FundLogic Alternatives plc

Promoter and Distributor
Morgan Stanley & Co. International plc

Supplement dated 21 July 2017

for

MS Ascend UCITS Fund

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

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

The Sub-Fund's principal economic exposure will be effected through financial derivative instruments, although as described herein the Sub-Fund will make other investments.

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

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

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

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1. INVESTMENT OBJECTIVE AND POLICIES

1.1. Investment Objective

The Sub-Fund's investment objective is to provide Shareholders with a return linked to the performance of a reference portfolio (the "**Reference Portfolio**"), described in more detail under the heading **Description of the Reference Portfolio** at 1.2.1 below.

1.2. Investment Policy

The Sub-Fund is exposed to the economic performance of the Reference Portfolio, which is primarily comprised of long and short equity positions in U.S. markets referred to in Appendix II of the Prospectus and is described in more detail in **Description of the Reference Portfolio** at 1.2.1 below, through a total return swap (the "**Portfolio Total Return Swap**"). The Portfolio Total Return Swap will give the Sub-Fund economic exposure to the Reference Portfolio in exchange for a floating rate of return being paid by the Sub-Fund. The performance of the Sub-Fund will primarily be determined by the performance of the Reference Portfolio.

The Sub-Fund expects to purchase Funding Assets (as defined below) and transfer the economic interest in such Funding Assets (as defined below) to the Approved Counterparty under a total return swap (the "**Funding Swap**") in exchange for a floating rate of return being received by the Sub-Fund from the Approved Counterparty. This floating rate of return shall in turn be paid to the Approved Counterparty under the Portfolio Total Return Swap referred to above.

1.2.1 Description of the Reference Portfolio

The Reference Portfolio is a notional portfolio representative of a dynamically managed portfolio of investments primarily consisting of long and short equity positions which will be made by the Investment Manager in implementing its strategy to generate superior risk-adjusted returns over a broad range of market environments (the **"Ascend Investment Strategy**"). The Reference Portfolio may also consist of other instruments such as fixed income securities, collective investment schemes and financial derivative instruments ("**FDIs**") as set out in further detail in **Underlying Instruments of the Reference Portfolio** below.

Ascend Investment Strategy

The Ascend Investment Strategy is proprietary to the Investment Manager. The strategy is a variation of the "Jones Model" investing strategy with the intention of achieving capital appreciation in a broad range of market environments. The Jones Model is an investment strategy whereby the portfolio is long securities and short securities, and which seeks to hedge against market fluctuations. The Ascend Investment Strategy is focused on targeting absolute returns rather than returns that are correlated to the broad stock market. The Investment Manager invests in companies it identifies through a disciplined process involving thorough bottom-up fundamental research.

The Ascend Investment Strategy's emphasis is primarily on individual equity securities in the U.S. markets referred to in Appendix II of the Prospectus.

Ascend Investment Process

The net market exposure of the Reference Portfolio may vary significantly depending on the Investment Manager's assessment of shifting economic and market conditions as well as particular long and short investing opportunities; consequently, the Reference Portfolio has neither a long nor short bias.

<u>*Long Portfolio Investments*</u>

For the Reference Portfolio's long positions, the Investment Manager employs "bottom-up" fundamental analysis to identify companies that may display some or all of the following characteristics:

- Improving revenue and earnings growth
- Strong cash flow and/or access to capital
- Competitive advantage and/or dominant industry position
- High barriers to entry exist with respect to the company's existing business
- New, innovative, or revolutionary products

- Proven, strong management team
- Short- or intermediate-term “catalysts” to propel market price of stock upwards
- Undiscovered value/hidden assets on the company’s balance sheet
- Business of company is in out-of-favor industries resulting in low valuation
- Favorable risk/reward ratio with high probability of success
- Not well covered by Wall Street analysts

Short Portfolio Investments

For the Reference Portfolio’s short positions, the Investment Manager employs “bottom-up” fundamental analysis to identify companies that may display some or all of the following characteristics:

- Deteriorating financial performance and/or condition
- Balance sheet irregularities and/or questionable accounting practices
- Decelerating earnings
- Product cycle dislocations
- Equity dilution
- Weak or inept management team
- Flawed business model
- Misrepresentations and/or unrealistic projections by management
- Increasing competition and/or market-share laggard
- A clear catalyst that is expected to cause the stock price to decline significantly

Short positions will, in general, not be selected solely on an “over valuation” basis.

