

7IM AAP BALANCED (DUBLIN) FUND (the Fund)

a sub-fund of

7IM (DUBLIN) FUNDS PLC

(an umbrella fund with segregated liability between sub-funds)

This Supplement contains specific information in relation to 7IM AAP Balanced (Dublin) Fund (the **Fund**), a sub-fund of 7IM (Dublin) Funds plc (the **Company**) an umbrella type open-ended investment company with variable capital governed by the laws of Ireland and authorised by the Central Bank of Ireland (the **Central Bank**). Details of the other sub-funds of the Company are available on request.

This Supplement forms part of and should be read in conjunction with the Prospectus dated 26 June 2018.

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

Words and expressions defined in the Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

The Fund may invest more than 20% of its net assets in other collective investment schemes. Such investment involves special risks that could lead to a loss of all or a substantial portion of such investment.

Dated: 26 June 2018

1. INVESTMENT OBJECTIVE

The aim of the Fund is to provide a balance of income and capital appreciation. There may be some risk to capital.

2. INVESTMENT POLICY

The Fund intends to invest in the range of assets described below by investing directly in such assets or by investing indirectly through exchange traded futures and options and/or collective investment schemes (**CIS**). The type of investment will be actively selected by the Investment Manager (in accordance with the asset allocation process described below) but will follow passive, systematic or rules based strategies, (that is, strategies designed to reference the performance of particular indices, market sectors or asset classes). Investments in the Fund will be made in accordance with the investment restrictions in the Prospectus and this Supplement.

The Fund aims to construct an efficient portfolio, appropriate to its balanced risk profile which is to achieve a balance within the portfolio between assets generating income (**Income Generating Assets**) and assets with scope for capital growth (**Capital Growth Assets**) as further described below.

The Investment Manager employs a two-step process to determine asset allocation between Income Generating Assets and Capital Growth Assets.

First, a strategic asset allocation process is utilised to determine a diversified, optimal mix of assets to generate long terms returns appropriate to the Fund's risk profile. Asset classes are selected on the basis of their likely long-term future returns (assessed by looking at historical returns and present valuations in the market), taking into account the likely volatility of those asset classes (i.e. seeking to reduce risk and maximise return by taking into account levels of volatility assessed using historical experiences) and the historical correlation of returns between asset classes (i.e. looking at how asset classes move in relation to each other to aim for an optimal level of diversification for each level of return).

This process is then, supplemented with a tactical asset allocation process. This is the process by which shorter term adjustments are made to the Fund, depending on market views, risk or other economic factors. The output of the tactical asset allocation process can result in the allocation of assets on the basis of the strategic asset allocation process being varied resulting in a reduction or increase in exposure to different markets and asset classes subject to certain limits based on the outlook for each market and asset class.

The intention is to gain exposure to both the Income Generating Assets and the Capital Growth Assets both directly and indirectly through investment in exchange traded futures and options and CIS (as such are further described below). An essential feature of the Investment Manager's investment philosophy is that the choice between direct and indirect exposure is made according to efficiency, costs and liquidity, performance expectations and risk as determined by the Investment Manager.

Income Generating Assets

The Fund may invest in Income Generating Assets, that is; bonds (which may be government and/or corporate, fixed and/or floating, inflation-linked, currency or foreign exchange-linked notes, listed and unlisted, rated and unrated, public and private), cash, deposits, and other debt and fixed interest securities such as asset backed securities, certificates of deposit and senior secured floating rate notes (being public bond issues that possess similar structural features and security to senior leveraged loans).

Capital Growth Assets

The Fund may invest in Capital Growth Assets that is; equities of companies, equity related instruments (such as ADR's, GDR's, convertibles, and equity linked notes) and debt securities that generate capital growth (such as index-linked notes, interest rate-linked notes, currency or foreign exchange-linked notes or inflation-linked notes) of issuers and/or issues listed or traded on any stock exchange or regulated market focusing on Recognised Exchanges. Convertible bonds will only be invested in indirectly via CIS.

The Investment Manager may invest the Fund's assets in securities of companies across a broad range of industries and sectors, with a wide range of market capitalisations and in companies domiciled throughout the world. The Fund is not constrained by any index weightings and will not concentrate on any particular sector or geographic location.

There are no fixed percentage investment limits between Income Generating Assets and Capital Growth Assets but the Investment Manager will invest in line with the investment policy and risk profile of the Fund.

