The Directors of KL UCITS ICAV (the "**ICAV**"), whose names appear in the section of the Prospectus entitled "The ICAV", are the persons responsible for the information contained in this Supplement and the Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement and the Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. The Directors accept responsibility accordingly.

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

KL EVENT DRIVEN UCITS FUND

a sub-fund of KL UCITS ICAV

an Irish collective asset-management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds, pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended)

SUPPLEMENT

3 November 2023

INVESTMENT MANAGER

Kite Lake Capital Management (UK) LLP

This Supplement forms part of, and should be read in the context of and together with, the Prospectus of the ICAV dated 29 March 2018, as it may be amended or updated from time to time (the "**Prospectus**"), and contains information relating to the KL Event Driven UCITS Fund (the "**Fund**") which is a separate portfolio of the ICAV.

The Fund may be exclusively invested in financial derivative instruments ("FDI"). Prospective investors should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable.

INDEX

Page No

DEFINITIONS

Words and terms defined in the Prospectus have the same meaning in this Supplement unless otherwise stated herein. The ICAV is established pursuant to the Regulations and this Supplement shall be construed accordingly and will comply with the Central Bank UCITS Regulations.

The directory as disclosed in the Prospectus has been replaced with that provided in Appendix II.

"**Base Currency**"	the base currency of the Fund shall be US Dollar unless otherwise determined by the Directors;
"**Base Net Asset Value per Share**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Performance Fee" in this Supplement;
"**Business Day**"	means a day (except Saturdays, Sundays and public holidays) on which the retail banks in Dublin and London are open for normal banking business or such other day or days as may be specified by the Directors and notified to the Shareholders in advance;
"**Calculation Period**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Performance Fee" in this Supplement;
"**Dealing Day**"	means each Thursday (or where Thursday is not a Business Day, the following Business Day) or such other Business Day(s) as the Directors may determine and notify to Shareholders in advance provided that there shall be at least one Dealing Day per fortnight;
"**Dealing Deadline for Redemptions**"	means no later than 17.00 (GMT) on the Business Day at least five (5) Business Days prior to the relevant Dealing Day or such later time as the Manager may from time to time permit, provided that redemption requests will not be accepted after the Valuation Point;
"**Dealing Deadline for Subscriptions**"	means no later than 17.00 (GMT) on the Business Day at least two (2) Business Days prior to the relevant Dealing Day or, on an exceptional basis only, such later time as the Manager may from time to time permit provided that applications will not be accepted after the Valuation Point;
"**Equalisation Credit**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Performance Fee" in this Supplement;
"**Hedged Share Class**"	means, collectively any Class created under the terms of this Supplement for which the Investment Manager will seek to hedge foreign exchange risk, to the extent provided for in the Prospectus and this Supplement;
"**Initial Offer Period**"	means the initial offer period for a Class, the dates of which are set out herein;
"**Investment Management Fee**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Investment Management Fee" in this Supplement;
"**Maximum Equalisation Credit**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Performance Fee" in this Supplement;

"**Peak Net Asset Value per Share**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Performance Fee" in this Supplement;
"**Performance Fee**"	has the meaning ascribed to it under the section entitled "Fees and Expenses – Performance Fee" in this Supplement;
"SFDR"	means EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, consolidated or replaced from time to time;
"Sustainability Risk"	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of an investment;
"Taxonomy Regulation"	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, as may be amended, consolidated or replaced from time to time;
"**Unhedged Share Class**"	means, collectively any Class created under the terms of this Supplement for which the Investment Manager has no on-going obligation to hedge foreign exchange risk;
"**Valuation Day**"	means: (a) the last Business Day of each month; and (b) the Business Day prior to the relevant Dealing Day except that any one Director may determine that where: (i) such a Business Day falls within 2 Business Days of the last Business Day of a month; and (ii) as at the Dealing Deadline for Subscriptions, the Fund has no subscriptions for that Dealing Day; and (iii) as at the Dealing Deadline for Redemptions, the Fund has no redemption requests for that Dealing Day; the last Business Day of the relevant month shall be the valuation day for that Dealing Day.
"**Valuation Point**"	means 23:59 (GMT) on the Valuation Day or such other time as the Directors may on an exceptional basis determine and notify in advance to Shareholders, provided that it shall be after the Dealing Deadline and that there shall always be a Valuation Point for every Dealing Day.

INVESTMENT OBJECTIVE AND POLICY

Investment Objective

The investment objective of the Fund is to generate positive absolute risk-adjusted returns. There can be no assurance that the Fund will achieve its investment objective.

Investment Policy

The Fund seeks to achieve its investment objective primarily through the application of a risk arbitrage investment strategy, but may also avail of other special event-driven situations, as described below under the heading “Investment Strategy”.

To implement the Investment Strategy, the Fund will invest in equities listed or traded on a Recognised Market and FDI as set out below. In addition and in a more limited capacity, the Fund has the ability to invest in bonds and to hold cash and/or ancillary liquid assets (listed or traded on the Recognised Markets set out in Appendix II of the Prospectus where applicable).

There are no restrictions on the issuers, markets or sectors in relation to which transactions may be undertaken, but the Fund focuses primarily on European developed countries and North America, and may have limited exposure to Australia, New Zealand, Hong Kong, Japan, Malaysia, Singapore, Taiwan and Thailand. Investments outside these geographies are generally only considered when the Investment Manager considers that they represent a materially better risk reward opportunity and the Investment Manager has valuable insights into the investment. The Fund may invest in companies of all market capitalisations (including growth companies), but will generally invest in large and medium capitalisation companies. For these purposes, the Investment Manager considers large and medium sized companies to be those with market capitalisations above $10 billion and from $1 billion to $10 billion, respectively, at the time of purchase.

The Fund will invest in global equities and equity-related securities including common stock and preferred stock of companies that are involved in takeovers, mergers and reorganisations as further detailed below under the heading “Investment Strategy”.

The Fund may also invest up to 25% of its net assets in fixed-rate and/or floating-rate corporate bonds, including convertible bonds, of any maturity, with a broad spectrum of ratings ranging from Aaa (Moody’s, Fitch, S&P) through to non-rated paper. The convertible bonds in which the Fund invests may embed leverage and will typically embed derivatives that are contemplated by the Fund’s Risk Management Process (and are set out in the FDI table below).

The Fund will also utilise contracts-for-difference (“**CFD**”), options and forwards for investment purposes or in an attempt to reduce the Fund’s risk exposure to adverse fluctuations in currency exchange rates as further detailed in the table under the heading “Financial Derivative Instruments”. In order to implement its risk arbitrage strategy, the Fund may construct positions using these FDI that are long-only, short-only or combinations of long and short without investing directly in the underlying assets. The Fund will generally invest in a portfolio of up to 200% of its Net Asset Value in long-equity positions, and up to 75% of its Net Asset Value in short-equity positions. The Fund may also invest up to 25% of its Net Asset Value in long-bond positions and up to 15% of its Net Asset Value in short-bond positions. The overall net market exposure of the Fund is intended to be within 100% and 175% of the Fund’s Net Asset Value. For the avoidance of doubt, the short positions of the Fund may only be achieved synthetically through derivatives.