The Investment Manager believes that entrepreneurial companies that identify and capitalize on emerging trends present compelling opportunities in many different market conditions and can experience rapid and dramatic periods of growth. Such periods are often attributable to specific “catalysts” such as innovative or proprietary products and services, a shift in the competitive landscape, management changes, or redeployment of company assets.

The Investment Manager utilizes numerous sources to identify these companies. An initial source is an extensive network of national and regional brokers, analysts, and investment bankers who maintain close contacts with company executives and local entrepreneurs. Additional sources include screening software (to identify companies producing positive or negative earnings reports and specific financial criteria as well as stocks experiencing sizeable price moves), industry publications, the financial press, news wires, buy-side contacts, and the internet.

After an idea has been generated, the Investment Manager will perform an in-depth investigation and analysis. This process may include interviews with management, customers, suppliers, competitors, industry specialists, and others. The Investment Manager believes that its idea generation system and extensive investment industry experience provides it with a strategic advantage in amassing vital information, dissecting financial statements, forecasting future operating performance, and assessing market conditions to make insightful and effective market decisions.

After carefully selecting securities that have been filtered through a variety of analytic methods as well as through the Investment Manager’s evaluation process, the Investment Manager will continue to monitor the impact of industry diversification as well as the potential effect of general macro-economic factors on performance of the Reference Portfolio. The risks and/or rewards of each industry group and economic sector will be analyzed in order to avert hidden risks or limited return potential within the Reference Portfolio. The percentage of long versus short positions will vary depending on opportunities that become available. The Reference Portfolio is designed to be flexible, maintaining a favorable risk/reward profile that strives to provide superior long-term investment performance while guarding against unforeseen events and potential risks.

The Investment Manager will generally close out a long or short position if one or more of the following characteristics are present:

- Security reaches target price or stop loss price
- The Investment Manager’s investment view in respect of the security is correct
- Events fail to confirm the Investment Manager’s investment view in respect of the security

- Fundamentals either deteriorate (in the case of a long position) or improve (in the case of a short position), thus changing the risk-reward profile

Underlying Instruments of the Reference Portfolio

Although the Ascend Investment Strategy focuses on equity and equity-related securities that are publicly traded, it may pursue a highly diverse range of instruments.

The Reference Portfolio will seek to achieve maximum capital appreciation by investing primarily in equity and equity-related securities including common stock, preferred shares, convertible securities, fixed income securities (both corporate and government), exchange traded funds ("**ETFs**"), publicly traded as well as over-the-counter options and warrants. The Reference Portfolio will primarily invest in equity securities of companies with market capitalizations of greater than $500 million, however it may invest in certain companies regardless of the issuer's market capitalization. Such investments may include companies having smaller market capitalizations, such as mid-cap and small-cap stocks.

Convertible securities include preferred shares and convertible debt (including convertible bonds) or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different issuer within a particular period of time at a specified price or formula.

The fixed income securities in which the Reference Portfolio may invest may have any rating (including below investment grade) and may be unrated and be either fixed or floating and government or corporate. Fixed income securities will be deemed to be below investment grade, if they have a rating BB+ and/or lower by Standard & Poor's, or an equivalent rating by any of the other principal rating agencies or, if unrated, are determined to be below investment grade by the Investment Manager. No more than 30% of the net asset value of the Reference Portfolio may be invested in below investment grade securities.

No more than 30% of the net asset value of the Reference Portfolio may be invested in either UCITS or eligible alternative investment funds (including regulated ETFs, investment companies, investment limited partnerships, and unit trusts), which provide exposure to listed and unlisted equities and debt securities and are consistent with the investment objective of the Sub-Fund. ETFs may be used by the Reference Portfolio in seeking maximum capital appreciation or for hedging purposes. Typically, an ETF holds a portfolio of common stocks designed to track the performance of a particular index or a "basket" of stocks of companies within a particular industry sector or group. Index futures on broad based indices may be utilised in order to hedge the equity portion of the Reference Portfolio from movements in the general equity market. In addition, up to 10% of the net assets of the Reference Portfolio may be comprised of unlisted transferable securities. Any such collective investment scheme will not charge annual management fees of in excess of 5% of those underlying funds' respective net asset values and will be domiciled in the European Economic Area, Jersey, Guernsey, the Isle of Man or the United States.

