

PROSPECTUS

in respect of the permanent offer of Shares of

the Funds of

APS FUNDS SICAV p.l.c.

("the Company")

(A company organised as a multi-fund investment company with variable share capital pursuant to the Companies Act, Cap 386 of the Laws of Malta, registered on the 24th January 2008 and licensed by the Malta Financial Services Authority as a collective investment scheme under the Investment Services Act, Cap 370 of the Laws of Malta)

This Prospectus should be read in conjunction with the Supplements issued by the Company in respect of the offer of Shares in the Funds.

4 March 2009

This Prospectus is prepared in accordance and complies with the Licence Conditions and other requirements established by the Malta Financial Services Authority under the Investment Services Act, Cap 370 of the Laws of Malta.

1. IMPORTANT INFORMATION

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY OF THE SHARES REPRESENTING INTERESTS IN THE FUND YOU SHOULD REFER TO THE SUPPLEMENT RELATING TO THAT FUND. YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF AN INVESTMENT IN THE FUNDS, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

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

No broker, dealer, salesman or other person has been authorised by APS FUNDS SICAV p.l.c. ("the Company"), its Directors, APS Bank Limited ("the Investment Manager") to issue any advertisement or to give any information or to make any representations in connection with the offering or sale of Shares (as defined herein) other than those contained in this Prospectus and in the documents referred to herein, in connection with the offer hereby made, and if given or made, such information or representations must not be relied upon as having been authorised by the Company, its Directors or the Investment Manager.

The Company is organised under the laws of Malta as a multi-fund investment company with variable Share capital (SICAV) pursuant to the Companies Act, *Cap 386 of the Laws of Malta, with the Funds constituting a separate patrimony in terms of Legal Notice 241 of 2006*. The Company is regulated as a collective investment scheme in Malta under the Act and is licensed by the Malta Financial Services Authority ("MFSA"). The licensing of the Company does not constitute a warranty by the MFSA as to the performance of any of the Funds (as defined herein) and the MFSA is not in any way liable for the performance or default of the Company or any Fund.

Shares in Funds existing at the time of the publication of the Prospectus are listed on the Malta Stock Exchange. Application may be made to the Malta Stock Exchange for the Shares in any other Fund of the Company to be admitted to the Official List thereof as and when the Shares following the Offer are allocated.

The Listing Authority and the Malta Stock Exchange accept no responsibility for the accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

This Prospectus does not constitute, and may not be used for purposes of, an offer or invitation to subscribe for Shares by any person in any jurisdiction:

- (i) In which such offer or invitation is not authorised, or,
- (ii) In which the person making such offer or invitation is not qualified to do so, or,
- (iii) To any person to whom it is unlawful to make such offer or invitation.

It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares to inform themselves of, and to observe and comply with, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control requirements and taxes in the countries of their nationality, residence or domicile.

The Shares have not been nor will be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any "U.S. Person" (as defined in Regulation S of the 1933 Act). The Shares are being offered outside the United States in reliance upon Regulation S under the 1933 Act.

The Company will not be required to be, and will not be, registered under the United States Investment Company Act of 1940 (as amended) (the "1940 Act") and investors will not be entitled to the benefits of the 1940 Act.

A copy of this Prospectus has been lodged with:

- the Registrar of Companies in satisfaction of the requirements of Regulation 3 of the Investment Services Act (Prospectus of Collective Investment Schemes) Regulations 2005;
- the Malta Stock Exchange in satisfaction of the Listing Particulars for the Shares; and with
- the Listing Authority in satisfaction of the Listing Rules for the admission of the listing of the shares on a recognized investment exchange.

Applications for the purchase of Shares are accepted only on the basis of the current Prospectus and any Supplement thereto relating to the Funds. Any person relying on the information contained in this Prospectus, which was current at the date shown, should check with the Investment Manager that this document is the most current version and that no revisions have been made nor corrections published to the information contained in this Prospectus since the date shown.

Statements made in this Prospectus and any Supplement thereto relating to the Funds are, except where otherwise stated, based on the law and practice currently in force in Malta and are subject to changes therein.

Investment in any of the Funds should be regarded as a long-term investment. Your attention is drawn to the section headed "Risk Factors" of this Prospectus.

This Prospectus is an updated version of the Prospectus dated 27th February 2008 updated so as to reflect:

- **Changes in the allocation of profits for distribution; and**
- **Clarifications relative to Shareholders' rights.**

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2. DEFINITIONS

"Accumulation Share"	is a Share constituting a Fund in respect of which the net income is to be accumulated and which represents an interest in such number (including fractions) of undivided parts in the net assets of the Fund to which it relates.
"Act"	the Investment Services Act, Cap 370 of the Laws of Malta.
"Administrator"	Valletta Fund Services Limited
"Articles"	the Articles of Association of the Company.
"Application Form"	the Company's official document on which application for purchase of Shares in the Fund is made.
"Auditors"	the auditors for the time being of the Company.
"Board" or "Directors"	the Board of Directors of the Company for the time being including any committee of the Board.
"Business Day"	unless otherwise determined by the Directors from time to time, any day of the week other than a Saturday, a Sunday or a public holiday in Malta or such other day as the Directors may determine from time to time.
"Company"	APS FUNDS SICAV p.l.c. registered in Malta as a multi-fund investment company with variable Share capital bearing registration number, SV 78.
"Custodian"	Bank of Valletta p.l.c.
"Dealing Day"	any day which is a Business Day being a day on which the Net Asset Value of the Funds is determined as specified in the Supplement to the Prospectus relating to that Fund.
"Distribution Shares"	means a Share constituting a Fund in respect of which net income is to be distributed and which represents an interest in such number (including fractions) of undivided parts in the net assets of the Fund to which it relates.
"Euro"	the lawful Unit of account of the Euro Zone.
"Financial Derivative Instruments"	financial instruments whose value is based on an another underlying asset

"Fund"	any Fund of the Company that the Directors may from time to time establish;
"Investment Manager"	APS Bank Limited
"Launch Date"	the first day of pricing.
"Licensed Financial Intermediary"	- all the persons mentioned in Appendix IV of this Prospectus.
"Listing Authority"	- the Listing Authority established in terms of the Financial Markets Act (Cap.345 of the Laws of Malta).
"Malta"	the Republic of Malta.
"Member State"	Any European Union member state as the context may require and "Member States" shall be construed accordingly
"MFSA"	the Malta Financial Services Authority.
"Net Asset Value"	the net asset value of any Fund or per Share calculated in accordance with the Articles.
"Prospectus"	this document in its entirety including any Supplements thereto relating to the Funds.
"Redemption Form"	the Company's official document on which application for redemption of shares in the Funds is made.
"Register"	the register in which are listed the names of Shareholders of the Company from time to time.
"Regulated Market"	any stock exchange or regulated market considered by the Investment Manager to provide a satisfactory market for the securities in question.
"Retail Share"	means a Share that is available to all Shareholders in respect of the Funds appearing in the table titled 'Retail Classes of Shares' under 'Key Features of the Funds' and which represents an interest in such number (including fractions) of undivided parts in the net assets of the Fund to which it relates.
"Securities"	a tradable document that shows evidence of debt or ownership, e.g. a stock certificate or bond

"Share"	a Share of no nominal value issued in the capital of the Company, which may be designated in different classes with reference to one or more Funds.
"Shareholder"	a person who is registered as a holder of Shares in the Company.
"Supranational Body"	a body or organisation transcending or going beyond established national boundaries.
U.S.	U.S. means the United States of America (including the States and the District of Columbia), its territories, its possessions and all other areas subject to its jurisdiction.
U.S. Person	U.S. Person means a person defined as such under Regulation S of the U.S. Securities Act of 1933, as amended.
"VAT"	value added tax payable in Malta, a tax payable on the supply of goods and services at varying rates, or any other similar tax by whatever name called.

3. DESCRIPTION OF THE COMPANY

The Company is organised under the laws of Malta as a multi-fund investment company with variable share capital (SICAV) pursuant to the Companies Act, Cap 386 of the Laws of Malta. The Funds of the Company are licensed by the MFSA as collective investment schemes in Malta under the Act.

The Company has appointed:

- A. APS Bank Limited as the Investment Manager to provide management services to the Company and each of the Funds.
- B. Bank of Valletta plc as Custodian responsible for the custody of the assets of the Company and the Funds and for monitoring the activities of the Investment Manager with respect to the management of the assets of the Funds.
- C. Valletta Fund Services as the Fund Administrator.

As the Company is a multi fund investment company, the Directors are empowered to create different Funds, with each Fund representing a separate portfolio of the Company with their own distinct investment objective and policies and constituting a separate patrimony in terms of Legal Notice 241 of 2006. Accordingly, the assets and liabilities of each Fund of the Company shall be treated, for all intents and purposes of law, as a patrimony separate from the assets and liabilities of each other Fund of the Company.

The rights of Shareholders in the Company's Funds will be represented by separate classes of Shares. One or more classes of Shares may be created representing different currencies and/or representing different charging structures or other rights in a Fund. Such Share classes will not be represented by separate portfolios of assets but will represent different interest in the portfolio of assets represented by the Fund.

The net proceeds from the issue of Shares in respect of each Fund will be invested in accordance with the investment objectives and policies of each Fund as outlined in the Supplement to the Prospectus relating to that Fund.

In the case of Accumulation Shares, the whole of each Fund's net income (if any), after expenses, will be accumulated within such Fund and reflected in the price of the Shares of such Fund. In the case of Distribution Shares, part or all of the net income (if any) attributable to Distribution Shares may be distributed to Shareholders by way of dividends in accordance with the Dividend Policy as specified on page 19.