In addition to the foregoing, the Fund may also receive and hold contingent value rights (“**CVRs**”). CVRs are rights issued to a target company’s shareholders by an acquiring company as part of an acquisition, which provide such shareholders with additional benefits to be received upon the occurrence of a specified event. For example, the CVR may provide the shareholders with the right to receive a post-closing payment if certain events occur following an acquisition, such as reaching certain financial goals. For the avoidance of doubt, the Fund will not invest directly in CVRs and will only hold CVRs to the extent that such instruments are received as a result of the Fund’s direct investment in the equities of a target company.

For temporary defensive purposes, the Fund has the ability to hold up to 75% of the Net Asset Value in cash and/or or cash equivalent instruments such as short-term government obligations and fixed income government bonds with a minimum rating of Aa+ (Moody's, Fitch, S&P). The Investment Manager uses its discretion as to when to invest in these asset classes, based on conditions in equity markets and will do so with the aim of reducing the effects of the volatility of equity markets on the Fund's portfolio and preserving the capital of the Fund. **The Fund may invest substantially in deposits in credit institutions. An investment in the Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to the holder of a bank deposit account. The value of Shares may go down or up and investors may not get back the amount invested.**

The Fund may not invest more than 10% of its net assets in collective investment schemes.

Investment Strategy

The Investment Manager will employ the following strategies in respect of the Fund:

Risk Arbitrage: Risk arbitrage concentrates on investments in the securities of companies that are involved in a takeover or merger. The arbitrage opportunity arises as a result of the difference between the market value of the securities purchased or sold short and the market value of the securities following the completion or termination of the corporate transaction or the adjustment of the market value of the securities in anticipation of the corporate transaction.

As part of the risk arbitrage strategy, the Investment Manager will evaluate the proposed takeover or merger in order to assess the likelihood of consummation of the transaction. If the Investment Manager determines that there is a high likelihood of consummation or that another bidder may offer a higher value for the target company's securities, the Fund will seek long exposure to the target company's securities.

In the scenario of a share deal, where shares of the acquirer are being offered as opposed to cash, the Fund may seek short exposure to the acquiring company's securities by use of the FDI set out in the table below under "Financial Derivative Instruments" in order to hedge against potential market fluctuations in the acquiring company's securities (which will be exchanged for the target company's securities upon consummation of the proposed takeover or merger). If the transaction is consummated, the Fund may then cover its short derivative exposure, if any, using the acquiring company's securities it receives in exchange for the target company's securities held by the Fund.

Other Special Situations: The Fund may also invest in other situations which may lead to value readjustments, including, but not limited to, strategic reviews, regulatory changes, complex litigation, complex accounting issues and/or obscured earnings power and capital structure anomalies. In such situations, the arbitrage opportunity arises as a result of the difference between the market value of the securities purchased prior to the aforementioned catalysts and the readjusted value of the securities after the formal announcement.

The Investment Manager conducts extensive fundamental research into financial, regulatory, legal, economic, settlement, political and other related risks associated with a particular transaction. Following this due diligence process, the likely timeframe and returns associated with the potential investment outcomes are evaluated and factored into the investment decision. Outside consultants may be used to complement the analysis.

As part of the Investment Manager's fundamental research process, the Investment Manager will analyse the potential risk and reward of each transaction using a variety of factors including the likelihood that a particular corporate transaction will be consummated, the estimated value of the relevant securities upon completion or termination of the transaction and the anticipated timeframe to complete the transaction. In assessing these factors, the Investment Manager will research each transaction's components including shareholder votes and financing needs and the legal and regulatory context of the transaction including contractual requirements, required regulatory approvals and corporate governance concerns.

The Investment Manager will identify and continually review the components of a transaction that the Investment Manager believes are fundamental to its success or failure. In so doing, the Investment Manager will evaluate the trade-offs between the risks it perceives and the returns it anticipates for each investment.

In sourcing potential investments, the Investment Manager will rely on its experience with risk arbitrage strategies and its relationships with market and industry participants, corporate managers, research analysts and consultants. In conducting its analysis, the Investment Manager will use quantitative and qualitative financial data, industry data and information from a wide range of publicly-available and subscription-based sources and will also take into consideration macro-economic data and trends.

The Investment Manager regularly monitors risk parameters of individual positions, strategies and the Fund's aggregate portfolio in an effort to maximize risk-adjusted appreciation. The emphasis in the Investment Manager's portfolio management and trade construction is on seeking to identify opportunities that the Investment Manager believes have superior risk/reward parameters while maintaining overall portfolio diversification and liquidity. The Investment Manager has access to a global database of announced transactions, which allows the Investment Manager to assess investment opportunities across all of the potential markets in which the Fund may invest and to identify the investment opportunities it believes will present superior risk/reward parameters using the fundamental research process outlined above.

Integration of Sustainability Risks (Art 6 of SFDR)

For the purposes of Article 6 of SFDR, Sustainability Risks are integrated in the investment decision-making and risk monitoring of the Fund. The Investment Manager's investment due diligence process operates in a way that is designed to identify, measure, monitor and manage material Sustainability Risks relating to investments. Because of the nature of the Fund's investment strategies, Sustainability Risks are managed primarily at the level of individual investments.

Pursuant to the SFDR, the Manager is required to disclose the manner in which Sustainability Risks are integrated into investment decisions for the Fund and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Fund.

The impacts of Sustainability Risks on the returns of the Fund may be numerous and vary depending on the specific risk, sector, company and instrument. Where a Sustainability Risk applies to an investment, there could be a negative impact on, or an entire loss of, its value.

Promotion of Environmental and Social Characteristics (Art 8 of SFDR)

The Fund is not an Article 8 fund (ie one which promotes environmental or social characteristics) for the purposes of SFDR.

Consideration of Principal Adverse Impacts (Art 7 of SFDR)

For the purposes of Article 7 of SFDR, neither the Manager, nor the Investment Manager currently consider the adverse impacts of investment decisions being made in respect of the Fund on sustainability factors due to the size and scale of the Fund's activities at this time.

Investment in Sustainable Investments (Art 7 of the Taxonomy Regulation)

The investments underlying the Fund do not take into account the EU criteria for environmentally sustainable economic activities.

Profile of a Typical Investor

The Fund is suitable for investors who are seeking returns from a medium risk portfolio and the FDI (further detailed in the table under the heading "Financial Derivative Instruments" below) with a moderate level of volatility which has a medium term horizon.

FINANCIAL DERIVATIVE INSTRUMENTS

As set out above under the heading "Investment Objective and Policy", the Fund may use the investment techniques and FDI (which may be exchange-traded or OTC) listed below for investment purposes and for efficient portfolio management (i.e. hedging) purposes, subject always to the conditions and within the limits laid down by the Central Bank. The Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way.