In addition to direct investment in equity securities, the Ascend Investment Strategy will also gain exposure to such securities through the use of FDIs in relation to such securities both for investment and efficient portfolio management purposes. For example: (i) the Reference Portfolio may invest in a variety of options, whether singly or in combination with other options or securities positions, including options on specific securities, as well as market index or "market basket" options, options on currencies or other instruments, for speculative purposes, to increase directional exposure, or in order to seek to limit certain risks, primarily general market risks;(ii) equity swaps and contracts for differences may be utilised for access to certain issuers and jurisdictions or for other investment purposes; (iii) index futures on broad based indices may be utilised in order to hedge the equity portion of the Reference Portfolio from movements in the general equity market or for other investment purposes; and (iv) foreign currency exchange options may be utilised to hedge against underlying currency risk in the Reference Portfolio or for other investment purposes.

The Reference Portfolio may, from time to time, hold all or a portion of its assets in cash or cash equivalents (which shall include, but shall not be limited to, short-term fixed income securities including commercial paper (i.e. investment grade short-term paper issued by credit institutions) and money market obligations such as short and medium-term treasury bills and treasury notes (both fixed and floating rate), certificates of deposit and bankers' acceptances, when opportunities are limited or in other circumstances deemed appropriate by the Investment Manager.

FDIs in which the Reference Portfolio may invest may be exchange-traded or OTC.

This is a summary of the Reference Portfolio. There is no assurance that the Reference Portfolio's objective will be achieved. The strategy may use all or any of these investment techniques and instruments to pursue its investment objective or for hedging purposes.

1.2.2 **General**

While the Sub-Fund will hold an unleveraged exposure to the Reference Portfolio (i.e. the Sub-Fund will not expose more than 100% of its Net Asset Value to the Reference Portfolio), investors should note that the Reference Portfolio itself will at times be leveraged, however, the Investment Manager does not intend leverage to be a material part of the Ascend Investment Strategy. The ratio of long and short investments (which will be primarily equity securities) may vary through time. Under normal market conditions, the Sub-Fund's gross exposure will generally have a long term average of 150% to 180% and will never exceed 300% of the Net Asset Value of the Sub-Fund. However, in a volatile market environment, the Investment Manager may decrease the Sub-Fund's gross exposure dramatically.

The Sub-Fund's global exposure (which will include the leverage inherent in the Reference Portfolio, if any) is subject to an advanced risk management process. In compliance with the Regulations, the Sub-Fund's risk management process aims to ensure that on any day the relative Value-at-Risk ("**VaR**") of the Sub-Fund will not exceed 2 times the VaR (based on a confidence level of 99%, a holding period of one month and a historical observation period of one year) of an equivalent unleveraged benchmark portfolio, which initially will be the S&P 500 Index (the "**Benchmark Index**"). The Investment Manager may alter the Benchmark Index from time to time to any other benchmark which the Investment Manager determines, in its sole discretion, is generally representative of the U.S. equity market. Shareholders will not be notified in advance of any change in the Benchmark Index. However, such change will be notified to Shareholders in the periodic reports of the Sub-Fund following such change.

The "long" exposure of the Reference Portfolio is expected to be within a range of 50% to 130% of the net assets and the "short" exposure is expected to be within a range of -50% to -130% of net assets.

The Sub-Fund may retain amounts in cash or investment grade cash equivalents (which shall include, but shall not be limited to, short-term fixed income securities including commercial paper (i.e. investment grade short-term paper issued by credit institutions) and money market obligations such as short and medium-term treasury bills and treasury notes (both fixed and floating rate), certificates of deposit and bankers' acceptances), pending re-investment, or for use as collateral, arising from the Sub-Fund's use of FDIs if this is considered appropriate to the investment objective.

The Sub-Fund may enter into repurchase, reverse repurchase and stock lending agreements (together with total return swaps "**Securities Financing Transactions**") subject to the conditions and limits laid down by the Central Bank for efficient portfolio management purposes.

The Sub-Fund's exposure to Securities Financing Transactions is as set out below (in each case as a percentage of Net Asset Value):

	Expected	**Maximum**
Total Return Swaps / Margin Finance	200%	210%
Repurchase Agreements & Reverse Repurchase Agreement	0%	5%
Stock Lending	0%	5%

The above shows the expected and maximum notional for the total return swaps and does not include the leverage inherent in the Reference Portfolio.

The Sub-Fund may not enter into fully funded swaps.

The Sub-Fund and the Reference Portfolio will only utilise those derivatives that are listed in the risk management process in respect of the Sub-Fund and that have been cleared by the Central Bank.
The Sub-Fund may enter into FDI transactions, such as forward currency exchange contracts for efficient portfolio management purposes. FDI can be used to hedge against the risk of adverse currency movements between the Currency Hedged Share Classes as described under Classes of Shares below. For further information in respect of forward currency exchange contracts please see the section entitled **Information on the Financial Derivative Instruments** below. If it is proposed to utilise any FDIs which are not contained in the risk management process in respect of the Sub-Fund, the Fund will submit an updated risk management process to the Central Bank in accordance with the Central guidance titled UCITS Financial Derivative Instruments and Efficient Portfolio Management, prior to the Sub-Fund engaging in using such FDIs.

