appendix II of the Prospectus, the Fund will not take material exposure to Securities Financing Transactions. The proportion of assets under management subject to Securities Financing Transactions is expected to vary between 0% and 50%, subject to a maximum exposure not exceeding 50% of the assets under management of the Fund. The Investment Manager may invest in Securities Financing Transactions on an opportunistic basis and, accordingly, the proportion of the Fund's assets invested in Securities Financing Transactions may, subject to the above limit, vary significantly depending on prevailing market conditions.

The New Europe Bond Fund may also invest in financial derivative instruments ("FDI") for efficient portfolio management. Such instruments will be used in accordance with the requirements of the Central Bank. A description of the FDI the New Europe Bond Fund may use and their commercial purposes is set out as follows:

Swaps

The New Europe Bond Fund may enter into currency swaps. Swap agreements can be individually negotiated and structured to include a variety of different types of investments or market factors. Depending on their structure, the commercial purpose of swap agreements may be to increase or decrease the New Europe Bond Fund's exposure to long term or short term interest rates, foreign currency values, corporate borrowing rates or other factors. Swap agreements can take many different forms and are known by a variety of names. For example, interest rate swaps may be used by the New Europe Bond Fund for the purposes of hedging the New Europe Bond Fund's cash flow. Interest rate swaps involve the exchange by a Fund with another party of their respective commitments to make or receive interest payments (e.g. an exchange of fixed rate payments for floating rate payments). On each payment date under an interest rate swap, the net payments owed by each party are paid by one party to the other. 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. Unlike interest rate swaps, currency swaps must include an exchange of principal at maturity.

Forwards

A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be 'closed out' by entering into a reverse contract. The commercial purpose of a forward foreign exchange contract may include, but is not limited to, altering the currency exposure of securities held, hedging against exchange risks, increasing exposure to a currency, and shifting exposure to currency fluctuations from one currency to another.

Forward foreign exchange contracts may be used for hedging in connection with hedged currency classes of shares. In a spot transaction, the purchase or sale of currency takes place straight away at the current market exchange rate instead of at a future date.

Futures

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures are primarily used to gain exposure to securities and indices for investment or hedging purposes. Unlike physical securities they are bought or sold on margin and thus require a smaller upfront payment to gain the same amount of exposure to the selected underlying investment. The underlying assets or indices of these instruments may consist of debt and fixed income securities, money market instruments and financial indices. The use of indices shall in each case be within the conditions and limits set down in the Central Bank's guidance entitled "UCITS Financial Indices", and where indices are used, the Investment Manager shall not use indices that rebalance more frequently than monthly.

Options

Subject to the requirements laid down by the Central Bank, the Investment Manager may use options (both writing and purchasing) to hedge risks in a Fund to reduce downside volatility. Options are contracts whereby the holder has the right but not the obligation to either purchase (call option) or sell (put option) to the counterparty (or to the exchange for exchange traded options) the underlying for a specified price (the strike price) on a specified date or during a period to expire on a specified date. The assets underlying such instruments may consist of any one or more of the following: preferred or common stocks, debt securities and money market instruments. A Fund may purchase put options on specific stocks to hedge against losses caused by declines in the prices of stocks held by a Fund, and may purchase call options on individual stocks to realise gains if the prices of the stocks increase.

Convertible Debt Securities

A convertible debt security is usually a bond or a preferred stock issued by a corporation that can be converted into a different security and usually gives the holder the option to trade in the security for shares in the company that issued it. This gives the holder both a fixed-income investment with coupon payments as well as the potential to benefit from an increase in the company's share price. Convertible debt securities may embed derivatives. These derivatives will be options to convert the underlying security into equity or debt. Convertible debt securities will not be used to achieve leverage. The additional value of the conversion option, however, will mean that the coupon payment on the security will be lower than that of an equivalent security with no conversion option. A convertible debt security issue, like that of other securities, will state the maturity and the coupon on the bond. A convertible debt security also has information about the conversion option, or how many shares will be received for the security if it is converted. The value of a convertible debt security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible debt security's investment value.

The New Europe Bond Fund may be leveraged up to 100% of its Net Asset Value as a result of its use of FDI, but it is anticipated that leverage will typically be less than 50% of the Fund's Net Asset Value. The Company will calculate leverage on the basis of the commitment approach.

BASE CURRENCY

The base currency of the New Europe Bond Fund will be the Czech Crown (“CZK”).

INVESTMENT AND BORROWING RESTRICTIONS

The Company is a UCITS and accordingly the New Europe Bond Fund is subject to the investment and borrowing restrictions set out in the Central Bank Requirements. These are set out in detail in the Prospectus.

MANAGEMENT AND ADMINISTRATION

Detailed descriptions of the Directors and service providers to the Company are set out in the Prospectus.