Detailed procedures of how to buy, sell and switch Shares are set out in the section entitled "Buying, Selling and Switching" in this Prospectus. Particular attention is to be given to the section entitled "Investment Objectives, Policies and Restrictions of the Fund" in the Supplement to the Prospectus relating to that Fund and to the section entitled "Risk Factors" in this Prospectus. Further information about the Shares and the Company is also set out in the section entitled "General Information".

The key features of the Funds are outlined in the Supplement to the Prospectus relating to that Fund.

4. INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

Investment Objectives, Policies and Restrictions

The Investment Objectives, Policies and Restrictions of the Funds are set out in the respective Supplement to the Prospectus relating to the relevant Fund.

At any time, the investment objective of a Fund will only be changed with the approval of the Shareholders of the Fund.

The Directors may, at their sole discretion, alter the Investment Policies and Restrictions of a Fund provided that any material change in Investment Policies and Restrictions shall be notified to the Shareholders of the Fund.

Each Funds' respective Investment Restrictions shall apply to the investments of the respective Fund, provided that if one or more of the Funds' restrictions are at any time contravened for reasons beyond the control of the Investment Manager or the Scheme, the Investment Manager or the Scheme will take such steps as are necessary to ensure a restoration of compliance with such restriction(s) as soon as is reasonably practicable having regard to the interests of the shareholders of the Fund/s and having regard to applicable rules and in any event, within the period of six months beginning on the date of the discovery of the contravention of such restriction(s).

5. RISK FACTORS

The investment risks set out below do not purport to be exhaustive and shareholders of any relevant Fund should carefully review this Offering Memorandum and particularly the relevant Fund Supplement in their entirety and consult their own financial advisor regarding the risks associated with investment in the relevant Fund and the suitability thereof to their own personal circumstances.

Funds' Investment Objectives

Investors should be aware that due to the risks inherent in all investments, there can be no guarantee that the investment objective of the Funds will be achieved.

Price Volatility and Market Risk

Price volatility refers to the fact that the values of the underlying securities of the Funds will fluctuate in response to the activities of specific issuers and/or general market conditions referred to also as market risk. As a result of such market risk, the price of Shares of the Funds and the income from them (if any) can go down as well as up and investors may not realise the amount of their initial investment.

Interest Rate Risk

Interest rate risk refers to fluctuations in the value of fixed income securities, including corporate and other debt instruments, resulting from changes in interest rates. In general, if interest rates rise, fixed income security prices fall. In addition, interest rate risk tends to increase as the duration of a fixed income security increases.

Credit Risk

Credit risk refers to the possibility that the issuer of a security will be unable, or is perceived to be unable, to make interest payments and/or repay the principal on its debt.

Liquidity Risk

Liquidity risk is the risk that a Fund will not be able to pay redemption proceeds within the normal time periods described in the Prospectus because of unusual market conditions, an unusually high volume of redemption requests or other reasons. In such circumstances, the Investment Manager may limit the total number of Shares to be redeemed on any Dealing Day and may also temporarily suspend determination of the Fund's Net Asset Value together with the sale and repurchase of Shares.

Exchange Rate Risk

Currency fluctuations between the base currency of a Fund, and,

- (i) the investor's currency of reference, and,
- (ii) the currency of the underlying investments of the Fund,

may adversely affect the value of investments and the income derived therefrom.

Specific risks in respect of Funds of Funds

The risk factors associated in respect of Funds investing in other funds, is implied in that their investment prospects and performance are closely linked to the prospects and performance of the underlying funds in which they invest.

The risk factors associated with such underlying funds are more fully set out in the respective underlying funds' prospectuses, which are available upon request from the Investment Manager.

Specific risks in respect of Funds investing in emerging countries

Some of the Funds may invest in emerging markets. Investments in emerging markets can be subject to risks not normally associated with more developed markets. These risks mainly relate to the instability of the economies of emerging markets, political uncertainties and, in some cases, the illiquidity of the market.

Investors should be aware that any downturn in the economies of emerging countries might adversely affect the servicing and ultimate repayment of the investments of the Fund. Additionally, market practices in relation to the settlement of securities transactions and the custody of assets in emerging markets can provide increased risk of loss to the Fund.

Investments in sub-investment grade securities

Some of the Funds may invest a substantial part of their assets in sub-investment grade securities. Sub-investment grade securities offer a very low level of protection towards the honouring of principal and interest payments by issuers. The lower the rating of a sub-investment grade security, the lower the protection (if at all) afforded against credit defaults by the respective issuers.

Investment in sub-investment grade securities may subject the Funds to higher credit risk and higher market risk than that normally associated with investment in investment grade securities. Under adverse economic and/or market conditions or specific issuer risk, there is also a risk that highly leveraged issuers may be unable to service their debt obligations or to repay their obligations upon maturity. In addition, such securities may be more illiquid (i.e., harder to value and sell) than higher-rated securities. Accordingly their buying and selling may be time consuming and may need to be effected at unfavourable prices. In addition, such illiquidity may require that such securities' valuation be dependent upon a valuer's opinion.

Investments on the Malta Stock Exchange

Some of the Funds may invest in equity and debt securities quoted on the Malta Stock Exchange, which is a relatively new market, when compared to more established markets. In addition, the investments that can be made on the Malta Stock Exchange are limited. This may lead to an exposure to a particular security or industry sector, which is higher than that normally associated with a diversified portfolio. This may expose the Fund to higher levels of volatility and may adversely affect the performance of the Fund.

Some Maltese companies listed on the Malta Stock Exchange impose, through their constitutional documents, a ceiling on the equity holding that any one particular investor may, directly or indirectly hold in such companies. In this respect investors should be aware that the Investment Manager might be restricted in implementing the Fund's investment policies by virtue of such impositions.

Insofar as Funds invest in debt securities quoted on the Malta Stock Exchange, despite the fact that such securities are listed, the market in such securities may be illiquid.

The trading volumes on emerging Stock Exchanges such as the Malta Stock Exchange are substantially less than the world's leading stock markets. Accordingly the buying and selling of securities may be time consuming and may need to be effected at unfavourable prices. Although it is not envisaged that this should create any difficulty in valuing the Funds' investments, reduced secondary market liquidity may have an adverse effect on the market price of such securities and the Company's ability to dispose of particular securities to meet its liquidity requirements.

Investments in smaller companies

Insofar as Funds invest in the securities of smaller companies, may involve greater risk than is customarily associated with investment in larger, more established companies. In particular, smaller companies often have limited product lines, markets or financial resources and may be dependent for their management on one or two key individuals. This may result in investments in such markets being volatile.

Investments in unquoted companies

Funds investing in the securities of unquoted companies can be subject to risks not normally associated with quoted securities. These risks mainly relate to the illiquidity of the market.

Exposure to sectors or markets

Funds may be exposed to certain sector or market risk in view of the absence to any investment restrictions:

- between debt securities of issuers in different markets;
- between debt securities of issuers in any one market.

In particular, Funds investing in Malta's capital market are subject to a limited degree of market diversification. Thus, the performance of such Funds is closely linked to the performance of the Maltese market.

Erosion of capital

When an investor redeems part of his/her holding he/she should be aware that these redemptions will be made from the sale of Shares and may result in an erosion of capital.

In addition, deduction of the initial charge (where applicable) means that if an investor withdraws from the investment in the short-term he may not get back the amount he invested. Hence, investment in the Funds should be regarded as a long-term investment.

6. BUYING, SELLING AND SWITCHING

1. Dealing Prices

The Shares constituting a Fund are freely transferable.

Requests to buy, sell and switch Shares constituting a Fund, will be dealt at the appropriate dealing price based on the Net Asset Value per Share for each class of shares in each Fund calculated as at the dealing times specified in the Supplement relating the Fund.

The dealing price per Share for buying shares (the issue price per Share) will be equivalent to the Net Asset Value per Share for each class of shares of the relevant Fund. An initial charge, as specified in the Supplement to the Prospectus relating to that Fund, is applicable for buying shares. This charge will be automatically deducted from the amount invested.

The dealing price per Share for selling shares (the redemption price per Share) will be equal to the Net Asset Value per Share for each class of shares in each Fund plus any applicable exit fee as may be specified in the Supplement to the Prospectus relating to that Fund.

The dealing prices applicable for switching of Shares will be the issue and redemption prices per Share of the class of shares of the relevant Fund

The Net Asset Value per Share for the listed classes of shares of the Fund/s, where applicable, will be notified on a daily basis to the Malta Stock Exchange. The Net Asset Value per Share for each class of shares of each Fund will be published in a daily newspaper and/or such other newspapers or at such frequency as the Directors may determine from time to time.

2. Dealing Times

The Administrator shall calculate, as at 1.00 p.m. on each Dealing Day, the Net Asset Value per Share of the Funds for each class of share constituting these Funds.

Full details of the method of determination of the Net Asset Value per Share are set out in Appendix I and II of this Prospectus.

3. Procedure to buy Shares

a. Application Form

Applications for Shares from new investors must be made on the Application Form and applications from existing Shareholders may be made either on an Application Form or in writing (including facsimile communication or by any other electronic means acceptable to the Administrator subject that such requests are followed by the original signed instructions) through licensed financial intermediaries listed under Appendix IV or directly to the Administrator. The application to purchase Shares in writing, if accepted by the Administrator, will constitute a legally binding contract. The Administrator reserves the right to reject any application in whole or in part.

b. Cut off times for receipt of applications

Applications for the purchase of Shares received at the Administrator's Office up to 4.00p.m. on a Dealing Day, if accepted by the Administrator, will be dealt at the

prices calculated as at 1.00 p.m. on the following Dealing Day. Applications received at the Administrator's Office after 4.00p.m. on a Dealing Day as well as applications received on a Business Day which is not a Dealing Day, if accepted by the Administrator, will be dealt at the prices calculated as at 1.00 p.m. on the next following Dealing Day.

i. *Payment for investments*

Applications are to be accompanied by payment by means of a bank transfer as per the bank details appearing on the application form. Cheque payments are acceptable subject that these meet certain criteria as required by the Administrator. The Administrator reserves the right to delay investment of application monies until such time as these are confirmed as cleared funds. When payment is received by the Administrator in a currency other than the base currency of the Fund, the Administrator will make the necessary arrangements to convert the investment monies in the base currency of the Fund at the prevailing exchange rate/s). Any applicable bank charges will be borne by the investor/s.

ii. *General*

Each investor must represent and warrant to the Investment Manager and/or Administrator that amongst other things he is able to buy Shares without violating applicable laws. Residents of Malta applying for Shares must ensure and take full responsibility that they comply at all times with all Maltese Exchange Controls when applicable.