Profile of a Typical Investor

Investment in the Sub-Fund is suitable for investors seeking a long-term appreciation of capital. Shares in the Sub-Fund will be available to both retail and institutional investors.

2. THE TOTAL RETURN SWAPS

The Sub-Fund uses two total return swaps, the Portfolio Total Return Swap and the Funding Swap (as defined below) (together, the "**Swaps**"). The sole Approved Counterparty in respect of the Swaps will be Morgan Stanley or any of its affiliates or subsidiaries that is a UCITS eligible counterparty (the "**Approved Counterparty**" or "**Morgan Stanley**").

There are two strategic components to the Swaps: (1) to gain exposure to the economic performance of the Reference Portfolio as described above; and (2) to transfer the economic interest in the "Funding Assets" (as described below) to the Approved Counterparty.

It is not accordingly anticipated that the Sub-Fund will be exposed to the performance or risks of the Funding Assets other than in the event of a default by the Approved Counterparty under the terms of the Funding Swap.

2.1. The Portfolio Total Return Swap

The Portfolio Total Return Swap will give the Sub-Fund the economic exposure to the Reference Portfolio in exchange for a floating rate of return being paid by the Sub-Fund. This will be provided by the Approved Counterparty.

2.2. The Funding Swap

The Sub-Fund will purchase Funding Assets (as defined below) and transfer the economic interest in such Funding Assets (as defined below) to the Approved Counterparty pursuant to the Funding Swap in exchange for a floating rate of return being received by the Sub-Fund from the Approved Counterparty. This floating rate of return shall in turn be paid to the Approved Counterparty under the Portfolio Total Return Swap referred to above.

"**Funding Assets**" will include equity securities and other securities with equity characteristics, including, but not limited to, preferred stocks, warrants on equities (which gives the holder the right to buy the underlying equity at a specified price and time) and depository receipts for such securities (American depositary receipts traded in the United States markets and global depositary receipts traded in other world markets), issued by companies worldwide and which may or may not be constituents of the Reference Portfolio. They may also include debt securities which may include, without limitation, government and corporate bonds and notes (fixed and floating interest rate) and commercial paper and may be rated either above or below "investment grade" by Standard & Poor's and/or Moody's or, if unrated, determined to be of equivalent credit quality by the Investment Manager. Funding Assets also include other collective investment schemes having similar investment objectives and policies to the Sub-Fund and ETFs, however, the Sub-Fund will not invest more than 10 per cent of its Net Asset Value in such schemes. The Investment Manager will determine which securities are included within the Funding Assets.

Funding Assets (other than permitted unlisted investments) will be listed or traded on the Markets referred to in Appendix II of the Prospectus. For the avoidance of doubt, the Swaps will not be so listed or traded as they are permitted unlisted investments.

The Approved Counterparty will provide collateral to the Sub-Fund to ensure that the Sub-Fund's risk exposure to the Approved Counterparty does not exceed the level required by the Central Bank. The collateral will be in the form required by the Central Bank.

3. THE APPROVED COUNTERPARTY AND THE HEDGING STRATEGY

Morgan Stanley may incur costs in hedging its obligations under the Swap transactions. Any costs incurred by the Morgan Stanley in implementing its hedging strategy (including costs and fees of the Investment Manager in relation thereto) paid or reimbursed by Morgan Stanley will ultimately be borne by the Sub-Fund as costs under the terms of the Swap.

4. INVESTMENT RESTRICTIONS OF THE REFERENCE PORTFOLIO

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

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

5. INFORMATION ON FINANCIAL DERIVATIVE INSTRUMENTS

Swaps. These include credit default swaps, interest rate swaps, total return swaps, swaptions and currency swaps. The “buyer” in a credit default contract is obligated to pay the “seller” a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred. A seller receives a fixed rate of income throughout the term of the contract. An interest rate swap involves the exchange by one party with another party of their respective commitments to pay or receive cash flows. A total return swap or a contract for differences is a bilateral financial contract, which allows one party to enjoy all of the cash flow benefits of an asset without actually owning this asset. A swaption is an option granting its owner the right but not the obligation to enter into an underlying swap. A currency swap is a foreign exchange agreement between two parties to exchange principal and fixed rate interest payments on a loan in one currency for principal and fixed rate interest payments on an equal loan in another currency.