DIVIDEND POLICY

The A Class of the New Europe Bond Fund is an accumulating share class and, therefore, it is not intended to distribute dividends to the Shareholders in this Share Class. The income and other profits attributable to this Share Class will be accumulated and reinvested on behalf of Shareholders.

The D Class of the New Europe Bond Fund is a distributing share class. The New Europe Bond Fund intends to declare a dividend at least semi-annually that will be determined with the objective of distributing the majority of Net Revenue, if any, attributable to the D Class Shares.

The maximum amount that may be paid as a dividend per Share will be calculated in accordance with the following formula:

$Div = NAVRD - NAVLD$, if NAVRD is higher than NAVLD, otherwise $Div = 0$; where

Div = Dividend per Share;

NAVRD = NAV per Share on the Dividend record day before distribution of declared dividends.

NAVLD = NAV per Share on the previous Dividend record day;

Dividend record day = Valuation point decisive for the dividend calculation. Shares subscribed for/redeemed on the Dividend record day are issued/redeemed as relevant at ex-dividend NAV per Share.

Dividends are distributed to the Shareholders on the number of Shares held as an opening balance on Dividend record Day.

The dividend will be reinvested automatically on the Dividend record day unless otherwise requested by the Shareholders. Normally these dividends will be paid by the New Europe Bond Fund in July and January respectively. The Dividend record day will be the last Valuation Point in June and December respectively. The Directors may also declare interim dividends on such other days within the year as they deem appropriate. Such dividends will

be paid within 20 working days of their declaration. No interest will be paid on accrued but unpaid dividend.

SUBSCRIPTIONS

Application Procedure

Application Forms.

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the application form prescribed by the Directors from time to time in relation to the Company (the "Application Form"). An Application Form accompanies this Supplement and sets out the methods by which and to whom the subscription monies should be sent. Application Forms shall be irrevocable and may be sent by facsimile at the risk of the applicant to the Investment Manager or any relevant distributor for onward transmission to the Administrator. The originals of the Application Forms should be sent to the Investment Manager or any relevant distributor for onward transmission to the Administrator to arrive within three Business Days after the time for receipt of such application.

Failure to provide the original Application Form by such time may, at the discretion of the Directors, result in the compulsory redemption of the relevant Shares on the next Dealing Day at the prevailing Net Asset Value per Share. However, applicants will be unable to redeem Shares on request until the original Application Form has been received.

Applications for subscription received at the Administrator by 5.00p.m. Irish Time on a Dealing Day will be dealt with on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point on the relevant Dealing Day.

Fractions.

Subscription monies representing less than the subscription price for a Share will not be returned to the applicant. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than .0001 of a Share.

Subscription monies, representing less than .0001 of a Share will not be returned to the applicant but will be retained by the Company in order to defray administration costs.

Offer.

Applications for the A Class and D Class must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. All subscriptions will be dealt on a forward pricing basis, i.e. by reference to the subscription price for Shares calculated as at the Valuation Point for the relevant Dealing Day. Any applications received after that time will normally be held over until the next Dealing Day but, provided they are received prior to the Valuation Point, may be accepted for dealing on the Dealing Day (at the discretion of the Directors in consultation with the Administrator and the Depositary).

Subscription Price.

The subscription price per Share of the Share Classes of the New Europe Bond Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and adding thereto such sum as the Investment Manager may consider represents an appropriate figure for Duties and Charges and any other amounts necessary to account for actual expenditure on the purchase of the underlying investments;
- (b) dividing the resultant figure under (a) above by the total number of Shares of the relevant class in issue; and
- (c) adding thereto such amount as may be necessary to round the resulting amount to four decimal places using standard rounding.

Preliminary Charge.

The Directors may impose a preliminary charge on the issue of Shares in the New Europe Bond Fund up to a maximum of 5% of the subscription amount, which shall be paid to the Distributor.

Payment of Subscription Monies

Method of Payment.

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic transfer to the bank account specified in the Application Form. Other methods of payment are subject to the prior approval of the Directors in consultation with the Depositary. No interest will be paid in respect of payments received in circumstances where the application is held or until a subsequent Dealing Day.

Timing of Payment.

Payment in respect of subscriptions must be received by the Depositary by 3:00pm Irish Time on the fourth Business Day following the relevant Dealing Day. If payment in full in cleared funds in respect of a subscription has not been received by the relevant time, the Directors in consultation with the Depositary may instruct the Administrator to cancel the allotment and/or charge the applicant interest at the 7 day Prague Interbank Offer Rate as fixed by the Czech National Bank (PRIBOR) + 1%, together with an administration fee of CZK5,000 which fee is payable to the Company. The Directors may in consultation with the Depositary waive such charge either in whole or in part. In addition, the Company will have the right to sell all or part of the applicant's holding of Shares in the New Europe Bond Fund or any other Fund of the Company in order to meet these charges.