FDI	Specific Use	Where used for hedging purposes: risk being hedged	How FDI will help achieve investment objectives?
Foreign exchange derivatives	Efficient portfolio management	Currency risk	To hedge the Fund's exposure to currency risk.
Foreign exchange forwards (including NDF)	Efficient portfolio management	Currency risk	To hedge the Fund's exposure to currency risk.
Corporate credit default swaps	Investment purposes Efficient portfolio management	Market risk	To obtain exposure to corporate credit risk for investment purposes or as a hedge.
Contracts for difference (CFDs)	Investment purposes Efficient portfolio management	Market risk	Contracts for differences may be used to gain exposure to share price movements without buying the shares themselves. CFDs will be used to build the Fund's synthetic portfolio in equities in certain markets, including short positions, and if necessary for cash management reasons. This can assist in tax-efficient investment in certain positions.
Equity options (including equity index options)	Investment purposes Efficient portfolio management	Market risk	Single equity options are used to manage the Fund's exposure to equity fluctuations. Equity index options provide tail risk hedging benefits and are used to manage the correlation between the equity positions and equity markets as well as to protect portfolio value. The types of equity indices that the Fund will have exposure to are indices that are published by exchanges, rating and new agencies or other professional vendors and that are the underlying of exchange-traded FDI, such as the DAX, the S&P 500 or the FTSE 100.
Equity index futures, bond futures, Treasury futures and interest rate futures	Efficient portfolio management	Market risk	Contracts to receive or pay cash based on the performance of an underlying index, index volatility, basket, security or interest rate at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. All such indices to which exposure is gained for hedging purposes comply with the Central Bank's UCITS Regulations, the Central Bank's guidance on UCITS financial indices and the ESMA Guidelines on exchange-traded funds and other UCITS issues.
Equity basket swaps	Efficient portfolio management	Market risk	Basket swaps can be used to hedge the fund's exposure to specific markets and thereby protect portfolio value.

Class Hedging

The Fund may utilise FDI to actively manage currency exposure and for Class currency hedging. The Investment Manager may decide to hedge part or all of these exposures through the use of forwards as described below. Where undertaken, there can be no guarantee that such hedging will be successful in eliminating part or all of the interest rate or currency risk.

It is intended that the foreign currency exposure of the assets attributable to the Hedged Share Classes in the Fund will be hedged back into the Base Currency of the Fund through the use of FDI. As currency positions held by the Fund in respect to Unhedged Share Classes may not correspond with the asset positions held, performance of the Unhedged Share Classes may be strongly influenced by movements in foreign exchange rates. For all Classes, there is no guarantee that any currency hedging, even if implemented, will be successful. Investors' attention is also drawn to the risks referred to as "Share Currency Designation Risk", in the Prospectus.

The Fund will ensure that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the Class which is to be hedged and keep any under-hedged positions under review to ensure such is not carried forward from month to month.

The Fund may utilise the following OTC and exchange-traded derivative instruments (which will be based only on the underlying assets which are permitted under the investment policy of the Fund):

Spot Foreign Exchange Transactions

The Fund may enter into spot foreign exchange transactions for currency hedging purposes which involve the purchase of one currency with another, a fixed amount of the first currency being paid to receive a fixed amount of the second currency. "Spot" settlement means that delivery of the currency amounts normally takes place two Business Days in both relevant centres after the trade is executed.

Forward Contracts

In a forward the contract holders are obliged to buy or sell a particular underlying asset at a specified price in a specified quantity and on a specified future date. Forward contracts can be cash-settled between the parties. These contracts cannot be transferred. Forward contracts may be used by the Fund in the context of managing the interest rate and currency risks of individual positions or for the purpose of Class currency hedging. The Fund will use the following forwards:

- **FX/currency forwards**: FX/currency contracts can be used to hedge against currency risk that has resulted from assets held by the Fund that are not in the Base Currency. The Fund, may, for example, use FX/currency contracts by selling forward a foreign currency against the Base Currency to protect the Fund from foreign exchange rate risk that has risen from holding assets in that currency. Any such FX/currency contracts will be rebalanced on a weekly basis depending on the dealing frequency and the performance of the Fund.

- **Non-deliverable forwards** ("**NDF**"): an NDF is a cash-settled, short-term forward contract in a thinly traded or nonconvertible foreign currency (such as the Taiwan dollar) against a freely traded currency, where the profit or loss at the settlement date is calculated by taking the difference between the agreed upon exchange rate and the spot rate at the time of settlement, for an agreed upon notional amount of funds. The gain or loss is then settled in the free traded currency.

The use of FDI for the purposes outlined above will expose the Fund to the risks disclosed under the section of the Prospectus entitled "Investment Risks".

Swaps

A swap is a derivative contract through which two parties exchange financial instruments. Most swaps involve cash flows based on a notional principal amount that both parties agree to. Usually, the principal does not change hands with payments being made on a net basis so that, on any given day, the Fund would receive (or pay) only the amount by which its payment under the contract is less than (or exceeds) the amount of the other party's payment. Each cash flow comprises one leg of the swap. One cash flow is generally fixed, while the other is variable (based on a floating currency exchange rate or other price). Swaps do not trade on exchanges and are over-the-counter contracts between businesses or financial institutions. Subject to the requirements laid down by the Central Bank, the Fund may enter into transactions in swaps including credit default swaps (please see "*Credit Default Swaps*" below) and equity basket swaps.

In respect of equity basket swaps, rather than one cash flow being fixed, it is based on the return of an equity index or a customised basket of equities. There are two sets of nominally equal cash flows which are exchanged as per the terms of the swap. An example of an equity basked swap may involve an equity-based cash flow (such as from a stock asset called the reference equity) which is traded for fixed-income cash flow (such as a benchmark interest rate). Equity baskets swaps allow the Fund to diversify and hedge specific assets or positions in its portfolio.

Credit Default Swaps

The Fund may use corporate credit default swaps in exceptional circumstances, such as when there is no liquid market available to allow the timely exit of a risk position held by the Fund. In such instances, the Fund may seek to enter into single name credit default swap transactions ("**CDS**") to protect against fluctuations in corporate obligor risk which may be present in the underlying collateral portfolio supporting a particular investment held by the Fund.

The Fund may be either the buyer or seller in a credit default swap transaction. 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. As a seller, the Fund receives a fixed rate of income throughout the term of the contract. However as a seller the Fund may also be required to pay out in respect of the contract where there is a default on the underlying reference obligation. The underlying reference asset may be a single name, a basket of securities or a tranche. The Fund may enter into single name, index and portfolio tranche CDS for hedging or credit risk management purposes.

Contracts for Difference or "CFDs"

CFDs may be utilised for access to certain issuers and jurisdictions or for hedging purposes. A CFD is a contract between two parties, typically described as 'buyer' and 'seller', stipulating that the seller will pay to the buyer, at the close of the contract, the difference between the reset value or initial value of the reference asset and the closing value of the reference asset

If the Fund buys a CFD, it buys a legal contract that requires the seller to pay the Fund the difference between the current value of the underlying asset and its value at contract time. If the difference is negative, then the Fund must pay the seller. Conversely, if the Fund sells a contract for difference, it sells a legal contract obligating the Fund to pay the buyer the difference between the current value of the underlying asset and its value at contract time. If the difference is negative, then the buyer must pay the Fund the difference. CFD brokers typically require only a small margin, which means that CFDs typically provide much higher leverage than traditional trading. Lower margin provides advantages in that there will be less capital outlay for the Fund and greater potential return; however, the higher leverage associated with providing less margin may magnify any losses that occur.

Options

If the Fund buys an option, it buys a legal contract giving it the right to buy or sell a specific amount of the underlying instrument or futures contract on the underlying instrument at an agreed-upon price typically in exchange for a premium paid by the Fund. If the Fund sells an option, it sells to another person the right to buy from or sell to the Fund a specific amount of the underlying instrument or futures contract on the underlying instrument at an agreed-upon price typically in exchange for a premium received by the Fund. A decision as to whether, when and how to use options involves the exercise of skill and judgment and even a well-conceived option transaction may be unsuccessful because of market behaviour or unexpected events.