Options. Options may be traded over-the-counter or OTC options. Unlike exchange traded options, which are standardised with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of OTC options are generally established through negotiation with the other party to the option contract. A call option on an investment is a contract under which the purchaser, in return for a premium paid, has the right to buy the securities underlying the option at the specified exercise price at any time during the term of the option. A put option is a contract that gives the purchaser, in return for a premium paid, the right to sell the underlying securities at the specified exercise price during the term of the option.

Futures and Options on Futures. The sale of a futures contract creates an obligation by the seller to deliver the type of financial instrument called for in the contract in a specified delivery month for a stated price. The purchase of a futures contract creates an obligation by the purchaser to pay for and take delivery of the type of financial instrument called for in the contract in a specified delivery month, at a stated price.

Forward Currency Exchange Contracts. The Sub-Fund may buy and sell currencies on a spot and forward basis. A forward currency exchange contract involves an obligation to purchase or sell a specific currency at a future date at a price set at the time of the contract.

6. INVESTMENT MANAGER

The Investment Manager for the Sub-Fund is Ascend Capital, LLC. The Investment Manager is a Delaware limited liability company registered as an investment adviser with the U.S. Securities and Exchange Commission under the Investment Advisers Act 1940, as amended and with its principal place of business at 4 Orinda Way, Suite 200-C, Orinda, CA 94563, USA. As at September 30, 2013 the Investment Manager had approximately US$ 2.8 billion assets under management.

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

The Fund has appointed the Investment Manager as investment manager for the Sub-Fund pursuant to an investment management agreement between the Fund and the Investment Manager dated 9 May 2011 (the "**Agreement**") as amended and as may be further amended.

The Agreement provides that the Investment Manager shall be responsible for loss to the Fund to the extent such loss is due to negligence (whether through an act or omission), wilful default or fraud by itself, its directors, officers, servants, employees, agents and appointees. The Investment Manager shall also be liable to the Fund for contractual breach of the Agreement and for its tortuous conduct, breach of fiduciary duty and any misrepresentation made by or on behalf of the Investment Manager to the Fund in connection with the Agreement. The Investment Manager shall indemnify and keep indemnified and hold harmless the Fund in the circumstances set out in the Agreement.

The Agreement shall continue in force until terminated pursuant to the Agreement. Either party may terminate the Agreement on giving not less than three months' prior written notice (or such other period as may be agreed between the parties). The Agreement may be terminated at any time in the circumstances set out in the Agreement.

7. RISK MANAGER

Pursuant to a risk management agreement dated 26 August 2010, as amended (the "**Risk Management Agreement**"), Morgan Stanley & Co. International plc (the "**Promoter**") has agreed to provide certain Sub-Funds of the Fund, including the Sub-Fund, with risk management and compliance reporting services in accordance with the Risk Management Agreement and the risk management processes in respect of the Sub-Funds.

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

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

8. BORROWING AND LEVERAGE

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

While the Sub-Fund will hold an unleveraged exposure to the Reference Portfolio (i.e. the Sub-Fund will not expose more than 100% of its Net Asset Value to the Reference Portfolio), investors should note that the Reference Portfolio itself will at times be leveraged, however, the Investment Manager does not intend leverage to be a material part of the Ascend Investment Strategy. The ratio of long and short investments (which will be primarily equity securities) may vary through time. Under normal market conditions, the Sub-Fund's gross exposure will generally have a long term average of 150% to 180%

and will never exceed 300% of the Net Asset Value of the Sub-Fund. However, in a volatile market environment, the Investment Manager may decrease the Sub-Fund's gross exposure dramatically.

The Sub-Fund's global exposure (which will include the leverage inherent in the Reference Portfolio, if any) is subject to an advanced risk management process. In compliance with the Regulations, the Sub-Fund's risk management process aims to ensure that on any day the relative VaR of the Sub-Fund will not exceed 2 times the VaR of the Benchmark Index.

10. RISK FACTORS

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

The following additional risk factors also apply:

10.1 Currency Risk

The Base Currency of the Sub-Fund is USD. Shareholders may subscribe in US Dollars, Euros or Pounds Sterling into the USD, EUR or GBP denominated Share Classes respectively.

The EUR and GBP denominated Shares are Currency Hedged Share Classes. Shareholders in the Currency Hedged Share Classes are urged to read the section of the Prospectus entitled **Hedged Share Classes** for information on the currency risks associated with investment in those Share Classes.