The Investment Manager and/or Administrator reserves the right to seek evidence of identity to comply with the Prevention of Money Laundering and Funding of Terrorism Regulations, 2008. In the case of failure to provide satisfactory information, the Company may take such action, as it thinks fit.

Shares may not be issued and may be subject to mandatory redemption or transfer by the Company, inter alia:

- In circumstances where the Company, Fund or any Shareholder may suffer a tax, pecuniary, administrative or other disadvantage; and
- Where Shares are or may be held by a U.S. Person without the consent of the Directors, or otherwise in breach of any laws or regulations. Further details are given in Appendix III.

Acquisition of Shares in a Fund may take one of the following forms as specified in the Supplement to the Prospectus relating to that Fund:-

Lump sum investment

Investment may be made in the form of a lump sum investment. The minimum initial lump sum investment for the classes of Shares of a Fund will be specified in the Supplement to the Prospectus relating to that Fund. Additional investments in any Fund are not subject to a minimum.

Monthly Investment Plan

Monthly Investment Plans are applicable as specified in the Supplement to the Prospectus relating to that Fund. In the case of those Funds having both an Accumulator and Distributor Shares, the Monthly Investment Plan is applicable on Accumulation Shares only. The Dealing Day for Monthly Investment Plans is the 15th day of each month (or, if this is not a Business Day, the next Business Day thereafter).

Investment in a Monthly Investment Plan is to be made through a regular monthly contribution. Regular monthly contributions are subject to the minimum figure as specified in the Supplement to the Prospectus relating to that Fund and may be made in the Base Currency of the relevant Fund (or other currency equivalent).

A Monthly Investment Plan can be established by completing the relevant section of the Application Form, together with the investor arranging for a regular debit of his or her bank account which proceeds shall have to be received by the Administrator by not later than the 10th day of each month (or, if this is not a Business Day, the next Business Day thereafter). The Administrator will arrange for any such sums received in a currency other than the base currency of the relevant Fund to be converted into the Base Currency at prevailing exchange rates. Any payments received after that date will be invested in the next following month. Pending monthly contributions will be held in a designated client money account by the Investment Manager and will not accrue interest between the date of collection and the date of investment.

c. Contract Notes, Statements, Valuations and Share Certificates

Contract notes containing full details of the investment will be issued for Lump Sum investments only and normally will be dispatched within 48 hours of the Dealing Day on which the order to purchase shares is effected. In addition, investors will be sent, on a six monthly basis, a valuation of their holdings as at 30 June and 31 December.

Contract notes will be mailed to the registered address held at the Investment Manager's office, and in the case of joint holders, such delivery shall be deemed as sufficient delivery to all joint holders and shall discharge the Company of its obligation towards the other joint holder/s.

In the case of investments via a Monthly Investment Plan, contract notes will not be issued but investors will be sent every six months, as at 30 June and 31 December, a statement giving full details of the transactions made during the relative six-month period together with a valuation of such holdings as at these dates.

d. Registrations

All Shares will be registered and an entry in the Register of Shareholders will be conclusive evidence of ownership. No share certificates will be issued, unless specifically requested by lump sum investors only at the time of application. The uncertificated form allows the Administrator to effect redemption and switching instructions without delay and the Administrator therefore recommends that investors maintain their Shares in an uncertificated form.

If certificated Shares are requested, a Share certificate will be dispatched either to the investor or his nominated agent (at his risk) normally within 28 days of completion of the registration process.

Any change to a Shareholder's personal details, or loss of certificates must be notified to the Administrator immediately in writing. The Administrator reserves the right to request indemnity or verification before accepting such notification.

It is the obligation of the investor to ensure compliance with such Regulations.

e. ***Subscriptions in Specie***

The Company shall, at its option, be entitled to receive securities or other investments from a prospective Shareholder and to sell, dispose of or otherwise convert such securities or investments into cash and to apply such cash (net of any expenses incurred in the conversion) for the issue of Shares in the Company in accordance with the provisions of the Articles of Association of the Company, or to issue Shares in consideration thereof in accordance with applicable law and the conditions set out in the Articles of the Company.

4. Procedure to sell Shares

a. Redemption instructions

Shareholders may, at any time, irrevocably request via signed instructions to the Administrator, the redemption of their shares in any Fund.

Redemption instructions may be made on a Redemption Form or in writing in a form acceptable to the Administrator (including facsimile instructions, subject that such requests are followed by the original signed instructions) through licensed financial intermediaries or directly to the Administrator.

Partial sales of Shareholdings are acceptable provided the resultant value of the Shareholding does not fall below the minimum amount established for each Fund as specified in Supplement to the Prospectus relating to that Fund. The Administrator may, at its complete discretion, redeem a Shareholding with a value of less than such minimum holding. This right will normally be waived in the case of active Monthly Investment Plans.

Shareholders may not revoke or withdraw redemption instructions delivered to the Administrator, even if the Directors elect to exercise their power of deferral.

Depending on the amount/s redeemed, this may result in an overall erosion of the capital invested.

b. Cut off times for receipt of redemption instructions

Redemption instructions received at the Administrator's Office up to 4.00p.m. on a Dealing Day, if accepted by the Administrator, will be dealt at the prices calculated as at 1.00 p.m. on the following Dealing Day. Redemption instructions received at the Administrator's Office after 4.00p.m. on a Dealing Day as well as redemption instructions received on a Business Day which is not a Dealing Day, if accepted by the Administrator, will be dealt at the prices calculated as at 1.00 p.m. on the next following Dealing Day.

i. Payment of redemption proceeds

Payment of the redemption proceeds will be made by the Administrator in the Base Currency of the Funds, (or other major currency equivalent) within fourteen (14) Business Days of the relevant Dealing Day. Payment will be made by cheque payable to the registered holder or by bank transfer to an account held in the name of the registered holder as duly instructed in the redemption instructions. The Company or the Administrator shall not be responsible for any delay in transmission.

In the case of a share held jointly by two or more persons, the Administrator shall cause the redemption payment to be made to:

– in the case of payment by cheque, this will be made payable to any one or more of the joint holders as requested in the redemption instructions. Otherwise, the Administrator will make the cheque payable to all named holders up to a maximum of four such named holders;

– in the case of payment to an account, this will be made to the account held in the name of any one or more of the joint holders as requested in the redemption instructions.

Payment of the redemption proceeds as specified above shall be deemed as having been effected to all joint holder/s and shall discharge the Company of its obligation towards the other joint holder/s.

Any applicable bank charges will be borne by the registered holder/s.

c. Contract Notes

Contract notes containing full details of the redemption will be issued for both Lump Sum and Monthly Investment Plan redemptions. The Administrator will dispatch contract notes as soon as possible and in any case not later than fourteen (14) Business Days following the Dealing Day on which the order to sell is effected.

Contract notes and accompanying cheques (where applicable) will be mailed to the registered address held at the Administrator's office and, in the case of joint holders, such delivery shall be deemed as sufficient delivery to all joint holders and shall discharge the Company of its obligation towards the other joint holder/s.

d. Deferral of Redemption of Shares

The Directors may limit the total number of Shares that may be redeemed on any Dealing Day to 10% of the outstanding Shares in a Fund. In such an event, the Directors will reduce all valid redemption instructions pro rata to the number of Shares requested to be redeemed. The balance of such Shares will be redeemed on the next Dealing Day, subject to the Directors' same power of deferral until the original redemption instructions have been satisfied.

Shareholders may not revoke or withdraw redemption instructions delivered to the Administrator, even if the Directors elect to exercise their power of deferral.

e. Temporary Suspension of Redemption of Shares

The Directors shall have the power to suspend redemption of Shares for which redemption requests have been received if they should determine that the calculation of the Net Asset Value is not practicable or reasonable, or that redemption would involve the realisation of assets of the Fund which in the opinion of the Directors could, if realised at that particular moment in time, adversely affect and prejudice the interest of Shareholders in the Fund.

No issue of Shares will take place during any period when the redemption of Shares has been suspended.

Notice of the suspension of redemption will be given to any shareholder tendering his shares for redemption. The redemption will then take place on the first Dealing Day following the end of the suspension.

f. Redemption in Specie

The Company may, in circumstances where an investor has given instructions to redeem such number of shares in any of the Funds as would on the relevant Dealing

Day be equivalent to 5% or more of the Net Asset Value of that Fund, with the approval of the Custodian and the Investor, satisfy any such redemption instructions by the transfer to that Investor of assets of that Fund in specie.

In these circumstances the Company shall transfer to such investor that proportion of the assets of the Company which is then equivalent in value to the shareholding of the investor then requesting the redemption of shares, but adjusted as the Company may determine to reflect the liabilities of the Company.

The nature of the assets and the type of the assets to be transferred to an Investor in the afore-mentioned circumstances shall be determined by the Company on such basis as the Company, with the consent of the Custodian shall deem equitable and not prejudicial to the interests of both the remaining and outgoing investors. For the foregoing purpose the value of assets shall be determined on the same basis as used in calculating the Net Asset Value.