Collective Investment Schemes (CIS)

The Fund may also invest in CIS which shall be open-ended and may be either UCITS or AIFs, listed or unlisted, leveraged or unleveraged, including money market funds, absolute return funds, index funds and exchange traded funds (**ETFs**). The CIS shall be located in the following jurisdictions: the UK, the US, EU, Guernsey and Jersey and may be diversified across investment managers. All investments in CIS will be in accordance with the Central Bank Regulations and the Central Bank's Guidance related to UCITS and their service providers and must be compatible with the investment objective and the risk profile of the Fund. The CIS may themselves invest in Income Generating Assets and Capital Growth Assets or in other asset classes.

Where the Fund invests in CIS, the Fund may be liable to pay, subscription, redemption, management, investment management, performance, distribution, administration and/or custody fees or charges in respect of each CIS in which it invests (**Annual Fees**). Accordingly the Fund will pay indirectly, its pro rata share of the fees and expenses charged by each collective investment scheme as well as the operating fees and expenses in relation thereto. All such fees and expenses shall be reflected in the Net Asset Value of the Fund. The Annual Fees that the Fund may be charged arising from its investment in a collective investment scheme shall not exceed 6% of the net assets of the Fund. To the extent possible, the management fee and performance fee (if any) paid by any CIS, in which the Fund invests, shall be disclosed in the periodic reports of the Fund.

Selection of Investments

The Investment Manager will select individual investments to fulfil tactical asset allocation decisions through a robust investment process, by actively selecting passive, systematic or rules based strategies. Passive, systematic or rules based strategies are investments that track indices or market sectors or which are invested according to pre-determined guidelines requiring minimum human intervention set by the managers of the underlying investments. The Investment Manager will select investments based upon an analysis of the expected performance, risk exposure, liquidity and cost of the underlying strategies. Equity securities are selected based on the analysis of factors including value, low volatility or similar strategies designed to reference the selected indices. Debt securities are selected based on the analysis of factors including valuation, credit quality and sensitivity to interest rates. The decision to invest in a particular CIS shall be determined on the basis of a number of factors including cost, level of returns, underlying asset class, manager's investment process and level of risk.

Currency Strategy

A significant proportion of the Fund may be maintained in foreign currencies which may be hedged back to Sterling. Forward foreign exchange transactions may be used to hedge foreign currency risk. Forward foreign exchange transactions may also be used to reduce sterling exposure and increase foreign currency exposure. The Fund will have an active currency overlay but, used solely for efficient portfolio management in order to mitigate the impact of currency movements and therefore protect fund values.

Utilisation of Financial Derivative Instruments (FDI) and Efficient Portfolio Management

Investment may also be made in exchange traded derivatives which may include both cash and physically settled transactions and may be both long and short derivative positions for investment purposes, efficient portfolio management and/or to hedge positions in the portfolio and over the counter derivatives namely, currency forward transactions to the extent that each is permitted by UCITS Regulations (together **FDI**). Investment may be made in a range of global currencies either directly or indirectly through derivative transactions as well as in ancillary liquid assets such as deposits, cash and near cash. The Fund may only utilise those FDI that have been included in the Fund's Risk Management Process and may not use other FDI until the Risk Management Process has been updated to include same.

Subject to the conditions and limits set out in the Central Bank UCITS Regulations, the Fund may also engage in stock lending for efficient portfolio management purposes. For further information please see the sections entitled **Utilisation of FDI and Efficient Portfolio Management** and **Stock-Lending** in the Prospectus.

The Fund will be able to take long and/or short positions across the assets described in the investment policy. The synthetic short positions will ordinarily be achieved by the use of exchange traded financial derivative instruments. It is anticipated that the Fund may hold up to 90% of its assets in long positions and up to 10% of

its assets in short positions. Where financial derivative instruments are used for efficient portfolio management, those financial derivative instrument positions will not be counted towards the maximum of long positions nor the maximum of synthetic short positions.

The Fund must at any time, be capable of meeting all of its payment and delivery obligations incurred in respect of its FDI transactions. The Investment Manager uses a risk management technique known as absolute value-at-risk (**VaR**) to measure the Fund's global exposure. VaR is an advanced risk measurement methodology used to assess the Fund's global exposure as set out in the Fund's Risk Management Process. VaR will be used by the Fund on a daily basis in accordance with the requirements of the Central Bank pursuant to which VaR of the Fund's portfolio shall not exceed 3.1% of the Net Asset Value of the Fund and the one-tailed confidence interval shall not be less than 99% with a one day holding period. The historical observation period will be not less than 1 year.