Depending on an investor's currency of reference, currency fluctuations between that currency and the base currency of the Sub-Fund may adversely affect the value of an investment in the Sub-Fund.

Changes in exchange rates may have an adverse effect on the value, price or income of the Sub-Fund.

10.2 IPO Securities

The Reference Portfolio and the Sub-Fund may purchase securities of companies in initial public offerings ("**IPO securities**") or shortly thereafter. Special risks associated with these securities may include a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the issuer and limited operating history.

10.3 Market Capitalization Risk

The Reference Portfolio will primarily invest in equity securities of companies with market capitalizations of greater than $500 million, however it may invest in certain companies regardless of the issuer's market capitalization. Such investments may include companies having smaller market capitalizations, such as mid-cap and small-cap stocks. The stocks of these companies often have less liquidity than the stocks of larger companies and these companies frequently have less management depth, narrower market penetrations, less diverse product lines, and fewer resources than larger companies. Due to these and other factors, stocks of smaller companies may be more susceptible to market downturns and other events, and their prices may be more volatile than the stocks of larger companies.

10.4 Dependence on Key Personnel

The success of the Sub-Fund depends upon the financial and managerial expertise of Malcolm P. Fairbairn (Chief Investment Officer of the Investment Manager), to develop and implement investment strategies that achieve the Sub-Fund's investment objective. If Mr. Fairbairn were to become unable to participate in the management of the Sub-Fund, the consequence to the Sub-Fund could be material and adverse and could lead to the premature termination of the Sub-Fund.

Mr. Fairbairn has significant business responsibilities in addition to those of the Sub-Fund, including, without limitation, serving as investment manager of the private investment funds affiliated with or managed by the Investment Manager

10.5 Performance Fee – No Equalisation

The methodology used in calculating the performance fees in respect of the Sub-Fund may result in inequalities as between Shareholders in relation to the payment of performance fees (with some investors paying disproportionately higher performance fees in certain circumstances) and may also result in certain Shareholders having more of their capital at risk at any time than others (as no equalisation methodology is employed in respect of the performance fee calculation).

11. DIVIDEND POLICY

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

12. KEY INFORMATION FOR PURCHASES AND SALES OF SHARES

Base Currency

USD

Classes of Shares

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

Class	Currency Denomination	Currency Hedged Shares	Initial Issue Price per Share	Minimum Initial Subscription	Management Charge	Performance Fee	Minimum Subsequent Subscription /Minimum Repurchase Amount	Minimum Holding (Number of Shares)
Class A EUR Shares	Euro	Yes	€1,000	€10,000	2.5%	20%	€1,000	N/A
Class A USD Shares	US Dollar	No	$1,000	$10,000	2.5%	20%	$1,000	N/A
Class A GBP Shares	Pound Sterling	Yes	£1,000	£10,000	2.5%	20%	£1,000	N/A
Class I EUR Shares	Euro	Yes	N/A	€1,000,000	1.5%	20%	€10,000	1,000 Shares
Class I USD Shares	US Dollar	No	$1,000	US$1,000,000	1.5%	20%	$10,000	1,000 Shares
Class I GBP Shares	Pound Sterling	Yes	£1,000	£1,000,000	1.5%	20%	£10,000	1,000 Shares
Class P EUR Shares	Euro	Yes	€1,000	€250,000	1.5%	20%	€10,000	250 Shares
Class P USD Shares	US Dollar	No	$1,000	US$250,000	1.5 %	20%	$10,000	250 Shares
Class P GBP Shares	Pound Sterling	Yes	£1,000	£250,000	1.5%	20%	£10,000	250 Shares

Class E USD Shares	US Dollar	No	N/A	US$100,000	N/A	N/A	$50,000	N/A
Class S USD Shares	USD	No	$1,000	$50,000,000	1.6%	20%	$5,000,000	50,000 Shares
Class S EUR Shares	EUR	Yes	€1,000	€50,000,000	1.6%	20%	€5,000,000	50,000 Shares

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

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

The EUR and GBP denominated Share Classes are Currency Hedged Share Classes. In respect of the Currency Hedged Share Classes the Investment Manager will seek to hedge against the risk of currency movements between the Base Currency of the Sub-Fund and the currency in which the relevant Currency Hedged Share Class is denominated. The cost and fiscal results of any such currency hedging will be solely for the account of the relevant Shares. Investors in EUR and GBP denominated Share Classes are referred to the description and risks related to Currency Hedged Share Classes in the section of the Prospectus headed "**Risk Factors**".