The prices of options can be highly volatile and the use of options can lower total returns. In exceptional circumstances, the Fund may utilise options and so-called "synthetic" options written by broker-dealers or other permissible financial intermediaries. Options transactions will be effected on securities exchanges or in the OTC market. When options are purchased OTC, the Fund's portfolio bears the risk that the counterparty that wrote the option will be unable or unwilling to perform its obligations under the option contract. Options may also be illiquid and, in such cases, the Fund may have difficulty closing out its position.

The Investment Manager will elect to use options when they produce a better risk/return than futures or when a standardised futures contract either does not exist or has too much basis risk between the asset and the hedging instrument.

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 contracts allow the Fund to hedge against market risk but will primarily be used to hedge foreign exchange risk. Since these contracts are marked-to-market daily, investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date.

The value of a futures contract tends to increase and decrease in tandem with the value of the underlying instrument. Depending on the terms of the particular contract, futures contracts are settled through either physical delivery of the underlying instrument on the settlement date or by payment of a cash settlement amount on the settlement date. A decision as to whether, when and how to use futures involves the exercise of skill and judgment and even a well-conceived futures transaction may be unsuccessful because of market behaviour or unexpected events. In addition to the derivatives risks set out below, the prices of futures can be highly volatile, using futures can lower total return, and the potential loss from futures can exceed the Fund's initial investment in such contracts.

Along with forward contracts (see below), futures will be the primary FDI used for the purpose of Class currency hedging.

Risk Management

The Manager is required under the UCITS Regulations to employ a risk management process which will enable it to accurately monitor, manage and measure the risks attached to FDI that it uses. The value at risk method ("**VaR**") used by the Manager is one of the two methods explicitly permitted under the UCITS Regulations for this purpose, and details of this process have been provided to the Central Bank in the risk management process statement the Manager filed with the Central Bank. The Manager will, on request, provide supplementary 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 investments.

The Fund will not utilise any FDI that are not included in its existing risk management process cleared by the Central Bank, and it will not use such FDI until such time as they have been cleared by the Central Bank and an updated risk management process statement has been filed.

BORROWING AND LEVERAGE

The Directors are empowered to borrow monies from time to time to facilitate redemption payments or for other temporary purposes, with borrowings permissible up to a maximum of 10% of Net Asset Value of the Fund. The Fund will be subject to the borrowing restrictions pursuant to the Regulations, as set out in the section entitled “Borrowing Policy” in the Prospectus.

Leverage

The average leverage of the Fund, under normal market conditions, calculated by adding together all of the notionals in accordance with the current regulations and guidance is expected to be in the range of 100 – 200% of the Net Asset Value of the Fund although higher levels are possible. The Fund may approach or exceed the higher end of this range as the notional exposures of derivatives positions are required to be summed together even though the portfolio may comprise offsetting derivative positions. The Investment Manager’s strategy often involves buying a long position in a target company security, and in certain cases, establishing a corresponding short position in the acquiring company security. Depending on the available opportunity, there may be times when either (1) there are significant amounts of acquirer stock to short and/or (2) many positions are expressed via derivatives, and as a result gross leverage could potentially reach the maximum level, which is not necessarily indicative of the expected typical levels.

The Fund employs the VaR approach to market risk, which calculates the Fund’s VaR as a percentage of the Net Asset Value of the Fund, which must not exceed an absolute limit of 20% as defined by the Central Bank. The Central Bank requires that the calculation of VaR shall be carried out in accordance with the following parameters:

(i) one-tailed confidence interval of 99%;

(ii) holding period equivalent to 1 month, calculated by taking the 1 day VaR and converting to a 20 business day VaR;

(iii) effective observation period (history) of risk factors of at least 1 year (250 business days) unless a shorter observation period is justified by a significant increase in price volatility (for instance extreme market conditions);

(iv) quarterly data set updates or more frequent when market prices are subject to material changes; and

(v) at least daily calculation;

PROVIDED THAT a confidence interval and/or a holding period differing from the default parameters above may be used by the Fund provided the confidence interval is not below 95% and the holding period does not exceed 1 month (20 business days).

INVESTMENT RISKS

Investment in the Fund carries with it a degree of risk including, but not limited to, the risks described in the "Investment Risks" section of the Prospectus and below.

THESE INVESTMENT RISKS ARE NOT PURPORTED TO BE EXHAUSTIVE AND POTENTIAL INVESTORS SHOULD REVIEW THE PROSPECTUS AND THIS SUPPLEMENT CAREFULLY AND CONSULT WITH THEIR PROFESSIONAL ADVISERS BEFORE MAKING AN APPLICATION FOR SHARES. THERE CAN BE NO ASSURANCE THAT THE FUND WILL ACHIEVE ITS INVESTMENT OBJECTIVE. INVESTMENT IN THE FUND IS SUITABLE ONLY FOR PERSONS WHO ARE IN A POSITION TO TAKE SUCH A RISK.

General Investment Risk

The securities and instruments in which the Fund invests are subject to normal market fluctuations and other risks inherent in investing in such investments, and there can be no assurance that any appreciation in value will occur. There can be no assurance that the Fund will achieve its investment objective. The value of Shares may rise or fall, as the capital value of the securities in which the Fund invests may fluctuate. The investment income of the Fund is based on the income earned on the securities it holds, less expenses incurred. Therefore, the Fund's investment income may be expected to fluctuate in response to changes in such expenses or income.

Leverage Risk

The Fund may engage in leverage for investment purposes or as part of a hedging strategy. The use of leverage creates risk and may significantly increase the Fund's investment risk. Leverage will create an opportunity for greater yield and total return but, at the same time, will increase the Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Shares may decrease more rapidly than would otherwise be the case.

Fixed-Income Instruments Risks

Subject to the Investment Restrictions set out in this Supplement, the Fund may, occasionally, invest in fixed-income instruments and securities. If such fixed rate investment is unhedged, the market price of the Fund's investments will change in response to changes in interest rates and other factors. Generally, when interest rates rise, the values of fixed-income instruments fall, and vice versa. In typical interest rate environments, the prices of longer-term fixed-income instruments generally fluctuate more than the prices of shorter-term fixed-income instruments as interest rates change. These risks may be greater in the current market environment because certain interest rates are near historically low levels. The term that measures a bond's price sensitivity to changes in interest rates is referred to as duration. Average duration of a portfolio is calculated by taking the capital weighted average of underlying investments. When a portfolio has a positive duration, it means rising interest rates will lead to falling portfolio value. When a portfolio has a negative duration, it means rising interest rates will lead to rising portfolio value. A fund with negative average portfolio duration may decline in value as interest rates decrease. Most high yield investments pay a fixed rate of interest and are therefore vulnerable to inflation risk. The obligor of a fixed-income instrument may not be able or willing to pay interest or to repay principal when due in accordance with the terms of the associated agreement.

Capital Erosion Risk

This is currently a non-distributing fund. However, investors should note that fees are payable from the assets of the Fund and may, should net interest income fall below fees charged, erode capital. If the distribution policy of the Fund changes so that certain Classes are distributing, a revised Supplement will be published.