5. Procedure to Switch Shares

Switching of Shares is available between all Funds. Shareholders may switch Shares in any one Fund (the "Original Shares") into Shares in any other Fund (the "New Shares"), and are entitled to do so on any Dealing Day provided that the resultant value of the Shareholding for each Fund does not fall below the minimum established amounts as specified in the Supplement to the Prospectus relating to that Fund.

Shareholders are required to note that switching of shares from or to the Funds is also dependent on the terms applicable to the other Fund/s of the Company to be switched to or from.

Where applicable Shareholders may also switch Shares from one Share class (the "Original Shares") to another Share class (the "New Shares") within the same Fund.

Any switching request should specify the number of Shares to be switched.

On a switch between the Funds, where the initial fee applied on the New Shares is higher than that applied on the Original Shares, the Administrator will usually charge the New Shares the difference in initial fees between the Original Shares and the New Shares. The Investment Manager retains the right to apply up to the maximum initial fee on the New Shares.

Switching of the Original Shares comprised in a valid switching request shall be effected by the redemption of such Original Shares (save that the redemption monies shall not be released to the Shareholder) and the issue of New Shares, such redemption and issue taking place on the same Dealing Day at the dealing prices as described above.

a. Cut off times for receipt of switching instructions

Irrevocable switching instructions relating to the Shares in a Fund received at the Administrator's Office up to 4.00 p.m. on a Dealing Day, if accepted by the Administrator, will be dealt at the prices calculated at 1.00 p.m. on the following Dealing Day. Irrevocable switching instructions received at the Administrator's Office after 4.00 p.m. on a Dealing Day as well as irrevocable switching instructions received on a Business Day which is not a Dealing Day, if accepted by the Administrator, will be dealt at the prices calculated at 1.00 p.m. on the following Dealing Day.

b. Contract Notes

The Administrator will dispatch contract notes as soon as possible and in any case not later than 14 Business Days following the Dealing Day on which the order to switch is fully effected. New Share certificates, if requested, will only be issued on receipt of any Share certificate in respect of the Original Shares.

Contract notes will be mailed to the registered address held at the Administrator's office and, in the case of joint holders, such delivery shall be deemed as sufficient delivery to all joint holders and shall discharge the Company of its obligation towards the other joint holder/s.

c. Determination of the number of New Shares to be issued on switching

The number of New Shares to be issued on switching shall be determined by the Administrator in accordance (or as nearly as may be in accordance) with the following formula: -

$$NS = \frac{[A \times B \times C]}{D}$$

where:

NS = the number of New Shares which will be issued;

A = the number of Original Shares to be switched;

B = the redemption price of such Original Shares on the relevant Dealing Day;

C = the rate of exchange determined by the Administrator for switching the Base Currency of the Original Shares into the Base Currency of the New Shares, if applicable; and

D = the issue price of the New Shares on the relevant Dealing Day (including any commissions payable);

Upon a switch, the Administrator shall cause assets or cash representing the value of NS as defined above to be allocated to the class of Shares comprising the New Shares.

6. Dividend Distributions

a. Dividend Policy

The Directors shall calculate, at each "ex div date" as may be specified in the Supplement to the Prospectus relating to the Fund, the net income available for distribution, adjusted to reflect the re-allocation, if any, of part of the expenses against capital.

Any undistributed income will be reflected in the net asset value per share of the respective Fund.

b. Dividend payment dates

Where applicable, the Dividend Payment Dates will be specified in the Supplement to the Prospectus relating to the Fund.

c. Direct credits and ex div dates

Dividend payments shall be effected by the Administrator by means of a direct credit into a bank account held in the name of the registered holder as duly notified by the said holder in the payment instructions. In the case of a share held jointly by two or more persons, the Directors shall cause the dividend payment to be made into a bank account held in the name of any one or more of the joint holders, as duly instructed by the said holder/s, and dispatch of the dividend to the account of such holder/s shall be deemed as sufficient delivery to all and shall discharge the Company of its obligation towards the other joint holder/s. The Company shall not be responsible for any delay in transmission.

Any changes to the bank account details are to be notified to the Administrator by not later than the ex div dates mentioned below. If such changes are not notified to the Administrator by these dates or if it transpires to the Administrator that the bank account is not held in the name of the registered holder/s, the Administrator will reinvest such proceeds. Reinvestment will be made in accordance with the provisions specified below.

Only Shareholders listed on the Register of Shareholders on the relevant "ex div date" in each year shall be entitled to receive dividend payments in respect of the Funds.

All payments are subject in all cases to any pledge (duly constituted) of the Shares and to any applicable fiscal or other laws and regulations. In particular, but without limitation, all payments by the issuer in respect of the Shares shall be made net of any amount which the Company is compelled by law to deduct or withhold for or on account of any present or future taxes, duties, assessments or other government charges of whatsoever nature imposed or levied by or on behalf of the Government of Malta or authority thereof or therein having power to tax.

d. Dividend Warrants

A dividend warrant will be issued and will show all the payments effected during the year together with any final dividend which may be paid. The dividend warrant will bear a date falling after the end of the respective financial year to which the warrant relates.

e. Reinvestment option

Investors may elect to reinvest the dividend payments back into the Fund subject that written notification of reinvestment instructions is, (unless prior advised), received at the Administrator's Office by not later than the ex div dates mentioned above.

f. Dealing Days - Reinvestment Option

Reinvestment will normally be effected by not later than the second Dealing Day following the dividend payment date at the price prevailing on the respective Dealing Day.

g. Allocation of Income

In terms of the Memorandum and Articles of Association of the Company, the amount available for allocation in respect of a fund shall be a sum equal to the aggregate of the income received or receivable by the Company in respect of the Fund (whether in the form of dividends, interest or otherwise) during the Accounting Period, calculated in accordance with the Licence Conditions.

h. Equalisation

The Company shall operate an equalisation account to ensure that the amount distributed in respect of each Share will be the same for all Shares notwithstanding different dates of issue of those Shares. Accordingly, a sum equal to that part of the issue/redemption price of a Share, which reflects income (if any) accrued up to the date of issue/redemption, will be deemed to be an equalisation payment/ charge and credited (in the case of Share Issues)/ debited (in the case of redemptions) by the Directors to the equalisation account. Part of the first dividend to holders of Shares in respect of which equalisation payments are made, may be paid out of the equalisation account.

No equalisation in respect of a Fund's accumulated unrealised gains or losses will be effected.

i. Suspension of Dealing (All Funds)

The Directors have the power to suspend calculations of Net Asset Value in the circumstances set out in Appendix I. No issue, redemption or switching of Shares will take place during any period when the calculation of the Net Asset Value is suspended. The Directors reserve the right to delay payment of redemption proceeds to persons whose Shares have been redeemed prior to such suspension until after the suspension is lifted, such right to be exercised in circumstances when the Directors believe that to make such payment during the period of suspension would materially and adversely affect and prejudice the interest of continuing Shareholders. Notice of any suspension will be given to any Shareholder tendering his Shares for redemption. If the redemption instructions are not withdrawn the Shares will be redeemed on the first Dealing Day following termination of the suspension.

Notice of any suspension or postponement of the calculation of the Net Asset Value of any Fund will be published in a daily newspaper and such other newspapers as the Directors may from time to time determine and will also be notified to the Malta Stock Exchange, where applicable, and the MFSA without delay.

j. Listing

Shares in Funds existing at the time of the publication of the Prospectus are listed on the Malta Stock Exchange. Application may be made to the Malta Stock Exchange for the Shares in any other Fund of the Company to be admitted to the Official List thereof as and when the Shares following the Offer are allocated. The Directors may, at any time and at their sole discretion, decide to de-list the Shares on the Malta Stock Exchange. The Directors, at any time and at their sole discretion, may decide to apply to list the Funds on one or more stock exchanges.

The Shares are not listed and the Directors are not in the process of seeking admissibility to listing the Shares on any other recognised investment exchange (other than the Malta Stock Exchange).

7. MANAGEMENT AND ADMINISTRATION

The Board of Directors

Mr. Joseph Xuereb 33, L'Etoile, Triq L-Ghelejjeġ, Gudja ZTN14
Mr. Joseph Xuereb ACIB, IFS Associate (Maltese nationality) a Banker by profession, he is Head of Asset Management Division at APS Bank Ltd. He joined the Central Bank of Malta in 1979 occupying various roles at the dealing and investment department. In 1995 he joined APS Bank as Senior Manager Treasury Unit whereby he was responsible for all foreign currency dealing, all investment portfolios and asset liability management. Since 2000 he has occupied the post of Head Asset Management Division and is responsible for the Treasury Unit, the Investment Services Unit and the Portfolio Management Unit. He is also a member of a number of investment committees of organizations outside the banking sector.

Dr. Mario Felice 9 Bastion Square, Mdina MDN 1150
Dr Mario L Felice LL.D., (Maltese nationality) is a Notary Public by profession. He read law at the University of Malta, graduating as Doctor of Laws in 1981. For the past 11 years he has been lecturing at the University's Faculty of Laws on fiscal legislation in relation to immovable property. He has been the Company Secretary of APS Bank Ltd since 1999. He is also an elected member of the Council of Europe's Committee for the Prevention of Torture and Inhuman or Degrading Treatment or Punishment (CPT).

Mr. George Cassola 96 St Francis Street Balzan BZN 1424
Mr George Cassola BA (Hons) Accountancy, MIMIS, FIA, CPA (Maltese nationality) is an Accountant by profession. Retired from full-time employment in 2006, now acting as a part-time freelance business consultant. Throughout his 40-year career he has held senior management posts in taxation, IT, auditing, banking and finance. He holds a first class honours degree in accountancy from the University of Malta and a warrant to practise as accountant and auditor. For the past 20 years he has been lecturing in Computer Auditing at the University of Malta. He has been active in literary and language organisations and in 2002 published a dictionary of accounting terms in Maltese.