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

The Directors may, in their discretion, following consultation with the Investment Manager, waive the minimum amounts above either generally or in relation to any specific subscription or repurchase.

Initial Offer Period

The Class I EUR Shares, the Class P USD Shares and the Class E USD Shares are issued at their Net Asset Value per Share on each Dealing Day.

As the Class I USD Shares, Class P EUR Shares, Class S EUR Shares, Class A USD Shares and Class I GBP Shares are Classes in the Fund previously launched and subsequently redeemed, these Share Classes are now available at the initial offer price set out in the table above from 9.00 a.m. (Irish time) on 24 July 2017 until 5.30 p.m. (Irish time) on 23 January 2018. Such offer period may be shortened or extended by the Directors in accordance with the requirements of the Central Bank.

The initial offer period for all Share Classes (other than those mentioned in the preceding two paragraphs and the Class S EUR Shares and Class S USD Shares) have been extended to 5:30 p.m. (Irish time) on 23 January 2018 as may be shortened or extended by the Directors in accordance with the requirements of the Central Bank.

The Initial Offer Period for the Class S EUR Shares and the Class S USD Shares will be from 9.00 am (Irish time) on 24 July 2017 until 5:00 pm (Irish time) on 23 January 2018 as may be shortened or extended by the Directors in accordance with the requirements of the Central Bank.

Business Day

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

Dealing Day

Every Friday (except legal public holidays in the United Kingdom, Ireland or the U.S. and days on which the stock markets in London or New York are closed) during which banks in Ireland, U.S and the United Kingdom are open for normal business and such other day or days as the Directors may from time to time determine and notify in advance to Shareholders, provided that in any event there shall be at least one Dealing Day per fortnight.

Dealing Deadline

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

The Directors may, in their discretion, following consultation with the Investment Manager, and on an exceptional basis only, waive the Dealing Deadline provided that applications are received prior to the Valuation Point for that particular Dealing Day. For the avoidance of doubt, no application shall be accepted after the close on a Dealing Day of any market relevant to the assets and liabilities of the Sub-Fund.

Settlement Date

In the case of subscriptions, within 3 Business Days after the relevant Dealing Day.

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

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

Valuation Point

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

In the case of transferable securities and listed FDI, the Valuation Point will be such time on a Dealing Day after the Dealing Deadline which reflects the close of business on the markets relevant to such assets and liabilities or such other time as the Directors may determine from time to time and notify to Shareholders. In the case of OTC FDI, the Valuation Point will be the close of business on the Dealing Day or such other time as the Directors may determine from time to time and notify to Shareholders. For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after the Dealing Deadline.

13. CHARGES AND EXPENSES

Initial, Exchange and Repurchase Charges

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

With respect to Class P EUR Shares, Class P USD Shares and Class P GBP Shares, the Sub-Fund may on any Dealing Day require a Shareholder to pay an initial charge of up to 3% of the issue price of such Shares on that Dealing Day. Any initial charge received by the Sub-Fund may be paid to the Distributor, or any sub-distributor or intermediary, who has the discretion to waive or rebate such charge.

The Sub-Fund may on any Dealing Day require a Shareholder to pay a charge for the exchange of Shares of a class of up to 3% of the total repurchase price of the Shares of the Original Class on that Dealing Day where the Shares of the Original Class are Class A EUR Shares, Class A USD Shares, or Class A GBP Shares.

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

Notwithstanding the provisions of the Prospectus, no anti-dilution levy will apply to any subscriptions or redemptions in respect of the Sub-Fund.

The provisions of the Prospectus in the section entitled "**Repurchase of Shares**"**,** which provide that where total requests for repurchase on any Dealing Day for a Sub-Fund exceed 10% of the total number of Shares in the Sub-Fund or 10% of the Net Asset Value of the Sub-Fund, the Directors may in their discretion refuse to redeem any Shares in excess of 10%, will not apply in the case of the Sub-Fund.

Management Charge

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

1.5% per Class I EUR Share, Class I USD Share and Class I GBP Share (collectively the "**Class I Shares**")

1.5 % per Class P EUR Share, Class P USD Share and Class P GBP Share (collectively the "**Class P Shares**")

2.5% per Class A EUR Share, Class A USD Share and Class A GBP Share (collectively, the "**Class A Shares**")

1.6 % per Class S EUR Share and Class S USD Share (collectively the "**Class S Shares**")

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

Performance Fee

In addition to the other fees payable in respect of each Class of Shares in the Sub-Fund, a performance fee (the "**Performance Fee**"**)** is payable to the Investment Manager, of a percentage of the net appreciation in the Net Asset Value of each Class (before deduction of any unrealised accrued Performance Fee but after accrual for all other fees and expenses payable) calculated every twelve months to the end of December of each calendar year, each such period being a "**Calculation Period**". "**Payment Date**" means the date at which the Performance Fee crystallised during a Calculation Period is paid. The Payment Date will be within 14 calendar days of the end of the relevant Calculation Period.