Minimum Subscriptions/Holdings

Initial Subscriptions.

The minimum initial subscription amount for Shares is as follows:

A Class	-	CZK	10,000
D Class	-	CZK	500,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Subsequent Subscriptions.

Any subsequent subscriptions must be a minimum of:

Class A	-	CZK	2,000
D Class	-	CZK	50,000

or its foreign currency equivalent (or less at the discretion of the Directors).

Minimum Holdings.

Any Shareholder who redeems or otherwise disposes of part of his holding must maintain an aggregate holding in each Share Class in which he holds Shares as follows:

A Class	-	CZK	10,000
D Class	-	CZK	500,000

or its foreign currency equivalent (or less at the discretion of the Directors). The Directors have the power to redeem the remaining holding of any Shareholder who redeems his minimum holding of Shares in a Share Class to below the levels set out above or its currency equivalent.

Subscriptions paid in a currency other than the base currency of the New Europe Bond Fund will be converted by the Investment Manager or relevant distributor at the prevailing exchange rate.

REDEMPTIONS

Procedure

Redemption.

Every Shareholder will have the right to require the Company to redeem his Shares in each of the Funds on any Dealing Day (save during any period when the calculation of the Net Asset Value is suspended in the circumstances set out in the Prospectus) on furnishing to the Investment Manager or any relevant distributor for onward transmission to the Administrator a redemption request. Shares may be redeemed either by written application to the Administrator or electronically via SWIFT.

Redemption applications received at the Administrator by 5.00p.m. Irish Time on a Dealing Day are dealt with on a forward pricing basis, i.e. by reference to the redemption price for Shares calculated at the Valuation Point on the relevant Dealing Day.

Redemption Form

All applicants must complete (or arrange to have completed under conditions approved by the Directors) the redemption form (the "Redemption Form") prescribed by the Directors in relation to the New Europe Bond Fund. Redemption Forms may be obtained from the Investment Manager or any relevant distributor. The Redemption Form sets out the methods by which and to whom redemption monies may be sent.

Redemption Forms in respect of the New Europe Bond Fund must be received by the Investment Manager or any relevant distributor by 5.00pm Irish Time two Business Days immediately preceding the relevant Dealing Day for onward transmission to the Administrator. If the Redemption Form is received after that time it shall (unless otherwise

determined by the Directors in consultation with the Administrator and the Depositary) be treated as a request for redemption on the Dealing Day following such receipt and Shares will be redeemed at the redemption price for that day. Shares will be redeemed at the redemption price calculated at the Valuation Point on the relevant Dealing Day.

Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions. The Administrator will not remit redemption proceeds if an investor has not submitted an originally signed redemption request containing valid bank details or is not considered to be in compliance with all necessary anti-money laundering legislation. Nor will the Administrator remit any payment to a third party bank account.

Redemption Forms shall (save as determined by the Directors) be irrevocable and may be sent by facsimile to the Investment Manager or any relevant Distributor for onward transmission to the Administrator at the risk of the relevant Shareholder.

Fractions.

Apart from circumstances in which a Shareholder is redeeming his entire holding of Shares in the New Europe Bond Fund:

- (a) fractions of Shares will be redeemed where any part of the redemption monies for Shares represents less than the redemption price for one Share, provided however that fractions shall not be less than .0001 of a Share; and
- (b) redemption monies, representing less than .0001 of a Share will not be returned to a Shareholder but will be retained by the Company in order to defray administration costs.

Compulsory Redemption.

All the Shares of the New Europe Bond Fund may be redeemed at the discretion of the Directors if, after the first anniversary of the first issue of Shares of any of the Funds, the Net Asset Value of the New Europe Bond Fund falls below CZK500,000,000 or its foreign currency equivalent for a period of not less than 90 consecutive days.

Redemption Price

The Redemption Price per Share in each class of the New Europe Bond Fund shall be ascertained as follows:

- (a) the Net Asset Value per Share of any class of Shares within a Fund will be calculated by calculating the amount of the Net Asset Value of the relevant Fund which is attributable to the relevant class (costs and related liabilities/benefits of specific hedging instruments entered into for the benefit of any particular class of Shares will be allocated exclusively to that class) and deducting therefrom such sums as the Investment Manager may consider represents an appropriate provision for Duties and Charges and any other amounts necessary to account for the actual sale price of underlying investments;
- (b) dividing the resultant figure calculated under (a) above by the total number of Shares of the relevant class in issue; and
- (c) deducting therefrom such amount as may be necessary to round the resulting sum to four decimal places using standard rounding.

