

FUNDLOGIC ALTERNATIVES PLC
(the “Fund”)

Addendum dated 1 February 2017

To the Prospectus dated 18 February 2014

as amended by an addendum dated 20 May 2016

This Addendum forms part of and should be read in the context of and in conjunction with the Prospectus dated 18 February 2014, as amended (the “**Prospectus**”). All information contained in the Prospectus is deemed to be incorporated herein.

The directors of the Fund (the “**Directors**”) listed in the Prospectus accept responsibility for the information contained in this addendum (the “**Addendum**”). 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 Addendum is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

Words and expressions not specifically defined herein shall bear the same meaning as that attributed to them in the Prospectus.

1. The following definition shall be added to Appendix I (*Definitions*):

“Collection Account means the umbrella cash subscription and redemption account opened in the name of the Fund into which all subscriptions into and redemptions and distributions due from the Sub-Funds will be paid.”

2. The following section shall be added directly after section 18.1 (*Issue of Shares*):

“Collection Account

Subscriptions monies received in respect of a Sub-Fund in advance of the issue of Shares may be held in a Collection Account in the name of the Fund. Shareholders should refer to the risk statement **Collection Account Risk** in the section of this Prospectus headed **Risk Factors** for an understanding of their position vis-a-vis monies held in a Collection Account.”

3. The below wording shall be added directly after the words “Such applications may not be accepted and proceeds of repurchase will not be paid unless the signed Application has been received and the initial anti-money laundering or client identification checks have been completed in full.” in section 19 (*Repurchase of Shares*):

“Any such blocked payments may be held in a Collection Account pending receipt, to the satisfaction of the Administrator, of the requisite documentation and/or information. Shareholders should refer to the risk statement **Collection Account Risk** in the section of this Prospectus headed **Risk Factors** for an understanding of their position vis-a-vis monies held in a Collection Account.”

4. The following section shall be added directly before section 19.1 (*Other Limits on Repurchase*):

“Collection Account

Cash redemption proceeds may, pending payment to the relevant Shareholder, be held in a Collection Account in the name of the Fund. Shareholders should refer to the risk statement **Collection Account Risk** in the section of this Prospectus headed **Risk Factors** for an understanding of their position vis-a-vis monies held in any such account.”

5. The following section shall be added directly after section 16.30 (*Valuation Risk*):

“Collection Account Risk

The Fund operates subscription and redemption accounts at umbrella level in the name of the Fund, the Collection Account. Monies in the Collection Account, including subscription monies received in respect of the relevant Sub-Fund prior to the allotment of Shares, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers. Subscription and redemption accounts will not be established at a Sub-Fund level. All subscription and redemption monies and dividends or cash distributions payable to or from the Sub-Funds will be channelled and managed through the Collection Account.

Subscriptions monies received in respect of a Sub-Fund in advance of the issue of Shares will be held in the Collection Account in the name of the Fund and will be treated as a general asset of the Fund. Investors will be unsecured creditors of the Fund with respect to any cash amount subscribed and held by the Fund in the 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 Sub-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 that Sub-Fund or the Fund, there is no guarantee that the Sub-Fund or Fund will have sufficient funds to pay unsecured creditors in full.

Payment by a Sub-Fund of redemption proceeds and dividends is subject to receipt by the Fund or its delegate, the Administrator, of original subscription documents and compliance with all anti-money laundering procedures. Payment of redemption proceeds or dividends to the Shareholders entitled to such amounts may accordingly be blocked pending compliance with the foregoing requirements to the satisfaction of the Fund or its delegate, the Administrator. Redemption and distribution amounts, including blocked redemption or distribution amounts, will, pending payment to the relevant investor or Shareholder, be held in the Collection Account in the name of the Fund. For as long as such amounts are held in the Collection Account, the investors / Shareholders entitled to such payments from a Sub-Fund will be unsecured creditors of the Fund 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 Sub-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 that Sub-Fund or the Fund, there is no guarantee that the Sub-Fund or the Fund will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions 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 Fund or its delegate, the Administrator, promptly. Failure to do so is at such Shareholder’s own risk.