The Investment Manager

By an agreement dated 1st February 2008 the Company has appointed APS Bank Limited as the Scheme's Investment Manager

APS Bank, whose registered office is at 20, St. Anne Square, Floriana, FRN 9020 is wholly owned by the Catholic Church in Malta. It is licensed to conduct commercial banking and investment services business by the Malta Financial Services Authority and is enrolled as a tied insurance intermediary for Middle Sea Valletta Life Assurance.

The Bank specialises in retail and community banking, offering its services through a number of strategically sited branches, automated teller machines and internet banking. APS Bank is licensed by the MFSA to provide investment management services.

The Management Agreement contains provisions whereby the Investment Manager shall not be liable to the Company or any investor in the Company or otherwise for any error of judgment or for any loss suffered by the Company or any such investor in

connection with the subject matter of this Agreement or in the course of the discharge of the Manager's functions.

More details on APS bank may be viewed by visiting its website at www.apsbank.com.mt.

Custodian

By an agreement dated 1st February 2008 the Company has appointed Bank of Valletta p.l.c. (registered address: BOV Centre, Cannon Road Santa Venera SVR 9030, Malta) as the Custodian. The Custodian is entitled to receive a fee from the Company, details of which are given in the section under the heading "Charges and Expenses" and to receive reimbursement from the Company of all its out-of-pocket expenses, as per the Custodian Agreement.

The Custodian Agreement contains provisions whereby the Company agrees to indemnify the Custodian against actions and claims not arising from bad faith, fraud, and failure to perform its obligations or improper performance thereof on the part of the Custodian. In the absence of the foregoing, the Custodian will not be liable to the Company or any investor. The Custodian and the Company are entitled to terminate the agreement by giving six months notice to the other in writing to expire at any time. The Custodian Agreement may also terminate or be terminated, without notice, upon the occurrence of specified events, including the insolvency of the Custodian or the Company and the material breach of obligations under the Agreement.

Bank of Valletta is licensed by the MFSA to provide such services.

The Administrator and Company Secretary

By an Agreement dated 1st February 2008, the Scheme appointed Valletta Fund Services Limited as Administrator to perform certain administrative functions and services in relation to the Funds. Valletta Fund Services Limited is a limited liability company, registered in Malta on the 27 September 2006 under Registration Number C39623, and having its registered office at Level 6, The Mall Offices, The Mall, Floriana VLT 16, Malta. The Administrator is recognised to provide fund administration services by the Malta Financial Services Authority.

The Administration Agreement contains provisions whereby, in calculating the net asset value, the Administrator will not be liable for any loss suffered by the Company, the Investment Manager, the Custodian or any Shareholder and/or third party by reason of any error thereto resulting from any inaccuracy or incorrectness in the information provided to the Administrator by the Company or any delegate thereof.

The Administrator shall also be entitled to terminate this Agreement by notice in writing to the Company.

The Administrator is a wholly owned subsidiary of Bank of Valletta p.l.c. The Administrator acts as an administrator to various other collective investment schemes licensed in Malta.

As of the 1st February 2008, the Company appointed Valletta Fund Services Limited as Company Secretary.

8. CONFLICTS OF INTEREST & DEALING BY DIRECTORS

The Directors, the Investment Manager, the Administrator, the Custodian, other companies within their respective groups and their officers and major Shareholders are or may be involved in other financial, broking, investment or other professional activities which, in the course of their business, will on occasion give rise to conflicts of interest with the Company. In such circumstances, such persons will have appropriate regard to their respective obligations under the agreements appointing them to act in the best interests of the Company, so far as practicable having regard to their obligations to other clients or schemes, when potential conflicts of interest may arise. Having regard to these obligations, the Company may buy investments from or sell investments to such persons, provided that such dealings are at an arm's length basis and on terms no less favourable to the Company than could reasonably have been obtained had the dealing been effected with an independent third party. Such persons may also hold Shares in the Company. Should a conflict of interest arise, the Directors will endeavour to ensure that it is resolved fairly and that the Company shall not be disadvantaged.

The Company has adopted internal rules regarding dealings in Shares by the Directors whereby such persons are precluded from dealing in the Shares, as and when such Shares are admitted to the Official List of the Malta Stock Exchange, at a time when they are in possession of price-sensitive information.

9. CHARGES AND EXPENSES

Remuneration of the Investment Manager

The Investment Manager will receive a management fee equivalent to a percentage per annum of the Net Asset Value of each Fund (or the Net Asset Value attributable to each class of Shares, where applicable) as specified in the Supplement to the Prospectus relating to the Fund, payable quarterly in arrears on the last Dealing Day of the quarter. The management fee may be increased for any Fund with the agreement of the Company on giving notice to the Shareholders in that Fund. Any VAT, or other tax having a similar effect, which maybe or may become payable on the management fee shall be at the charge of the Company.

Remuneration of the Administrator

The Administrator will receive an administration fee equivalent to a percentage per annum of the Net Asset Value of each Fund (or the Net Asset Value attributable to each class of Shares, where applicable) as specified in the Supplement to the Prospectus relating to the Fund, payable quarterly in arrears on the last Dealing Day of the quarter. The administration fee may be increased for any Fund with the agreement of the Company on giving notice to the Shareholders in that Fund. Any VAT, or other tax having a similar effect, which maybe or may become payable on the administration fee shall be at the charge of the Company.

Remuneration of the Custodian

The Custodian will receive, for safe keeping of the assets of each Fund and other services, a custody fee at varying rates based on the value of the assets of each Fund as specified in the Supplement to the Prospectus relating to the Fund. The custody fee may be increased or decreased for any Fund by written agreement between the Company and the Custodian on giving notice to shareholders in the relevant Fund. Currently the custody fee payable to the Custodian is equivalent to the percentage per annum of the Net Asset Value of each Fund, as specified in the table below (subject to a minimum, if any, as indicated) payable monthly in arrears on the last Dealing Day of the month. Any VAT, or other tax having a similar effect, which may be or may become payable on the custodian fees shall be at the charge of the Company.

Remuneration of Directors

The Directors of the Company shall receive for their services such remuneration as may be determined by the Company in the General Meeting from time to time subject to a maximum of EURO (€) 30,000 per annum in aggregate. In addition, each Director may be paid reasonable travelling, hotel and other incidental expenses incurred in attending Meetings of the Directors and General Meetings of the Company. It is anticipated that in the first financial period of the Company such Directors' remuneration will amount to EURO (€) 4,500 in aggregate.

Audit and Legal Fees

Audit fees shall be agreed between the Investment Manager and the Auditors. Legal fees shall be agreed between the Investment Manager and the legal advisors and will be negotiated on a time-spent basis. Audit and legal fees will be paid out of the property of the Company. Any unrecoverable VAT, which may be incurred thereon, shall also be at the charge of the Company.

Other Expenses

The Investment Manager, the Administrator and the Custodian are entitled to recover reasonable out-of-pocket expenses, incurred in the performance of their duties, out of the assets of the Funds.

The Company shall bear the following expenses, save to the extent that such expenses may be waived or otherwise discharged by any other person and not recovered from the Company:

- All taxes and expenses which may be incurred in connection with the acquisition and disposal of the assets of the Company;
- All taxes which may be payable on the assets, income and expenses chargeable to the Company;
- All brokerage, bank and other charges incurred by the Company in relation to its business transactions (including charges in relation to any borrowing by the Company);
- All fees and expenses due to any valuer, dealer, distributor or other supplier of services to the Company;
- All expenses incurred in connection with the publication and supply of information to the Shareholders and, in particular, without prejudice to the generality of the foregoing, the cost of printing and distributing the annual reports, the interim reports, any report to the MFSA or any other regulatory authority, or any other reports, any prospectus, marketing or promotional materials, the costs of publishing quotations of prices and notices in the press and the costs of obtaining a rating for the Shares of the Company by a rating agency and all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates and statements;
- All expenses incurred in the registration of the Company with any government agencies or regulatory authorities in any jurisdiction where registration is available or necessary and all expenses incurred in having the Shares of the Company listed or dealt on any stock exchange or any other regulated market;
- All expenses arising in respect of legal or administrative proceedings;
- All expenses incurred in connection with the operation, promotion and management of the Company, including, without limitation to the generality of the foregoing, all Directors' fees and costs, all costs incurred in organising Directors' and Shareholders' meetings and in obtaining proxies in relation to such meetings, costs incurred in keeping the register of Shareholders, costs of any translations, all insurance premiums and association membership dues and all non-recurring and extraordinary items of expenditure as may arise; and
- Any unrecoverable VAT which may be incurred on any of the above shall also be at the charge of the Company.
- All settlement, transaction fees and out-of-pocket expenses incurred by the Custodian in connection with global custody services provided in relation to the relevant Fund.

- All expenses relating to transaction and safe custody fees incurred by the Custodian in relation to global custody services.

Where such costs and expenses are attributable to a particular fund, they will be charged to that Fund. Where costs and expenses relate to matters common to more than one fund the Directors are entitled, under the Articles, to apportion these costs and expenses pro rata to the Net Asset Value of each relevant Fund at that time.

All expenses shall be charged either against income or against capital as the Directors shall determine.

The costs and expenses incurred in the issue of Shares of each Fund, including the costs incurred in connection with the preparation of the Prospectus and the Supplements thereto relating to one or more Fund and all legal and printing costs, as well as the costs incurred in respect of all marketing material, are paid out of the assets of each respective Fund. These costs and expenses are charged to the respective Fund in accordance with the rules laid down by the Companies Act, Cap 386 of the Laws of Malta.

10. TAXATION

General

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation applicable to the acquisition, holding and disposal of Shares as well as distributions, if any, made by the Company.