The latest Redemption Price for Shares will be available during normal business hours at the office of the Administrator and will be published by the Investment Manager on the website www.conseq.cz. Redemption proceeds will be paid by the Depositary in the base currency of the New Europe Bond Fund. At the election of the Shareholder redemption proceeds can be paid by the Investment Manager or any relevant distributor in such other currencies as the Directors permit. Any redemption proceeds to be paid in a currency other than the base currency, in respect of Shares being redeemed to the Shareholder, will be paid through the Investment Manager or any relevant distributor and determined on the basis of the exchange rate between the payable currency and the base currency as is available to the Investment Manager or any relevant distributor for transactions for the date of payment less any currency exchange costs.

Method of Payment.

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing.

Timing.

Redemption proceeds in respect of Shares will be paid for value four Business Days following the relevant Dealing Day provided that all the required documentation has been furnished to and received by the Investment Manager or any relevant distributor for onward transmission to the Administrator.

In the case of a partial redemption of a Shareholder's holding, the Administrator will advise the Shareholder of the remaining Shares held by him by way of transaction confirmation.

Redemption Fee.

It is not currently proposed to charge a redemption fee.

FEES AND EXPENSES

Establishment Expenses.

All fees and expenses relating to the establishment of the New Europe Bond Fund and the fees of the legal advisers to the Company in the establishment of the New Europe Bond Fund, the cost of printing the Supplement and other promotional expenses all in aggregate not exceeding €30,000 will be borne by the New Europe Bond Fund. These fees and expenses will be amortised over the first five years of the lifetime of the New Europe Bond Fund or such other period as the Directors may determine and, at the discretion of the Directors, charged within the amortisation period on such terms and in such manner as the Directors deem fair and equitable.

The New Europe Bond Fund shall bear its attributable proportion of the organisational expenses of the Company. These are set out in detail under the heading "Fees and Expenses" in the Prospectus.

Investment Management Fee

The Investment Manager is entitled to charge a fee which may from time to time be revised by the Directors not exceeding the maximum fee set as follows:

1% per annum of the Net Asset Value of A Class,

0.7% per annum of the Net Asset Value of D Class.

The fee will be accrued daily based on the daily Net Asset Value of the relevant Share Class of the New Europe Bond Fund and will be paid half yearly in arrears.

The Investment Manager shall be entitled to a performance fee (a "Performance Fee") which shall be calculated by the Administrator and shall be verified by the Depositary. The following definitions shall apply to this section:

"Closing NAV", the Net Asset Value of the New Europe Bond Fund on the last Dealing Day in the relevant Performance Period adjusted for subscriptions, redemptions and declared dividends during that Performance Period before any deduction has been made for the relevant Performance Period's Performance Fee (but after deducting all other accrued fees for such Performance Period).

"Performance Period", the period beginning on 22 November 2010 and ending on the last dealing day in July 2011 and thereafter each successive period ending on the last Dealing Day in January and July respectively.

"Previous Highest Closing NAV", the highest Closing NAV achieved by the New Europe Bond Fund for any previous performance period adjusted for subscriptions and redemptions since the last Performance Fee was earned (or since the close of the Initial Offer Period if no performance fee has ever been earned) and less all previously accrued fees (and shall be the starting price). In the case of the first Performance Period, the Previous Highest Closing NAV shall be the Net Asset Value of the New Europe Bond Fund on the first Business Day after the Initial Offer Period.

"Total Return", the return calculated by deducting the Previous Highest Closing NAV of the New Europe Bond Fund from the Closing NAV of the New Europe Bond Fund for the Performance Period.

The Performance fee shall be calculated and payable as follows:

- (i) in each Performance Period in which the Total Return is positive, the Investment Manager shall be entitled to a Performance Fee, payable out of the assets of the New Europe Bond Fund, equal to 8% of the amount of the Total Return; and
- (ii) once payable pursuant to paragraph (i) above, a Performance Fee for any Performance Period will not be affected by any losses experienced by the New Europe Bond Fund in a subsequent Performance Period.

The Performance Fee will accrue daily and will be paid half yearly in arrears.

Where Performance Fees are payable by the Company these will be based on net realised and net unrealised gains and losses as at the end of each calculation period. As a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

RISK FACTORS

Potential investors should consider the risk factors set out in the Prospectus and the additional risk factors set out below before investing in the Funds:

1. the Directors will seek to minimise the volatility of the Net Asset Value of each of the Funds. However, prospective investors should be aware that investments are subject to normal market fluctuations and other risks inherent in investing in securities; and
2. depending on an investor's currency of reference, currency fluctuations between that currency and the base currency of the Funds may adversely affect the value of an investment in the Funds.

SWITCHING

Shareholders of any Share Class of the New Europe Bond Fund may switch to the corresponding Share Class of any other Fund of the Company, as the Directors may permit.

Shareholders of any Share Class of the New Europe Bond Fund may also switch to any other Share Class of the New Europe Bond Fund subject to the minimum subscription/holdings applicable to such other Share Classes. No switching fee will be imposed.