Hedging Transactions

Hedging involves special risks, including the possible default by the other party to the transaction, illiquidity and, to the extent the Investment Manager's assessment of certain market movements is incorrect, the risk that the use of hedging could result in losses greater than if hedging had not been used.

Derivatives Risks

Whilst it is expected that derivative investments will be used for investment purposes and foreign exchange hedging, even simple spot / forward contracts contain potential risks, including the imperfect correlation between the value of such instruments and the underlying assets, possible default of the other party to the transaction; and possible illiquidity of the derivative investments. If a counterparty becomes bankrupt or otherwise fails to perform its obligations under a derivative contract due to financial difficulties, the Fund may experience significant delays in obtaining any recovery under the derivative contract in a bankruptcy or other reorganisation proceeding. Certain derivatives may also give rise to a form of leverage. Leverage magnifies the potential for gain and the risk of loss.

Management Risk

The Fund may not meet its investment objective based on the Investment Manager's success or failure to implement investment strategies for the Fund.

Risk Arbitrage Strategy

The success of a risk arbitrage strategy depends on successful prediction of whether various corporate events will occur or be consummated. The difference between the price paid by the Fund for securities of a company involved in an announced corporate transaction and the anticipated value to be received for such securities upon consummation of the proposed transaction will often be very small. Since the price bid for the securities of a company involved in an announced corporate transaction is generally at a significant premium above the market price prior to the announcement, if the proposed transaction appears likely not to be consummated or in fact is not consummated or is delayed, the market price of the securities usually declines sharply, often by more than the Fund's anticipated profit, even if the security's market price returns to a level comparable to that which exists prior to the announcement of the deal. Because of the inherently speculative nature of event-driven investing, the results of the Fund's risk arbitrage strategy may significantly fluctuate from period to period.

Consummation of Proposed Transactions

When purchasing the securities of a company involved in an announced deal, the Investment Manager anticipates earning a small profit upon consummation of the proposed transaction. On the other hand, the Fund will generally incur significant losses when proposed transactions are not consummated. When the proposed transaction appears unlikely to be consummated, or, in fact, is not consummated, or is delayed, the market price of the target company's securities usually declines sharply, often falling to a price comparable to or below the price prevailing before announcement of the deal. The consummation of mergers, tender offers, and exchange offers and other significant corporate events can be prevented or delayed by a variety of factors, including: (i) regulatory intervention; (ii) efforts by the target company to pursue a defensive strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iii) failure to obtain the necessary shareholder approvals; (iv) adverse market or business conditions resulting in material change or termination of the pending transaction; (v) compliance with any applicable securities laws; and (vi) inability to obtain adequate financing.

In addition, when the Fund has sold short the securities it anticipates receiving in an exchange or merger and the proposed transaction is not consummated, the Fund may be forced to cover its short position in the market at a higher price than its original sale, with an additional resulting loss.

The risk/reward profile of the Fund's strategy will be "asymmetric" in that the Investment Manager anticipates incurring substantially greater losses on failed transactions than the gains it anticipates recognising on consummated transactions. The success of the Fund's strategy depends on the Investment Manager's ability to identify and cause the Fund to participate in a sufficient number of consummated transactions to offset the losses incurred on the transactions which are not consummated.

From time to time, a tender or exchange offer will be made for part but not all of the outstanding securities of an issuer or a higher price than the then prevailing price of such security will be offered for a limited amount of the securities, in each case with the proviso that, if a greater number is tendered, securities will be accepted pro rata. If the Fund tenders securities which are the subject of such tender or exchange offer, it may have a portion of such securities returned. In such a case, the Investment Manager may decide to sell such securities (in order to reduce a potentially substantial loss in the value of such securities). However, the sale of such securities may still result in a loss to the Fund.

Sustainability Risks

The Fund will be exposed to Sustainability Risks, which will differ depending on the sectors, companies or instruments in which the Fund invests. Some investments will have greater exposure to Sustainability Risks than others.

In particular, because of the nature of the Fund's investment approach, it is expected that governance risks will arise in respect of certain investments where the actions and decisions of companies are important to the investment thesis. If the governance arrangements within a company are inadequate, the company may make unexpected decisions that could have a significant detrimental effect on the value of the investment. Some investments may also be exposed to longer-term Sustainability Risks that apply to companies and sectors as a whole, such as environmental risks and the risks of social harm, related transition risks and the risk of governmental action against particular sectors or companies to counteract those risks.

Investments may also be exposed to unpredictable events linked to Sustainability Risks, such as climate-change linked disasters.

INVESTMENT RESTRICTIONS

The permitted investments and investment restrictions applying to the Fund, in accordance with the qualifications and exemptions contained in the Regulations, and in the Central Bank UCITS Regulations, are set out in the Prospectus.

The investment restrictions set out in the Prospectus are deemed to apply at the time of purchase of the Investments. If such limits are exceeded for reasons beyond the control of the ICAV, or as a result of the exercise of subscription rights, the ICAV must adopt, as a priority objective, the remedying of the situation, taking due account of the interests of Shareholders.

The Directors may, however, at their absolute discretion from time to time and subject to notifying shareholders, change investment restrictions for the Fund as they shall determine shall be compatible with or in the interests of the Shareholders, including in order to comply with the laws and regulations of the countries where Shareholders are located provided that the general principle of diversification in respect of the Fund's assets are adhered to.

SUBSCRIPTIONS

Subscription of Shares

The Fund issues Shares of the following Classes:

Class	Currency	FX Hedged / Unhedged	Minimum subscription	Minimum subsequent subscription	Availability
A	*USD*	*Unhedged*	*$1,000,000*	*$10,000*	*Closed*
A	*EUR*	*Hedged*	*€1,000,000*	*€10,000*	
A	*GBP*	*Hedged*	*£1,000,000*	*£10,000*	
B	USD	Unhedged	$1,000,000	$10,000	Open
B	EUR	Hedged	€1,000,000	€10,000	
B	GBP	Hedged	£1,000,000	£10,000	
C	USD	Unhedged	$100,000	$10,000	Open
C	EUR	Hedged	€100,000	€10,000	
C	GBP	Hedged	£100,000	£10,000	
D	USD	Unhedged	$100,000	$10,000	Open (restricted to certain subscribers)
D	EUR	Hedged	€100,000	€10,000	
D	GBP	Hedged	£100,000	£10,000	
E	USD	Unhedged	$100,000	$10,000	Open (restricted to certain subscribers)
E	EUR	Hedged	€100,000	€10,000	
E	GBP	Hedged	£100,000	£10,000	

The Directors have closed Class A Shares to further subscriptions.

The Directors are given authorisation to effect the issue of Shares of any Class and to create new Classes of Shares on such terms as they may from time to time determine in accordance with the Central Bank's requirements.

Class D Shares and Class E Shares are only available for investors investing through specific distribution platforms.

Hedged Share Classes include the obligation for the Investment Manager (or appointed third party) to utilise foreign exchange hedging strategies to mitigate, as far as possible, currency fluctuations in the market value of portfolio investments for issued Hedged Share Classes. There can be no assurance that such hedging transactions will be effective so far as the Shareholders of the relevant Classes are concerned. Further details are included in the Prospectus under the heading "Share Currency Designation Risk".

It should be noted that the details for each Class set out in the table above include the minimum subscription amount for a new investor not holding another Class in the Fund and the minimum subsequent subscription amount for existing Shareholders. These amounts may be reduced or waived at the discretion of the Directors in accordance with the requirements of the Central Bank.