The following is a summary of the anticipated tax treatment applicable to the Company and to its Shareholders in Malta. (This information, which does not constitute legal or tax advice, refers only to Shareholders who do not deal in securities in the course of their normal trading activity).

The information below is based on tax law and practice applicable at the date of this Prospectus. Shareholders of the Company are reminded that tax law and practice and the levels of tax relating to the Company, its Funds and the Shareholders, may change from time to time.

The Company

The tax regime for collective investment schemes is based on the classification of funds into prescribed or non-prescribed funds in terms of the conditions set out in the Collective Investment Schemes (Investment Income) Regulations, 2001 (relevant classification as at the date of this Prospectus of each of the sub-funds of the Company is found below). In general, a prescribed fund is defined as a resident fund which has declared that the value of its assets situated in Malta amounts to at least eighty-five percent of the value of the total assets of the fund.

In respect of funds which are classified as non-prescribed funds, a tax exemption at the fund level applies on all the income/capital gains (except for income from immovable property situated in Malta, if any).

Investment income (other than investment income paid by another licensed collective investment scheme) as defined in the Income Tax Act received by a prescribed fund is subject to a withholding tax and such income cannot be received by the fund gross of tax. The applicable rate of withholding tax is currently 15% on local bank interest and 10% on investment income other than local bank interest. The Company (whether in respect of prescribed or non-prescribed funds) is not entitled to a credit or to a refund of any tax at source deducted from income received by the Company. Other income and capital gains (except for income from immovable property situated in Malta, if any) are tax exempt in the hands of prescribed funds.

In respect of both prescribed and non-prescribed funds, capital gains, dividends, interest and any other income from foreign securities held by the Company may be subject to tax imposed by the country of origin concerned and such taxes may not be recoverable by the Company or its Shareholders.

The Shareholders

Capital gains realised on transfers or redemptions by non-residents (covered by the relevant exemption) of Shares in the Company, are exempt from tax in Malta.

Capital gains realised by resident shareholders of the Company on the redemption, liquidation, or cancellation of units in resident non-prescribed funds may be subject to a 15% final withholding tax and the obligation to deduct such tax at source lies on the Company. However the resident shareholder has the option to request the Company not to effect the deduction of the said 15% withholding tax in which case the investor would be required to declare the gains in his income tax return and will be subject to tax at the normal rates.

Switching of units from a non-prescribed sub-fund to another sub-fund (whether prescribed or non-prescribed) of the same collective investment scheme constitutes a taxable transfer for income tax purposes. However no tax is chargeable at the point of the switch. When switched securities are eventually disposed of, the calculation of the taxable gains will take into account any chargeable gains or allowable losses arising from all intermediate switches as well as from the final transfer.

Capital gains realised on direct transfers (if any) to third parties of securities in non-prescribed funds must be declared by the transferor in his tax return and tax is charged thereon at normal rates, so however that on an eventual redemption, the gain on redemption is calculated without reference to the direct intermediate transfer.

Capital gains realised by resident investors by way of a transfer or redemption of shares in prescribed funds, would be exempt for as long as the Shares are listed on the Malta Stock Exchange.

In respect of the non-prescribed Funds that distribute an income, distributions of dividends from the Company's distributable profits, whether these are reinvested or otherwise, to Shareholders (both individual and corporate) who are both domiciled and ordinarily resident in Malta for tax purposes are chargeable to tax under Maltese law. Unless otherwise exempt, the same applies for persons having any one of these attributes missing, to the extent that dividends from the Company are received by them in Malta.

In terms of the Income Tax Act, dividends from Malta source taxed profits, Malta source profits which are exempt from tax up to the level of the ultimate shareholder, or profits received by the Company from the foreign income account of another Maltese company should, *inter alia*, not be subject to a withholding tax or to further tax in the hands of the Shareholders.

Distributions from the Company's Untaxed Account to a Maltese resident person (other than a person) or to a non-resident person who is owned and controlled by, directly or indirectly, or who acts on behalf of a person who is ordinarily resident and domiciled in Malta should, *inter alia*, be subject to a withholding tax of 15%. This withholding tax should be deducted by the Company and the dividend would be passed on to the Shareholders net of the tax. The Maltese resident individual investor may opt to declare such dividends paid from the Untaxed Account of the Company in his/her income tax return and in that case the 15% withholding tax would be available as a credit (or a refund, as the case may be) against the individual's tax liability.

Distributions from the Company's equalisation reserve are treated as dividends for income tax purposes and are likely to be subject to a withholding tax of 15% when paid to a Maltese resident person (other than a company). The Maltese resident individual investor has the option to declare such a dividend in his/her income tax return with the 15% withholding tax being available as a credit (or a refund, as the case may be) against the individual's tax liability.

Classification of funds into prescribed and non-prescribed funds

The Funds are classified as "Prescribed" or "Non Prescribed" funds in terms of the Collective Investment Schemes (Investment Income) Regulations, 2001 as specified in the relevant Supplements to the Prospectus relating to the Funds.

11. GENERAL INFORMATION

1. Share Capital

The authorised Share capital of the Company is 500,001,200 Shares with no nominal value, which may be issued as Shares of any class representing any Fund.

The paid up Share capital of the Company shall at all times be equal to the Net Asset Value of the Funds as determined in accordance with the Articles.

All Shares are in registered form and Share certificates will not be issued unless a Shareholder so requests.

The Directors shall be entitled to issue fractional shares to three decimal places. The Company may issue fractional shares in accordance with the articles and regulations prescribed from time to time. Fractional shares issued by the Company shall have no voting rights.

The Directors shall exercise all the powers of the Company to allot or issue Shares in the Company. The maximum number of Shares which may be allotted or issued by the Directors shall not exceed the amount of 500,000,000 Shares, provided, however, that any Shares which have been repurchased shall be deemed never to have been issued for the purpose of calculating the maximum number of Shares which may be issued.

The initial issued share capital of the Company is Euro 1200 divided into 1200 shares with no nominal value (the "Founder Shares") which shares shall constitute a separate class of shares, being the Founder shares, but which shall not constitute a distinct Fund or a class of shares in a Fund. APS Bank Ltd. has subscribed to 1199 Founder Shares and AROM Holdings Ltd. has subscribed to 1 Founder Share. The Founder Shares are fully paid up.

The Directors have delegated to the Investment Manager the duties of accepting the subscription for, receiving payment for and allotting or issuing new Shares.

No person shall be recognised by the Company as holding any Shares on trust and the Company shall not be bound by or recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Shares or (except only as otherwise provided herein or as may be required by law) any other right in respect of any Share, except an absolute right of title thereto in the registered holder. Nothing in the foregoing shall be construed as prohibiting the Company from recognising and/or acknowledging a pledge on its Shares.

The Directors shall not be bound to register more than four persons as joint holders of any Share or Shares. In the case of a Share or Shares held jointly by several persons, the Directors shall not be bound to issue more than one written confirmation of ownership or Share certificate (if requested) for a Share or Shares and the delivery thereof to the first named of several joint holders shall be sufficient delivery to all.

2. Characteristics of the Shares

a. Classes

With the prior approval of the MFSA, the Directors may, from time to time, establish further Funds by the issue of separate classes of Shares of the Company on such terms as the Directors may resolve. Details of these Funds will be included in the relevant Supplement to the Prospectus relating to that Fund.

b. Voting Rights and Class Meetings

Rules for the calling and conduct of meetings of Shareholders are contained in the Articles. All Shares in the Company shall entitle their holder to receive notice, to attend and vote at general meetings of the Company. At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the Chairman, by any five (5) Shareholders or by any Shareholders present representing at least one tenth in number or value of the Shares in issue having the right to vote at the meeting. On a show of hands every Shareholder, whether present in person or by proxy, shall be entitled to one vote. On a poll every Shareholder who is present in person or by proxy has one vote for every complete undivided Share in the property of the relevant Fund. A holder entitled to more than one vote need not, if he votes, use all his votes or cast all the votes he uses in the same way. Fractional Shares and lightweight Shares (if any) shall not carry any voting rights. The voting rights of Shareholders described above apply to class meetings for each Fund as well as to the Company as a whole. The rights attaching to any class or classes of Shares constituting a Fund may only be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of the Shares of that class. The quorum at any class meeting or general meeting for the variation of class rights shall be Shareholders present in person or by proxy together holding at least one-third of the Shares of the relevant class.

c. Segregated Assets

The assets and liabilities of each Fund shall be treated for all intents and purposes of law as a patrimony separate from the assets and liabilities of each other Fund. Accordingly, the liabilities incurred in respect of each Fund shall be paid out of the assets forming part of the patrimony of such Fund. In the event that the liabilities of a particular Fund exceed its assets, then the proportion of liabilities in excess of the assets shall not be allocated to the other Funds. The creditors of that Fund whose liabilities exceed its assets shall have no claim or right of action against the assets of the other Funds and of the Company. In terms of Maltese law, the legal status of each Fund as a patrimony separate from the assets and liabilities of each other Fund shall be respected in any proceedings which may be instituted in terms of the Companies Act when such proceedings either relate to the dissolution and consequential winding-up of the Company or its reconstruction. Furthermore the proceedings which may be instituted under the Companies Act relating to dissolution and consequential winding-up of companies and company reconstructions shall apply in the same way to each Fund as though it were a distinct legal entity and with such modifications as are necessary in view of the fact that a Fund is not a company. Any such proceedings in relation to any one Fund shall not have any effect on the assets of any other Fund or of the Company. The Directors shall hold or shall cause to be held such separate accounts, records, statements and other documents as may be necessary to evidence the liabilities and

assets of each Fund as distinct and separate from the assets and liabilities of all the other Funds.

d. Winding Up

The Company and the Funds have been incorporated for an indefinite period and unless closed or liquidated as hereunder described will exist in perpetuity.