For the first Calculation Period the "**High Water Mark Net Asset Value**" means the Net Asset Value per Share at which the relevant Share Class was launched multiplied by the number of Shares of such Share Class in issue at the launch of the relevant Share Class. The initial offer price will be taken as the starting price for the calculation of the initial Performance Fee.

During each Calculation Period the High Water Mark Net Asset Value is increased or decreased on each Dealing Day with respect to any subscriptions or redemptions of Shares which have taken place during such Calculation Period. With regard to redemptions, by an amount equal to the percentage which such redemptions represent of the Net Asset Value on the relevant Dealing Day (ie, if a redemption equal to 5% of the Net Asset Value is accepted, the High Water Mark Net Asset Value will be reduced by 5%). With regard to subscriptions, by an amount equal to the value of the subscription.

For each subsequent Calculation Period for a Share Class, the "**High Water Mark Net Asset Value**" means either (i) where a Performance Fee was payable in respect of the prior Calculation Period, the Net Asset Value per Share of the relevant Share Class at the beginning of the Calculation Period multiplied by the number of Shares of such Share Class in issue at the beginning of such Calculation Period, increased or decreased on each Dealing Day with respect to any subscriptions or redemptions of Shares which have taken place since the beginning of such Performance Period; or (ii) where no Performance Fee was payable in respect of the prior Performance Period, the High Water Mark Net Asset Value of the relevant Share Class at the end of the prior Calculation Period, increased or decreased on each Dealing Day with respect to any subscriptions or redemptions of Shares which have taken place since the beginning of such Performance Period.

The Performance Fee shall be equal to 20% for Class S, Class I, Class P and Class A Shares and 0% for Class E Shares of the amount by which the Net Asset Value exceeds the High Water Mark Net

Asset Value as at the end of the relevant Calculation Period, plus any Performance Fee accrued in respect of any Shares which were redeemed during the Calculation Period.

For the purposes of the Performance Fee calculation, the Net Asset Value shall be calculated before the deduction of any accrual for Performance Fee for that Calculation Period, other than Performance Fee accrued in the Fund in respect of any Shares which were redeemed during the Calculation Period but not yet paid.

No Performance Fee may be accrued until the Net Asset Value exceeds the High Water Mark Net Asset Value. Where Performance Fees are payable by the Sub-Fund, 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.

The Performance Fee is accrued on each Dealing Day on the basis of the performance of the Net Asset Value of the Share Class in question during the relevant Calculation Period. If applicable, Performance Fees are deducted from the Sub-Fund attributable to the Class in question, and paid on or before the Payment Date to the Investment Manager.

If a Shareholder redeems all or part of their Shares before the end of the Calculation Period, any accrued Performance Fee with respect to such Shares will crystallise on that Dealing Day and will then become payable to the Investment Manager within 14 calendar days of the end of each Calculation Period. When a Performance Fee is crystallised on a redemption of Shares prior to the end of a Calculation Period, it will not be reimbursed to the Sub-Fund despite any poor performance that the Sub-Fund may suffer from the date of such redemption to the end of the relevant Calculation Period.

If the Investment Management Agreement is terminated before the end of any Calculation Period, the Performance Fee in respect of the then current Calculation Period will be calculated and paid as though the date of termination were the end of the relevant Calculation Period.

The Performance Fee is calculated by the Administrator and verified by the Depositary

It should be noted that as the Net Asset Value may differ between Classes, separate Performance Fee calculations will be carried out for separate Classes within the Sub-Fund which may therefore become subject to different amounts of Performance Fee.

Risk Management, Administrator's and Depositary's Fees

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

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

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

Ongoing Charges and Expenses

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

14. HOW TO SUBSCRIBE FOR SHARES

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

15. HOW TO SELL SHARES

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

16. HOW TO EXCHANGE SHARES

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

17. ESTABLISHMENT CHARGES AND EXPENSES

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

18. OTHER CHARGES AND EXPENSES

Further details of charges and expenses payable out of the assets of the Sub-Fund are set out in the Prospectus under the headings **Management Charges and Expenses** and **General Charges and Expenses.**

19. OTHER INFORMATION

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