In the event of the insolvency of a Sub-Fund, recovery of any amounts to which other Sub-Funds are entitled, but which may have inadvertently transferred to the insolvent Sub-Fund as a result of the operation of the Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Sub-Fund may have insufficient funds to repay amounts due to other Sub-Funds.

The Fund will operate the Collection Account in accordance with the provisions of the Articles.

6. The definition of “Custodian” shall be deleted from Appendix I (*Definitions*) and replaced with the following definition:

“Depository means Northern Trust Fiduciary Services (Ireland) Limited or any other person for the time being duly appointed depository of the Fund in succession to Northern Trust Fiduciary Services (Ireland) Limited.”

7. The defined term “Custodian” shall be replaced with the term “Depository” throughout the Prospectus.

8. Section 5 (*The Custodian*) shall be deleted in its entirety and replaced with the following:

“The Fund has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as depository to the Fund.

The Depository is a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depository is an indirect wholly-owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world’s leading providers of global custody and administration services to institutional and personal investors. As at 30 June 2015, the Northern Trust Group’s assets under custody totalled in excess of US\$6.2 trillion.

The Depository has been entrusted with the following main functions:

- (i) ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with applicable law and the Articles;
- (ii) ensuring that the value of the Shares is calculated in accordance with applicable law and the Articles;
- (iii) carrying out the instructions of the Fund unless they conflict with applicable law and the Articles;
- (iv) ensuring that in transactions involving the assets of the Fund any consideration is remitted within the usual time limits;
- (v) ensuring that the income of the Fund is applied in accordance with applicable law and the Articles;
- (vi) monitoring the Fund’s cash and cash flows; and
- (vii) safe-keeping of the Fund’s assets, including the safekeeping of financial instruments to be held in custody and ownership verification and record keeping in relation to other assets.

Up-to-date information on the Depository, its duties, any conflicts that may arise, the safe-keeping functions delegated by the Depository, the list of delegates and sub-delegates and any conflicts of interest that may arise from such a delegation will be made available to the Shareholders on request from the Fund. A list of the Depository’s delegates is outlined in detail at Appendix III .”

9. Section 31.5.2 (*Material Contracts*) shall be deleted in its entirety and replaced with the following:

“the Depository Agreement dated 24 May 2016 between the Fund and the Depository; under the terms of the Depository Agreement, the Depository may delegate its safekeeping obligations provided that: (i) the services are not delegated with the intention of avoiding the requirements of the Regulations; (ii) the Depository can demonstrate that there is an objective reason for the delegation; and (iii) the

Depositary has exercised all due skill, care and diligence in the selection and appointment of any third-party to whom it wants to delegate parts of the services, and keeps exercising all due skill, care and diligence in periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the Fund's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Appendix III.

The Depositary Agreement provides that the Depositary shall be liable, (i) in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable measures to the contrary; and (ii) in respect of all other losses as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Regulations."

10. The following shall be included as a new Appendix III to the Prospectus:

"33 Appendix III - List of sub-custodial agents appointed by The Northern Trust Company

The Depositary's global sub-custodian has appointed the following entities as sub-delegates in each of the markets set forth below. This list may be updated from time to time and is available upon request in writing from the Administrator or the Depositary. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to The Northern Trust Company or any of the sub-delegates listed below. The Depositary will notify the Directors of the Fund of any such conflict should it so arise.