- Of a Fund

Apart from the rules applicable to the closure of a Fund which are outlined in the Articles of Association of the Company a Fund may be wound up and dissolved either voluntarily or under supervision or by the court. Upon the winding up or dissolution (whether the liquidation is voluntary or under supervision or by the Court) of any Fund, the assets of such Fund available for distribution (after satisfaction of creditors' claims) amongst the Shareholders of such Fund shall be distributed to the Shareholders of such Fund pro rata to their respective shareholding. Amounts which have not been claimed by Shareholders at the close of the liquidation of any Fund will be deposited in an account in the Shareholder's name with a trustee selected by the liquidator.

- Of the Company

Subject to all Funds in the Company being closed, the Company may be dissolved and wound up either voluntarily or under supervision or by a competent Court. The Company may be placed in voluntary liquidation at any time by an extraordinary resolution adopted by the shareholders of the company in the same manner as that required for amending the Articles. Any voluntary liquidation of the Company shall be carried out pursuant to applicable Maltese laws and the Articles of the Company. Any proceedings in relation to the Company shall respect the legal status of each Fund as a patrimony separate from the assets and liabilities of each other Fund and proceedings under the Companies Act shall apply mutatis mutandis to each Fund as though it were a distinct legal entity and with such modifications as are necessary to accommodate the fact that a Fund is not a company.

Any proceedings in relation to any one Fund shall not have any effect on the assets of any other Fund or of the Company itself. The term 'proceedings' as used herein refers to any proceedings in terms of Title II of Part V and of Part VI of the Companies Act.

e. Mandatory Redemption

The Company may mandatorily redeem all outstanding Shares where the Net Asset Value of the Shares in the Company or any Fund falls below EUR 2,000,000 (or its equivalent).

f. Annual and Interim Reports

Audited Annual Reports shall be published within four months following the end of the accounting year and unaudited Interim Reports shall be published within two months following the period to which they refer. Copies of the latest Annual and Interim Reports are available free of charge, on request, at the registered office of the Company, APS Bank Limited branches and other financial intermediaries as listed in Appendix IV of this document. In addition, Annual Reports will be sent to each shareholder at the address shown in the register of shareholders.

The Company's accounting year ends on the 31 December in each year. The first Audited Annual Report of the Company will be drawn as at 31 December, 2008.

The reference currency of the Company is the Euro. The aforesaid reports will comprise consolidated accounts of the Company expressed in Euro as well as individual information on each Fund expressed in the Base Currency of that Fund.

g. Exchange Control

There are no restrictions currently in force on external capital transactions involving the issue, sale or purchase of Shares in a collective investment scheme. However, applicants for Shares must ensure and take full responsibility to comply with any controls or restrictions, if any, including the submission of any relevant forms or other documents to the authorities concerned, as may be imposed from time to time.

No exchange control clearance is required for non-residents of Malta wishing to invest in the Company. For the purposes of compliance with exchange control requirements the Investment Manager shall require a declaration of non-residence with each application from such investors.

All non-resident Investors wishing to invest in the Shares of the Company should be aware of any requirement to comply with exchange control regulations from time to time in force in their country of residence or domicile regulating investments in instruments denominated in a foreign currency. It is each Investor's obligation, and neither the Company's nor the Investment Manager's, to ensure that all applicable exchange control requirements are duly complied with.

h. Communications and Notices

The Company will provide most of its documentation in English. Shareholders may communicate with the Company or the Investment Manager in English or Maltese.

Any notice or other document to be served on any Shareholder, if served by post, shall be deemed to have been served 24 hours after the time when the letter containing the same is posted and in proving such service it shall be sufficient to prove that the letter containing the notice or document was properly addressed, stamped and posted.

i. Complaints and Protection

In the event that more information is required or there are any concerns or complaints, one is to contact the Investment Manager at APS Bank Limited, APS House 20, St. Anne Square, Floriana, FRN 9020, Malta or call on 21226644. The Investment Manager will proceed to investigate any such query or complaint promptly and will reply in writing as soon as possible. If the Investment Manager's reply is not deemed to be satisfactory, recourse can be had to the Consumer Complaints Manager at the Malta Financial Services Authority, Notabile Road, Attard BKR3000 or on Tel.: 8007 4924. More information may be obtained from www.mfsa.com.mt/consumer. Recourse to the Consumer Complaints Manager is without prejudice to any legal rights.

Protection may be available where the Investor Compensation Scheme Regulations, 2003 as amended find application. Responsibility for determining whether the Investor Compensation Scheme is applicable rests with the Malta Financial Services Authority.

j. General

The Company has not since its incorporation been engaged in, or is currently engaged in, any legal or arbitration proceedings and no legal or arbitration proceedings are known to the Directors to be pending or threatened by or against the Company.

The Company does not have, nor has it had since incorporation, any employees.

Save as disclosed above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company. The Directors are not required to hold any qualification Shares. There is no age limit at which the Directors are required to retire.

At the date of this Prospectus, the Company has no liabilities under acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

The following Directors of the Company and the Investment Manager have disclosed the following interests:

Mr. Joseph Xuereb who is a Director of the Company is also Head of Asset Management of APS Bank Limited. APS Bank Limited is the Investment Manager of the assets of the Company.

Dr. Mario Felice, of 9 Bastion Square, Mdina MDN 1150, is also company secretary to APS Bank Ltd.

Mr. George Cassola, of 96 St Francis Street Balzan BZN 1424 was previously employed by APS Bank as Head Finance.

(H) Documents for inspection

The following documents shall be available for inspection at the offices of the Investment Manager, during normal business hours:

- Memorandum and Articles of Association of the Company;
- A copy of the Custodian Agreement, the Administrator Agreement, the Management Agreement, and the relevant Supplementary Agreements.
- A copy of the list of regulated collective investment schemes and copies of the respective scheme particulars/ prospectuses to which reference is made in this Prospectus.
- Copies of the most recently published Annual and Interim Financial Statements of the Company.

APPENDIX I

Determination of the Net Asset Value

The Company shall on each Dealing Day determine the Net Asset Value of each class of shares in the Company, which shall be the value of the Fund's assets less its liabilities divided by the number of Shares in issue. The Net Asset Value shall be expressed in the Base Currency (the currency in which the Shares of a Fund are designated or in such other currency as the Directors may determine) as a per Share figure for each class of Shares in issue (rounding down to up to the fourth significant figure of the relevant Base Currency) and shall be determined for each Dealing Day in accordance with the Articles.

There shall be established a pool of assets for each Fund in the following manner:

(i) The proceeds from the issue of Shares representing a Fund shall be applied in the books of the Company to that Fund, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions hereof;

(ii) Where any asset is derived from another asset, such derivative asset shall be applied in the books of the Company to the same Fund as the assets from which it was derived and in each valuation of an asset, the increase or diminution in value shall be applied to the relevant Fund;

(iii) Where the Company incurs a liability which relates to any asset of a particular Fund or to any action taken in connection with an asset of a particular Fund, such a liability shall be allocated to the relevant Fund;

(iv) Where an asset or a liability of the Company cannot be considered as being attributable to a particular Fund, such asset or liability, subject to the approval of the Custodian, shall be allocated to all the Company pro-rata to the Net Asset Value of each Fund;

Provided that all liabilities irrespective of the Fund to which they are attributable, shall (in the event of a winding up of the Company), unless otherwise agreed upon with the creditors, be borne by the Company as a whole and provided further that when issuing a class of Shares in regard to any Fund, the Investment Manager may allocate commission, duties and charges and ongoing expenses on a basis which is different from that which applies in the case of Shares in other Funds.

Provided further that the assets and liabilities of each Fund of the Company shall be treated, for all intents and purposes of law, as a patrimony separate from the assets and liabilities of each other Fund of the Company.

Suspension of the Determination of the Net Asset Value

The Investment Manager at any time may, but shall not be obliged to, temporarily suspend the determination of the Net Asset Value and the sale and redemption of Shares in any Fund, in the following instances: -

(i) During any period (other than holiday or customary weekend closings) when any market is closed which is the main market for a significant part of the investments, or in which trading thereon is restricted or suspended; or

(ii) During any period when an emergency exists as a result of which disposal by the Company or any Fund of investments which constitute a substantial portion of the Company's or any Fund's assets is not practically feasible; or

(iii) During any period when for any reason the prices of investments cannot be reasonably, promptly or accurately ascertained by the Investment Manager; or

(iv) During any period when remittance of monies which will, or may, be involved in the realisation of, or in the payment for, investments cannot, in the opinion of the Investment Manager, be carried out at normal rates of exchange; or

(v) During any period when the proceeds of sale or redemption of Shares in the Company cannot be transmitted to or from the Company's account.

It is a condition of the Company's investment services licence that the MFSA may request the Company to suspend the Determination of the Net Asset Value.

The Investment Manager may elect to treat the first Dealing Day on which the conditions giving rise to the suspension have ceased as a substitute Dealing Day in which case the Net Asset Value calculations and all sales and redemptions of Shares shall be effected on the substitute Dealing Day.

Any such suspension shall be published by the Investment Manager in at least one local newspaper approved by the MFSA and the Custodian. The Investment Manager shall also inform in any manner it may deem appropriate the persons who have made an application to the Investment Manager for the purchase, redemption or switching of Shares in the Company. Any suspension shall be immediately notified to the MFSA and the Malta Stock Exchange by the Investment Manager.