In order to receive Shares on a particular Dealing Day, the Application Form, must be sent by fax or a scanned copy sent by email in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Administrator and the Central Bank (provided that for initial subscriptions the original Application Form and supporting anti-money laundering documentation is promptly received by mail), and must be received by the Administrator no later than the Dealing Deadline for Subscriptions. Applications which are not received by this time will be held over until the following Dealing Day. The Administrator's contact details and further details in relation to the procedure for subscription requests are set out in the Application Form.

Subscription monies should be paid from an account in the name of the registered Shareholder to the account specified in the Application Form (or such other account as may be specified by the Administrator) so as to be received in cleared funds by no later than the Dealing Deadline for Subscriptions.

Each applicant for Shares acknowledges that subscription payments received by the Administrator, will not receive interest prior to the transfer of subscription monies to the Fund. Subscription monies paid to the Administrator prior to the Dealing Day shall be held by the Administrator and transferred to the account of the Fund in accordance with the procedures of the Administrator at the next Dealing Day.

Initial Offer Periods

The initial offer period for any Class that is not yet in issue (as listed below) will continue until 17.00 (GMT) on 3 May 2024 or such other date as any one Director may determine in accordance with the requirements of the Central Bank.

The following Classes are not launched at the date of this Supplement: (i) Class C USD Shares; (ii) Class C EUR Shares; (iii) Class C GBP Shares; (iv) Class E USD Shares; and (v) Class E EUR Shares.

The initial offer period for any Class may be closed or extended without reference to any other Class, but, for the avoidance of doubt, may not be reopened once closed.

Different classes of Shares may be issued from time to time with the prior notification and clearance of the Central Bank, details of which will be disclosed herein from time to time.

Initial Offer Price

During the Initial Offer Period, Shares will be available for subscription at 100.00 per Share in the currency of the relevant Class.

Subsequent Dealing

Following the close of the Initial Offer Period, Shares shall be issued at the Net Asset Value per Share calculated at the Valuation Point and adding thereto such sum as the Directors in their absolute discretion may from time to time determine as an appropriate provision for Duties and Charges.

Subscriptions for any Class should be made by electronic transfer to the account as specified in the Application Form.

HOW TO REDEEM SHARES

Redemption of Shares

Shareholders may request the Fund to redeem their Shares on and with effect from any Dealing Day at the Net Asset Value per Share less any Duties and Charges as the Directors in their absolute discretion may from time to time determine as appropriate for redemptions, calculated at the Valuation Point immediately preceding the relevant Dealing Day.

Redemption requests should be made on the Redemption Form (available from the Administrator) which should be sent by fax or a scanned copy by email in such format or method as shall be agreed in writing in advance with the Administrator and subject to and in accordance with the requirements of the Administrator and the Central Bank, to the Administrator no later than the Dealing Deadline for Redemptions. The Administrator's contact details and further details in relation to the procedure for redemption requests are set out in the Application Form. Subject to the foregoing, and to the receipt of the original Application Form and all anti-money laundering documentation and completion of all anti-money laundering checks, redemption proceeds will be paid by electronic transfer to the Shareholder's account specified in the Application Form within 5 Business Days of the relevant Dealing Day.

The Administrator will not remit redemption proceeds if an investor is not considered to be compliant with all the necessary anti money laundering legislation and regulations. Nor will the Administrator remit any payment to a third party bank account. In addition, redemption orders can be processed on receipt of electronic instructions only where payment is made to the account of record.

For additional information concerning redemptions and restrictions thereon, please consult the section entitled "Redemption and Transfer of Shares" in the Prospectus.

Switching between Classes

A Share exchange may be effected by way of a redemption of Shares of one Class and a simultaneous subscription at the most recent Net Asset Value per Share for Shares in one or more offered Class of the Fund. The general provisions and procedures relating to redemptions and subscriptions for Shares as set out above and in the Prospectus (including as to availability) will apply. Where transfers are between Hedged Share Classes, break costs will be applied if applicable.

Redemption proceeds will be converted into the other currency at the rate of exchange available to the Administrator and the cost of conversion will be deducted from the amount applied in subscribing for Shares of the other Class.

DIVIDEND POLICY

While the Instrument empowers the Directors to declare dividends in respect of any Shares out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised losses in respect of investments of the Fund, it is not expected that they will do so. Accordingly, income and capital gains arising in respect of the Fund will be re-invested in the Fund and reflected in its Net Asset Value per Share.

If provision is made for the Fund or any Class to change its dividend policy from an accumulating to a distributing policy, full details of the change in policy will be disclosed in an updated Supplement and all Shareholders will be notified in advance.

FEES AND EXPENSES

Management Fee

The Manager will be entitled to the following management fee payable out of the assets of the Fund in relation the Shares as follows:

A management fee calculated by the Administrator accruing at each Valuation Point and payable quarterly in arrears at a maximum rate of up to 0.03% per annum of the Net Asset Value of the ICAV subject to a minimum fee of €50,000 per annum (exclusive of VAT) plus reasonable vouched out of pocket expenses.

Investment Management Fee

The Investment Manager will be entitled to an investment management fee (the "**Investment Management Fee**") payable from the assets of the Fund accruing at each Valuation Point and calculated by the Administrator at a rate not to exceed the following amounts:

(i) 1.00% per annum of the Net Asset Value of Class A Shares;

(ii) 1.25% per annum of the Net Asset Value of Class B Shares;

(iii) 2.00% per annum of the Net Asset Value of Class C Shares; and

(iv) in respect of Class D Shares:

(a) 1% per annum of the Net Asset Value of the Class D Shares, where the Net Asset Value of the Class D Shares is equal to or more than $125 million;

(b) 1.125% per annum of the Net Asset Value of the Class D Shares, where the Net Asset Value of the Class D Shares is less than $125 million and equal to or more than $70 million; or

(c) 1.25% per annum of the Net Asset Value of the Class D Shares, where the Net Asset Value of the Class D Shares is less than $70 million.

(v) in respect of Class E Shares:

(d) 1% per annum of the Net Asset Value of the Class E Shares, where the Net Asset Value of the Class E Shares is equal to or more than $40 million; or

(e) 1.25% per annum of the Net Asset Value of the Class E Shares, where the Net Asset Value of the Class E Shares is less than $40 million.

The Investment Management Fee is payable monthly in arrears on or around the last Business Day in each month.

The Investment Manager will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket costs or expenses incurred by the Investment Manager on behalf of (or attributable to) the Fund. The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to pay rebates/retrocessions to some or all Shareholders or to the ICAV out of the Investment Management Fee that it receives.

Performance Fee

The Investment Manager will be entitled to a performance fee (the "**Performance Fee**") from the assets of the Fund and calculated on a Share-by-Share basis so that each share is charged a Performance Fee which equates precisely with that Share's performance. This method of calculation ensures that (i) any Performance Fee paid to the Investment Manager is charged only to those Shares which have appreciated in value, (ii) all holders of Shares of the same Class have the same amount of capital per Share at risk in the Fund, and (iii) all Shares of the same Class have the same Net Asset Value per Share.