	Country	Subcustodian		Country	Subcustodian
1	Argentina	Citibank, N.A.	53	Malaysia	HSBC Bank Malaysia Berhad
2	Australia	HSBC Bank Australia Limited	54	Mali	Standard Chartered Bank (Mauritius) Limited
3	Austria	UniCredit Bank Austria A.G	55	Mauritius	The Hongkong and Shanghai Banking Corporation Limited
4	Bahrain	HSBC Bank Middle East Limited	56	Mexico	Banco Nacional de Mexico, S.A.
5	Bangladesh	Standard Chartered Bank	57	Morocco	Societe Generale Marocaine de Banques
6	Belgium	Deutsche Bank AG	58	Namibia	Standard Bank Namibia Ltd
7	Benin	Standard Chartered Bank (Mauritius) Limited	59	Netherlands	Deutsche Bank AG
8	Bermuda	HSBC Bank Bermuda Limited	60	New Zealand	The Hongkong and Shanghai Banking Corporation Limited
9	Bosnia and Herzegovina - Federation of B & H	Raiffeisen Bank International AG	61	Niger	Standard Chartered Bank (Mauritius) Limited
10	Bosnia and Herzegovina - Republic of Srpska	Raiffeisen Bank International AG	62	Nigeria	Stanbic IBTC Bank Plc
11	Botswana	Standard Chartered Bank Botswana Limited	63	Norway	Nordea Bank AB (publ)
12	Brazil	Citibank, N.A.	64	Oman	HSBC Bank Oman SAOG
13	Bulgaria	Citibank Europe plc	65	Pakistan	Citibank, N.A.

14	Burkina Faso	Standard Chartered Bank (Mauritius) Limited	66	Panama	Citibank, N.A., Panama Branch
15	CD's USD****	Deutsche Bank AG, London Branch	67	Peru	Citibank del Peru S.A.
16a	Canada	The Northern Trust Company, Canada	68	Philippines	The Hongkong and Shanghai Banking Corporation Limited
16b	Canada**	Royal Bank of Canada	69	Poland	Bank Polska Kasa Opieki SA
17	Chile	Banco de Chile	70	Portugal	BNP Paribas Securities Services
18	China A	HSBC Bank (China) Company Limited	71	Qatar	HSBC Bank Middle East Limited
19	China B	HSBC Bank (China) Company Limited	72	Romania	Citibank Europe plc
20	Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	73	Russia	AO Citibank
21	Costa Rica	Banco Nacional de Costa Rica	74	Saudi Arabia	HSBC Saudi Arabia Limited
22	Croatia	UniCredit Bank Austria A.G.	75	Senegal	Standard Chartered Bank (Mauritius)
23	Cyprus	Citibank Europe plc, Greece Branch	76	Serbia	UniCredit Bank Austria A.G.
24	Czech Republic	UniCredit Bank Czech Republic and Slovakia, a.s.	77	Singapore	DBS Bank Ltd
25	Denmark	Nordea Bank AB (publ)	78	Slovakia	Citibank Europe plc
26	Egypt	Citibank, N.A.	79	Slovenia	UniCredit Banka Slovenija d.d.
27	Estonia	Swedbank AS	80	South Africa	The Standard Bank of South Africa Limited
28	Euroclear Bank***	Euroclear Bank S.A./N.V.	81	South Korea	The Hongkong and Shanghai Banking Corporation Limited
29	Finland	Nordea Bank AB (publ)	82	Spain	Deutsche Bank SAE
30	France	Deutsche Bank AG	83	Sri Lanka	Standard Chartered Bank
31	Germany	Deutsche Bank AG	84	Swaziland	Standard Bank Swaziland Limited
32	Ghana	Standard Chartered Bank Ghana Limited	85	Sweden	Svenska Handelsbanken AB (publ)
33	Greece	Citibank Europe plc, Greece Branch	86	Switzerland	Credit Suisse (Switzerland) Ltd.
34	Guinea Bissau	Standard Chartered Bank (Mauritius) Limited	87	Taiwan	Bank of Taiwan
35	Hong Kong SAR	The Hongkong and Shanghai Banking Corporation Limited	88	Tanzania	Standard Chartered Bank (Mauritius) Limited
36	Hungary	UniCredit Bank Hungary Zrt	89	Thailand	Citibank, N.A.
37	Iceland*	Landsbankinn hf	90	Togo	Standard Chartered Bank (Mauritius) Limited
38	India	Citibank, N.A.	91	Tunisia	Banque Internationale Arabe de Tunisie
39	Indonesia	Standard Chartered Bank	92	Turkey	Deutsche Bank A.S.
40	Ireland	The Northern Trust Company, London	93	Uganda	Standard Chartered Bank Uganda Limited
41	Israel	Bank Leumi Le-Israel BM	94	Ukraine	PJSC Citibank
42	Italy	Deutsche Bank SpA	95	United Arab Emirates - ADX	HSBC Bank Middle East Limited
43	Ivory Coast	Standard Chartered Bank (Mauritius) Limited	96	United Arab Emirates - DFM	HSBC Bank Middle East Limited
44	Japan	The Hongkong and Shanghai Banking Corporation Limited	97	United Arab Emirates - NASDAQ Dubai	HSBC Bank Middle East Limited