APPENDIX II

Valuation of Assets

The Articles of Association provide that the value of the assets comprised in a Fund shall be ascertained on the following basis:

(A) The value of any investment quoted, listed or normally dealt in on or under the rules of any stock exchange or other regulated market considered by the Investment Manager to provide a satisfactory market for the securities in question (a "Regulated Market") shall be calculated by reference to the price appearing to the Directors to be the latest available dealing price or (if bid and offered quotations are made) the latest available middle market quotation on such Regulated Market provided that: -

(i) If an investment is quoted, listed or normally dealt in on or under the rules of more than one Regulated Market, the Directors shall adopt the price or, as the case may be, the middle quotation on the Regulated Market which, in their opinion, provides the principal market for such investment;

(ii) In the case of any investment which is quoted, listed or normally dealt in on or under the rules of a Regulated Market but in respect of which, for any reason, prices on that Regulated Market may not be available at any relevant time, the value thereof shall be determined by such professional person as may be appointed for such purpose by the Directors;

(iii) The Directors shall not be under any liability by reason of the fact that a value reasonably believed by them to be the latest available price or, as the case may be, middle quotation for the time being may be found not to be such; and,

(iv) There shall be taken into account interest accrued on interest-bearing investments up to the date at which the valuation is made unless such interest is included in the price or quotation referred to above.

(B) The value of any investment which is not quoted, listed or normally dealt in on or under the rules of a Regulated Market shall be the initial value thereof ascertained as hereinafter provided or the value thereof as assessed on the latest revaluation thereof made in accordance with the provisions hereinafter contained. For this purpose: -

(i) The initial value of such an Investment shall be the amount expended out of the Fund in the acquisition thereof (including in each case the amount of the stamp duties, commissions and other expenses incurred in the acquisition thereof and the vesting thereof in the Company for the account of a Fund); and

(ii) The Directors may at any time cause a revaluation to be made of any such investment by such professional person as may be appointed for such purpose by the Directors.

(C) The value of each unit or Share in any collective investment scheme which provides for the units or Shares therein to be realised at the option of the Shareholder out of the assets of that scheme shall be the last published net asset value per unit or Share or (if bid and offer prices are published) at a price midway between the last published bid and offer prices applicable to the scheme;

(D) Cash, deposits and similar property shall be valued at their face value (together with accrued interest) unless, in the opinion of the Directors, any adjustment should be made;

(E) Property other than investments and futures contracts shall be valued in such manner and at such time or times as the Directors shall from time to time determine;

(F) Notwithstanding any of the foregoing sub-paragraphs, the Directors may adjust the value of any investment or other property or permit some other method of valuation to be used if it considers that in the circumstances (including without limitation a material volume of subscription or redemptions of Shares in any Fund; or the marketability of the investments or other property; or such other circumstances as the Directors deem appropriate) such adjustment or other method of valuation should be adopted to reflect more fairly the value of such investment or other property;

(G) Every Share allotted by the Company shall be deemed to be in issue and the relevant Fund shall be deemed to include the net amount of any cash or other property to be received in respect of each such Share;

(H) Where, in consequence of any notice or redemption request duly given, a reduction of any Fund by the cancellation of Shares has been or is to be effected but payment in respect of such reduction has not been completed, the Shares in question shall be deemed not to be in issue and any amount payable in cash or investments out of the Fund in pursuance of such reduction shall be deducted;

(I) Where any investment or other property has been agreed to be acquired or realised but such acquisition or disposal has not been completed, such investment or other property shall be included or excluded, as the case may be, and the gross acquisition or net disposal consideration excluded or included as the case may require as if such acquisition or disposal had been duly completed;

(J) There shall be included in the assets an amount equal to all such costs, charges, fees and expenses as the Directors may have determined to amortise less the amount thereof which has previously been or is then to be written off;

(K) Where an amount in one currency is required to be converted into another currency the Directors may effect such conversion using such rates as the Directors shall determine at the relevant time except where otherwise specifically provided therein;

(L) There shall be deducted from the assets such sum in respect of tax (if any) as in the estimate of the Directors will become payable in respect of the current accounting period;

(M) There shall be deducted from the value of any investment in respect of which a call option has been written the value of such option calculated by reference to the latest available dealing price on a Regulated Market or (if bid and offered quotations are made) middle quotation on such Regulated Market or if no such price is available the value thereof shall be determined by such professional person as may be appointed for such purpose by the Directors;

(N) Where the current price of an investment is quoted, ex dividend or interest, there shall be added to the assets a sum representing the amount of such dividend or interest receivable by the Company but not yet received;

(O) There shall be added to the assets the amount (if any) available for allocation in respect of the last preceding accounting period of the Company but in respect of which no allocation has been made;

(P) There shall be deducted from the assets the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable including outstanding borrowings and accrued interest on borrowings (if any) but excluding liabilities taken into account in sub-paragraph (J) above.

Notwithstanding the foregoing the Directors shall be entitled to value the Shares of any company using the amortised cost method of valuation, whereby the investments of the Company are valued at their cost of acquisition, adjusted for amortisation of premium or accretion of discount on the investments, rather than at the current market value of the investments.

Pursuant to the Management Agreement the Directors have delegated their function in connection with the calculation of the Net Asset Value to the Investment Manager.

APPENDIX III

Qualifying Shareholders

The Articles provide that:

1. No Shares shall be allotted or issued to or transferred to or be beneficially owned by any U.S. Person except with the consent of the Directors. Each subscriber for Shares shall be required to certify whether he is acquiring such Shares on behalf of, or for the benefit of, a U.S. Person and that such subscriber will not sell or offer to sell or transfer, pledge or otherwise assign such Shares in the United States or to, or for the benefit of, a U.S. Person without the consent of the Directors. No transfer of Shares shall be recorded on the Register (except with the consent of the Directors) unless: -

(i) The seller shall certify to the Company that such sale is not being made directly or indirectly to a U.S. Person; and

(ii) The purchaser shall certify to the Company that he/she is not acquiring such Shares on behalf of or for the benefit of, a U.S. Person.

2. The Directors shall have power (but shall not be under any duty) to impose such restrictions (other than a restriction on transfer which is not expressly referred to in the Articles) as they may think necessary for the purpose of ensuring that no Shares are acquired or held by any person as described in paragraph 1 above or paragraph 5 below.

3 The Directors may upon an application for Shares or on a transfer or transmission of Shares or at any other time and from time to time require such evidence or declarations to be furnished to them in connection with the matters stated in paragraphs 1 and 5 as they shall in their discretion deem sufficient.

4 If a person becomes aware that he is holding or owning Shares in contravention of the Articles he shall forthwith in writing request the Company to repurchase such Shares in accordance with the Articles or shall transfer such Shares to a person duly qualified to hold the same unless he has already received a notice under paragraph 5 below.

5 If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Shares are owned directly or beneficially by: -

(i) Any person in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold such Shares; or

(ii) Any person who is, or has acquired such Shares on behalf of or for the benefit of, a U.S. Person without the consent of the Directors; or

(iii) Any person or persons in circumstances which, (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons whether connected or not, or any other circumstances appearing to the Directors to be relevant) in the opinion of the Directors might result in the Company or any Shareholder incurring any liability to taxation or suffering pecuniary or administrative disadvantages which the Company or such Shareholder might not otherwise have incurred or suffered; or

(iv) Any person who does not supply any of the information or declarations required hereunder within seven days of a request to do so being sent by the Directors;

The Directors shall be entitled to give notice (in such form as the Directors deem appropriate) to such person or persons requiring him or them to transfer such Shares to a person who is qualified or entitled to own the same or to request in writing the repurchase of such Shares in accordance with the Articles.

6. If any person upon whom such a notice is served as aforesaid does not within 30 days of the date of such notice transfer such Shares or request in writing the Company to repurchase the Shares he shall be deemed forthwith upon the expiration of 30 days to have so requested the repurchase of all of his Shares which are the subject of such notice whereupon he shall be bound to deliver the Share certificate or confirmation of ownership in respect of the Shares to the Company forthwith and the Directors shall be entitled to appoint any person to execute such documents as may be required for the purposes of the repurchase. The deemed request to repurchase the Shares may not be withdrawn, notwithstanding that the determination of the Net Asset Value for such Shares may have been suspended.

7. Subject to any requisite official consents first having been obtained, settlement shall be effected by depositing the repurchase monies or proceeds of sale in a bank for payment to the person entitled upon such consents being obtained and, if relevant, against production of such evidence of ownership as the Directors may require representing the Shares previously held by such person, together with the repurchase request duly signed. Upon deposit of such repurchase monies as aforesaid such person shall have no further interest in such Shares or any of them or any claim in respect thereof except the right to claim without recourse to the Company the repurchase monies so deposited (without interest) upon such consents being obtained and against the production of the said evidence of ownership with the repurchase request duly signed.

8. The Directors may resolve that the provisions of the foregoing paragraphs shall be applied, in whole or in part, for a defined period or otherwise.

APPENDIX IV

Copies of this Prospectus may be obtained from APS Bank Limited of 20, St. Anne Square, Floriana, FRN 9020, Malta, any of its Branches and through the licensed financial intermediaries listed below:

- Curmi & Partners Limited, Financial House, Princess Elizabeth Terrace, Ta' Xbiex XBX 1102.

DIRECTORY

APS FUNDS SICAV P.L.C.

Registered Office and Business Address

APS House 20, St. Anne Square, Floriana, FRN 9020, Malta

Investment Manager

APS Bank Limited 20, St. Anne Square, Floriana, FRN 9020, Malta

Administrator & Company Secretary

Valletta Fund Services Limited
Level 6, The Mall Offices, The Mall, Floriana FRN 1470, Malta

Custodian

Bank of Valletta p.l.c.
BOV Centre, Cannon Road
Santa Venera SVR 9030, Malta

Bankers

APS Bank Ltd,
20 St. Anne Square, Floriana, FRN 9020, Malta

Auditors and Reporting Accountants

Ernst & Young, Malta

Regional Business Centre,
Fourth Floor, Achille Ferris Street, Msida, Malta

Legal Advisors

Ganado & Associates Advocates
171/176, Old Bakery Street, Valletta VLT 1455, Malta