The level of leverage of the Fund (calculated using the sum of the notionals of the derivatives) under normal circumstance is expected to be generally in the range of 100% to 230% of the Net Asset Value of the Fund and is not expected to exceed 360%. It is possible that there may be higher leverage levels from time to time during abnormal market conditions.

3. INVESTMENT RESTRICTIONS

The general investment and borrowing restrictions that apply to the Fund are set out in the section headed **Investment Restrictions** in the Prospectus.

The Fund may derogate from the above restrictions for 6 months following the date of the Fund's authorisation, provided that the Fund observes the principle of risk spreading and complies with the mandatory provisions of the Central Bank Regulations.

4. BORROWING

The Fund may borrow up to 10% of its Net Asset Value on a temporary basis for reasons set out below. The Company may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classified as borrowing for the above mentioned 10% limit provided that the offsetting deposit (a) is denominated in the Base Currency of the relevant Fund and (b) equals or exceeds the value of the foreign currency loan outstanding.

5. RISK FACTORS

The general risk factors set out in the **Risk Factors** section of the Prospectus apply to the Fund.

AN INVESTMENT IN THE SHARES OF THE FUND IS SPECULATIVE AND INVOLVES A DEGREE OF RISK. ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD CONSIDER THE FOLLOWING RISK FACTORS. THESE RISK FACTORS MAY NOT BE A COMPLETE LIST OF ALL RISK FACTORS ASSOCIATED WITH AN INVESTMENT IN THE FUND.

In addition, the following risk factors apply to the Fund.

General Risk

Investors should be aware that above average risk is involved in investment in the Fund and that such investment is suitable only for people who are in a position to understand and take such risk, who satisfy themselves that such investments are appropriate for them, and who recognise that an investor might lose the full amount of their investment. There is no guarantee that the investment objective of the Fund, or its risk monitoring, hedging and diversification goals, will be achieved and results may vary substantially over time. Shareholders should recognise that investing in the Fund involves special considerations not typically associated with investing in other securities and that the asset allocation is not structured as a complete investment programme. Investments may be made in assets domiciled in jurisdictions which do not have a regulatory regime which provides an equivalent level of shareholder protection to that provided under Irish law.

Nature of Investments Risk

An investment in the Fund will require a long-term commitment, with no certainty of return. The Fund intends to

make investments which the Investment Manager perceives as having the potential for substantial return, but which may also involve substantial risks.

Underlying Fund Managers Risk

The Fund may invest in funds managed by underlying fund managers that may be related or unrelated to the Investment Manager and its affiliates and, indirectly, in investments selected by such unrelated underlying fund managers. The Fund will not have an active role in the day-to-day management of the funds in which the Fund invests. Moreover, the Fund will generally not have the opportunity to evaluate the specific investments made by any fund before they are made. Accordingly, the returns of the Fund primarily will depend on the performance of these unrelated underlying fund managers and could be substantially adversely affected by the unfavourable performance of even one such underlying fund manager.

The Fund's investments are subject to the general business risks associated with the regulation, operation, financing and administration of the underlying fund managers. The value of the funds in which the Fund invests may fluctuate as a result of any information relating to the potential or actual insolvency, bankruptcy or deterioration in the financial condition of an underlying fund manager, loss or restriction of any required legal or regulatory authorisation or permission, imposition of legal or regulatory sanctions or deterioration of commercial reputation.

For more details on Underlying Fund Managers risk, please see section headed **Reliance on the Investment Manager** in the Prospectus.

Liquidity Risk

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

Market Risk

The investments of the Fund are subject to normal market fluctuations and the risk inherent in investment in equity securities and similar instruments and there can be no assurances that appreciation will occur.

Counterparty/Credit Risk

The Fund is subject to credit risk in respect to its investments and with regard to its contractual counterparties (such as hedge providers in relation to currency forward transactions). The Fund intends to mitigate credit risk generally by pursuing a diversified investment strategy.

Foreign exchange/currency Risk

Although Shares may be denominated in the Base Currency of the Fund, the Fund may invest its assets in securities denominated in a wide range of currencies. The Net Asset Value of a company as expressed in the Base Currency of the Fund will fluctuate in accordance with the changes in the foreign exchange rate between the Base Currency of the Fund and the currencies in which the Fund's investments are denominated. The Fund may therefore be exposed to a foreign exchange/currency risk.