The Performance Fee in respect of each Share is calculated in respect of each period of twelve months ending on 31 December in each year (a "**Calculation Period**"). However, the first Calculation Period in respect of each Class was or will be the period commencing on the Business Day immediately following the close of the relevant Initial Offer Period and ending on 31 December in the year in which Shares of that Class were or are first issued. The Performance Fee is deemed to accrue as at each Valuation Point.

For each Calculation Period the Performance Fee is equal to the Relevant Percentage of the appreciation in the Net Asset Value per Share during that Calculation Period above the Base Net Asset Value per Share. The "**Base Net Asset Value per Share**" of a Share is the greater of the Net Asset Value per Share at the time of issue of that Share and the highest Net Asset Value per Share achieved as at the end of any previous Calculation Period (if any) during which that Share was in issue. The Performance Fee in respect of each Calculation Period is calculated by reference to the Net Asset Value before deduction for any accrued Performance Fee. For the avoidance of doubt, no Performance Fee will be payable for any Calculation Period until the Net Asset Value per Share exceeds the Base Asset Value per Share for such Calculation Period (or the Initial Offer Price).

The "**Relevant Percentage**" for the purposes of calculating the Performance Fee in respect of each Class will not exceed:

(i) 15% in respect of the Class A Shares;

(ii) 20% in respect of the Class B Shares and the Class C Shares; and

(iii) in respect of Class D Shares:

(a) 15%, where the Net Asset Value of the Class D Shares is equal to or more than $125 million;

(b) 18%, where the Net Asset Value of the Class D Shares is less than $125 million and equal to or more than $70 million; or

(c) 20%, where the Net Asset Value of the Class D Shares is less than $70 million.

(iv) in respect of Class E Shares:

(a) 15%, where the Net Asset Value of the Class E Shares is equal to or more than $40 million; or

(b) 20%, where the Net Asset Value of the Class E Shares is less than $40 million.

The Performance Fee will normally be payable to the Investment Manager in arrears within 15 Business Days of the end of each Calculation Period and the calculation of the Performance Fee will be verified by the Depositary and is not open to the possibility of manipulation. However, in the case of Shares redeemed or exchanged during a Calculation Period, the accrued Performance Fee in respect of those Shares will be payable within 15 Business Days of the date of redemption or exchange. In the event of a partial redemption, Shares will be treated as redeemed on a first in, first out ("fifo") basis for the purposes of calculating the Performance Fee.

If the Investment Management Agreement is terminated during a Calculation Period, the Performance Fee in respect of that Calculation Period will be calculated and paid as though the date of termination were the end of that Calculation Period.

The Performance Fee is based on net realised and net unrealised gains and losses as at the end of the each Calculation Period and as a result, Performance Fees may be paid on unrealised gains which may subsequently never be realised.

An example of how the Performance Fee will be calculated is provided in Appendix I in order to provide investors with a better understanding of the Performance Fee model.

Performance Fee Adjustments

If an investor subscribes for Shares at a time when the Net Asset Value per Share of the relevant Class is other than the Peak Net Asset Value per Share of that Class, certain adjustments will be made to reduce inequities that could otherwise result to the subscriber or to the Investment Manager. The "**Peak Net Asset Value per Share**" of a Class is the greater of (i) the Initial Offer Price and (ii) the highest Net Asset Value per Share of the relevant Class in effect immediately after the end of the previous Calculation Period in respect of which a Performance Fee was charged.

(A) If Shares are subscribed for at a time when the Net Asset Value per Share of the relevant Class is less than the Peak Net Asset Value per Share of that Class, the investor will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Shares. With respect to any appreciation in the value of those Shares from the Net Asset Value per Share at the date of subscription up to the Peak Net Asset Value per Share, the Performance Fee will be charged at the end of each Calculation Period by redeeming at par value (which will be retained by the Fund) such number of the investor's Shares of the relevant Class as have an aggregate Net Asset Value (after accrual for any Performance Fee) equal to the Relevant Percentage of any such appreciation (a "**Performance Fee Redemption**"). An amount equal to the aggregate Net Asset Value of the Shares so redeemed will be paid to the Investment Manager as a Performance Fee. The Fund will not be required to pay the investor the redemption proceeds of relevant Shares, being the aggregate par value thereof. Performance Fee Redemptions are employed to ensure that the Fund maintains a uniform Net Asset Value per Share of each Class. As regards the Shareholder's remaining Shares of that Class, any appreciation in the Net Asset Value per Share of those Shares above the Peak Net Asset Value per Share of that Class will be charged a Performance Fee in the normal manner described above.

(B) If Shares are subscribed for at a time when the Net Asset Value per Share of the relevant Class is greater than the Peak Net Asset Value per Share of that Class, the investor will be required to pay an amount in excess of the then current Net Asset Value per Share of that Class equal to the Relevant Percentage of the difference between the then current Net Asset Value per Share of that Class (before accrual for the Performance Fee) and the Peak Net Asset Value per Share of that Class (an "**Equalisation Credit**"). At the date of subscription, the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the other Shares of the same Class in the Fund (the "**Maximum Equalisation Credit**"). The Equalisation Credit is payable to account for the fact that the Net Asset Value per Share of that Class has been reduced to reflect an accrued Performance Fee to be borne by existing Shareholders of the same Class and serves as a credit against Performance Fees that might otherwise be payable by the Fund but that should not, in equity, be charged against the Shareholder making the subscription because, as to such Shares, no favourable performance has yet occurred. The Equalisation Credit ensures that all holders of Shares of the same Class have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Fund and will therefore appreciate or depreciate based on the performance of the relevant Class subsequent to the issue of the relevant Shares but will never exceed the Maximum Equalisation Credit. In the event of a decline as at any Valuation Day in the Net Asset Value per Share of those Shares, the Equalisation Credit will also be reduced by an amount equal to the Relevant Percentage of the difference between the Net Asset Value per Share (before accrual for the Performance Fee) at the date of issue and as at that Valuation Day. Any subsequent appreciation in the Net Asset Value per Share of the relevant Class will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Calculation Period, if the Net Asset Value per Share of the relevant Class (before accrual for the Performance Fee) exceeds the prior Peak Net Asset Value per Share of that Class, that portion of the Equalisation Credit equal to the Relevant Percentage of the excess, multiplied by the number of Shares of that Class subscribed for by the Shareholder, will be applied to subscribe for additional Shares of that Class for the Shareholder. Additional Shares of that Class will continue to be so subscribed for at the end of each Calculation Period until the Equalisation Credit, as it may have appreciated or depreciated in the Fund after the original subscription for Shares of that Class was made, has been fully applied.

If the Shareholder redeems its Shares of the relevant Class before the Equalisation Credit (as adjusted for depreciation and appreciation as described above) has been fully applied, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares of that Class being redeemed and the denominator of which is the number of Shares of that Class held by the Shareholder immediately prior to the redemption in respect of which an Equalisation Credit was paid on subscription.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to pay rebates/retrocessions to some or all Shareholders or to the ICAV out of the Performance Fee that it receives.

Administration Fees

The ICAV shall pay to the Administrator out of the assets of the Fund an annual fee, accrued at each Valuation Point and payable monthly in arrears at the following maximum rates:

(i) 0.08% of Net Asset Value for assets from $0 to $250 million;

(ii) 0.07% of Net Asset Value for assets from $250 million to $500 million; and

(iii) 0.05% of Net Asset Value for assets over $500m,

subject to a monthly minimum fee of up to $7,500 (which will be discounted to $6,500 for the first twelve months following the launch of the Fund), exclusive of out-of-pocket costs or expenses.