45	Jordan	Standard Chartered Bank	98	United Kingdom	The Northern Trust Company, London
46	Kazakhstan	JSC Citibank Kazakhstan	99	United States	The Northern Trust Company
47	Kenya	Standard Chartered Bank Kenya Limited	100	Uruguay	Banco Itau Uruguay S.A.
48	Kuwait	HSBC Bank Middle East Limited	101	Venezuela*	Citibank, N.A.
49	Latvia	Swedbank AS	102	Vietnam	HSBC Bank (Vietnam) Ltd
50	Lebanon*	HSBC Bank Middle East Limited	103	Zambia	Standard Chartered Bank Zambia plc
51	Lithuania	AB SEB Bankas	104	Zimbabwe	Standard Chartered Bank (Mauritius) Limited
52	Luxembourg***	Euroclear Bank S.A./N.V.			

* Market Suspended

** The Royal Bank of Canada serves as Northern Trust's subcustodian for securities not eligible for settlement in Canada's local central

*** Euroclear is classified as an International Central Securities Depository (ICSD), not a subcustodian relationship

**** Deutsche Bank AG operates as a Central Securities Depository for US\$ CD's and is not classified as a subcustodian

11. Section 3 (*Directors of the Fund*) shall be updated by the deletion of the biography of Wyndham Williams and the insertion of the below:

“Simon O’Sullivan has worked in the investment management sector since 1993. From April 2002 to April 2006, he was employed in Dublin by Pioneer Alternative Investments as a product specialist. In May 2006, he left Pioneer to join his family company as financial controller and in May 2013 Simon became a partner in Maraging Funds Limited, trading as RiskSystem, a specialist provider of financial risk solutions to the investment funds industry. He has also worked for Fleming Investment Management as a fund manager in London, Eagle Star and Merrion Capital, both in Dublin. He holds a Bachelor of Arts in Economics and Politics, a Master of Arts in Economics, a Master of Sciences in Investment & Treasury Management and a Diploma in Corporate Governance. Mr O'Sullivan is a non-executive director of a number of investment funds.”

12. The sixth paragraph of Section 19 (*Repurchase of Shares*) shall be deleted and replaced with the below:

“If 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%. Any request for repurchase on such Dealing Day shall be reduced rateably and the repurchase requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been repurchased.”

13. The supplements to the Prospectus in respect of the Indus Select Asia Pacific Fund, Indus PacificChoice Asia Fund, MS SOAM U.S. Financial Services UCITS Fund, Rivercrest European Equity Alpha Fund and MS Nezu Cyclical Japan UCITS Fund shall each have their respective redemption gate sections amended by the deletion of the following wording:

“With respect to any application received in respect of the initial Dealing Day, to the extent that subsequent applications shall be received in respect of following Dealing Days, such later applications shall be postponed in priority to the satisfaction of applications relating to the initial Dealing Day, but subject thereto shall be dealt with as set out in the preceding sentence.”