The Investment Manager may enter into hedging transactions at its sole discretion although it may not always be possible or practicable to hedge against the consequent foreign exchange/ currency risk exposure.

Legal and/or Regulatory Risk

Legal and Regulatory (including taxation) changes could adversely affect the Fund. Regulation (including taxation) of investment vehicles such as the Fund is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the Fund is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

Settlement Risk

The counterparty to a Fund may fail to deliver the terms of a contract at the time of the settlement. Settlement

risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

Availability of Suitable Investment Opportunities Risk

The Fund will compete with other potential investors to acquire assets. Certain of the Fund's competitors may have greater financial and other resources and may have better access to suitable investment opportunities. There can be no assurance that the Fund will be able to locate and complete investments which satisfy the Fund's rate of return objectives or that the Fund will be able to invest fully its committed capital. If no suitable investments can be made then cash will be held by the Fund and this will reduce returns to shareholders. Whether or not suitable investment opportunities are available to the Fund, Shareholders may bear the cost of management fees and other Fund expenses.

In the event that the Fund is terminated or the Company is wound up, and to the extent that the assets may be realised, any such realisation may not be at full market value and will be subject to deductions for any expenses for the termination of the Fund or the liquidation of the Company.

Hedging Risk

The Fund may utilise financial derivative instruments to seek to hedge against declines in the values of the Fund's positions as a result of market movements. Hedging against a decline in the value of the Fund's positions does not eliminate fluctuations in the values of the Fund's positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus offsetting the decline in the Fund's positions' value. Such hedging transactions also limit the opportunity for gain if the value of the Fund's positions should increase. It may not be possible for the Fund to hedge against a change or event at a price sufficient to protect its assets from the decline in value of the Fund's positions anticipated as a result of such change. In addition, it may not be possible to hedge against certain changes or events at all, or the Investment Manager may choose not to hedge all or any of the Fund's exposure.

The portfolio Base Currency is UK Sterling but it will normally hold positions in other currencies as a matter of course since it has a global investment mandate. Consideration of the risk this might pose to the portfolio is a normal part of the investment process and currency moves of various international currencies forms regular part of the on-going investment process where the managers formulate their views on the strength of the Base Currency versus the non-sterling exposures and take appropriate action. As a result, hedging positions vary from time to time, according to the views arrived at in the investment process.

Emerging and Frontier Markets Risk

The Fund may have direct or indirect exposure to emerging markets and frontier markets. Investing in emerging markets involves additional risks and special considerations not typically associated with investing in other more established economies or securities markets. Such risks may include (i) increased risk of nationalisation or expropriation of assets or confiscatory taxation; (ii) greater social, economic and political uncertainty, including war; (iii) higher dependence on exports and the corresponding importance of international trade; (iv) greater volatility, less liquidity and smaller capitalisation of securities markets; (v) greater volatility in currency exchange rates; (vi) greater risk of inflation; (vii) greater controls on foreign investment and limitations on repatriation of invested capital and on the ability to exchange local currencies for Dollars; (viii) increased likelihood of governmental decisions to cease support of economic reform programmes or to impose centrally planned economies; (ix) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers; (x) less extensive regulation of the securities markets; (xi) longer settlement periods for securities transactions and less reliable clearance and custody arrangements; (xii) less protection through registration of assets and (xiii) less developed corporate laws regarding fiduciary duties of officers and directors and protection of shareholders.

Payment of Charges and Expenses to Capital Risk

Part of the investment management fees of the Fund will be charged to the capital of the Fund and the remaining fees and expenses will be charged to the income of the Fund in order to maintain a balanced growth of both income and capital. In such circumstances, the capital value of a Shareholder's investment may be lowered and income may be achieved by foregoing the potential for future capital growth. Please see the section in the Prospectus headed **Charging of Fees to Capital**.

BEFORE DETERMINING TO INVEST IN THE FUND, PROSPECTIVE INVESTORS SHOULD EVALUATE WHETHER THEY ACCEPT THE AFORESAID RISKS WHICH THEY WILL ASSUME BY BUYING SHARES OF THE FUND. THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE EXPLANATION OF THE RISKS INVOLVED IN THIS OFFERING.