The Administrator will also be reimbursed out of the assets of the Fund for reasonable out-of-pocket costs or expenses incurred by the Administrator on behalf of (or attributable to) the Fund. Additional transaction fees may be payable to the Administrator as may be agreed separately between the ICAV and the Administrator.

Depositary Fees

The Depositary will be paid a fee not to exceed 0.04% per annum of the Net Asset Value of the Fund (together with VAT, if any, thereon), exclusive of any transaction charges (plus VAT, if any), subject to a minimum monthly fee of up €4,500 (which will be discounted to €2,500 for the first twelve months following the launch of the Fund) exclusive of out-of-pocket expenses. The Depositary will also be paid out of the assets of the Fund for reasonable out-of-pocket expenses incurred by them and for the reasonable fees and customary agent's charges paid by the Depositary to any sub-custodian (which shall be charged at normal commercial rates) together with value added tax, if any, thereon.

The fees and expenses of the Depositary shall accrue daily and be calculated monthly based on the Net Asset Value of the Fund on the last Dealing Day of each calendar month and shall be payable monthly in arrears on or around the last Business Day in each month.

Other fees and expenses

The other fees and expenses of the ICAV and the Fund are set out in the Prospectus under the heading "Fees and Expenses".

SWISS INVESTORS

The offering of Shares in Switzerland will be exclusively made to, and directed at, qualified investors (the "Qualified Investors"), as defined in the Swiss Collective Investment Schemes Act of 23 June 2006, as amended (CISA) and its implementing ordinance, the Swiss Collective Investment Schemes Ordinance of 22 November 2006 (CISO). Accordingly, the Fund has not been and will not be registered with the Swiss Financial Market Supervisory Authority (FINMA).

Representative

The representative in Switzerland is FundRock Switzerland SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland.

Paying Agent

The paying agent in Switzerland is Banque Cantonale de Genève, 17, quai de l'Ile, 1204 Geneva, Switzerland.

Location Where the Relevant Documentation Can Be Obtained

The Prospectus, the ICAV's instrument of incorporation and the ICAV's annual financial statements can be obtained free of charge from the representative in Switzerland.

Place of Performance and Jurisdiction

With regards to the Shares offered in Switzerland, the place of performance is the registered office of the representative and the place of jurisdiction is at the registered office of the representative or at the registered office or place of residence of the investor.

APPENDIX I – PERFORMANCE FEE EXAMPLES

The Performance Fee mechanism is designed so that each investor bears Performance Fee equal to a percentage of any increase in the value of their investment. At the same time, each Class will maintain a single Net Asset Value per Share.

Assumptions for the Example Calculations:

Initial investment in the Class on 1 January at $100 per Share.

The Performance Fee rate is 20%. Performance Fee crystallises on 31 December each year.

Assumed performance: GAV is $100 on 1 January, $105 on 1 April, $90 on 1 September, and $110 on 31 December.

Investor A

Subscribes for 1 share on 1 January as the initial subscriber in the Class.

Time of investment		*Year-end calculations*			
SP	**EQC**	**GAV**	**Gross Profit**	**Perf Fee**	**End NAV**
$100	$0	$110	$10	$2	$108

Year-end outcome			
Holding Val.	**Inv. Gain**	**No. Shares**	**New BNAV**
$108	$8	1	$108

Investor B

Subscribes for 1 share on 1 April, when GAV is higher at $115 (and so NAV is $112). Equalisation Credits will apply.

Time of investment		*Year-end calculations*					
SP	**EQC**	**GAV**	**Gross Profit**	**Perf Fee**	**End NAV**	**EQC Value**	**EQC Shares**
$115	$3	$110	-$5	$0	$108	$2	+0.01851…

Year-end outcome			
Holding Val.	**Inv. Gain**	**No. Shares**	**New BNAV**
$110	-$5	1.01851…	$115

Investor C

Subscribes for 1 share on 1 September, when GAV is lower at $90 (and so NAV is also $90). Performance Fee Redemptions will apply.

Time of investment		*Year-end calculations*					
SP	**EQC**	**GAV**	**Gross Profit**	**Perf Fee**	**End NAV**	**PFR Value**	**PFR Shares**
$90	$0	$110	$20	$4	$108	-$2	-0.01851…

Year-end outcome			
Holding Val.	**Inv. Gain**	**No. Shares**	**New BNAV**
$106	$16	0.98148…	$108

Terminology

NAV	Net Asset Value per Share.
GAV	Gross Asset Value per Share. This is NAV before deduction of accrued Performance Fee and Equalisation Credit.
BNAV	Base Net Asset Value per Share, which is the investor's high-water mark.
PNAV	Peak Net Asset Value per Share, which is a reference high-water mark for the class. It is $100 in these examples.
EQC	Equalisation Credit, which is a credit in the investor's favour, converted into new Shares in certain cases.
PFR	Performance Fee Redemption, which is a redemption of Shares used to fund Performance Fee in certain cases.
SP	Subscription Price. For clarity, in these examples only, it includes any EQC payable.

Calculations

Gross Profit	= GAV - SP
Perf Fee	= 20% of Profit (if any)
End NAV	= GAV - Perf Fee - EQC Shares
EQC Value	= 20% of (GAV - PNAV)
EQC Shares	= EQC Value / End NAV
PFR Value	= 20% of (PNAV - SP) (assuming GAV > PNAV)
PFR Shares	= PFR Value / End [NAV]
Holding Value	= End NAV * Number of shares held (equivalent to = End NAV + EQC Value *or* = End NAV - PFR Value)
Investor Gain	= Gross Profit - Perf Fee
No. Shares	= 1 + EQC Shares *or* 1 - PFR Shares
New BNAV	= Higher of Sub Price and End NAV

APPENDIX II – DIRECTORY

KL UCITS ICAV

Directors:
Bryan Tiernan
David Mc Geough
Rupert Haworth-Booth

Registered Office:
35 Shelbourne Road
4th Floor
Ballsbridge
Dublin
D04 A480
Ireland

Secretary:
KB Associates
35 Shelbourne Road
4th Floor
Ballsbridge
Dublin
D04 A480
Ireland

Manager
Waystone Management Company (IE) Limited
35 Shelbourne Road
4th Floor
Ballsbridge
Dublin
D04 A480
Ireland

Depositary:
EDB Custodial Services Limited
2nd Floor Block 5
Irish Life Centre
Abbey Street Lower
Dublin 1, D01 P767
Ireland

Administrator
SS&C Financial Services (Ireland) Limited
Bishop Square
Redmond's Hill
Dublin
D02 TD99
Ireland

Auditors
PricewaterhouseCoopers
One Spencer Dock
North Wall Quay
Dublin 1
Ireland

Investment Manager:
Kite Lake Capital Management (UK) LLP
6th Floor
1 Knightsbridge Green
London SW1X 7QA
United Kingdom

UK Facilities Agent
Kite Lake Capital Management (UK) LLP
6th Floor
1 Knightsbridge Green
London SW1X 7QA
United Kingdom

Legal Advisers as to matters of Irish law:
Walkers (Ireland) LLP
5th Floor
The Exchange
George's Dock, IFSC
Dublin 1
D01 W3P9
Ireland