PROSPECTIVE INVESTORS SHOULD READ THE ENTIRE PROSPECTUS AND THIS SUPPLEMENT AND FULLY EVALUATE ALL OTHER INFORMATION THAT THEY DEEM TO BE NECESSARY BEFORE DETERMINING TO INVEST IN THE FUND. AN INVESTMENT IN THE FUND MAY NOT BE APPROPRIATE FOR ALL INVESTORS.

6. DISTRIBUTION POLICY

It is the current intention of the Directors to establish Accumulation Share Classes and Income Share Classes in the Fund and to have the Income Share Classes certified for UK reporting status. The net amount of all realised and unrealised gains in respect of those classes of Shares (less unrealised and realised losses) arising on the disposal of investments shall not be distributed but shall form part of the assets of the Sub-Fund, as attributable to those classes of Shares. Accordingly, the Directors may at their discretion declare all net income of the Fund attributable to each Income Share as a distribution to the Shareholders. The Directors intend to declare dividends on a quarterly basis on the last Business Days of May, August, November and February. Net income will include all income arising indirectly from its holdings in investments and from any other income that may accrue to the Fund. Dividends will be paid by telegraphic transfer within 2 months of the relevant declaration date.

Accumulation Shares will carry no right to any dividend and accordingly the net income attributable to such Shares will be retained within the Fund and the value of such Shares will rise accordingly.

This section should be read in conjunction with the section entitled **Dividend Policy** in the Prospectus.

7. PROFILE OF A TYPICAL INVESTOR

Investment in the Fund is suitable for investors seeking long-term capital growth with an income stream. Any investment should be viewed as long term (at least five years).

8. KEY INFORMATION FOR BUYING AND SELLING

Shares shall be issued to investors as Shares of a class in this Fund. The Directors may, whether on the establishment of this Fund or from time to time, create more than one class of Shares in this Fund. The Directors may in their absolute discretion differentiate between classes of Shares, without limitation, as to dividend policy, fees and expenses, subscription or redemption procedures or the Minimum Initial Investment Amount or Minimum Shareholding applicable. Accordingly certain classes have or may be established within the Fund which may be subject to higher/lower/no fees where applicable. Further details of the fees applicable to a particular Class are available on request from the Company.

The classes available in this Fund and their respective sales charges and expenses (including the management fee), Minimum Initial Investment Amount and Minimum Shareholding and other class specific features are set out below.

Income Share Classes

- Class C GBP Shares (Inc)
- Class S GBP Shares (Inc)

Accumulation Share Classes

- Class C GBP Shares (Acc)
- Class S GBP Shares (Acc)

Accounting Date

31 May in each year.

Base Currency

GBP (£)

Issue Price

The Class C and S Shares are continuously open for subscriptions at each Dealing Day. The issue price for the Class C and S Shares is the Net Asset Value per Share at the Valuation Point on the relevant Dealing Day.

For further information on where the price of shares may be obtained, please see the section entitled **Notification of Prices** in the Prospectus.

Business Day

Every day (except Saturday or a Sunday) on which retail banks and regulated stock exchanges and markets in Dublin and London are open for business.

Dealing Day

The Fund shall be open to dealing on every Business Day.

Dealing Deadline

In respect of a Dealing Day, the Dealing Deadline for subscriptions or redemptions is defined as 11.59 am (Irish time) on the relevant Dealing Day or such other day or time as the Directors may determine on a case by case basis, provided there is one Dealing Day per fortnight and provided it is prior to the relevant Valuation Point.

Valuation Point

Shall mean 12.00 pm (Irish time) on each Dealing Day or such other day or time as may be determined by the Directors (and notified in advance to Shareholders) and approved by the Depositary.

Minimum Initial Investment Amount and Minimum Shareholding

| | Class C | Class S |
|--|----------------|----------------|
| Minimum Initial Investment Amount | £1,000 | £10,000,000 |
| Minimum Shareholding | £1,000 | £10,000,000 |

The amounts expressed in GBP (£) in this section shall also refer to the currency equivalent thereof.

The Directors may waive such minimum investment levels in their absolute discretion.

The Directors may vary the Minimum Shareholding in respect of each class to such greater or lesser amount as they may determine in their absolute discretion.

Minimum Additional Investment Amount

£1

Subscription Charge

5% of Net Asset Value per Share payable to the Investment Manager or such other person or persons as the Directors may determine or retainable by and for the benefit of the Fund. The Investment Manager or such other person or persons as the Directors may determine may waive the Subscription Charge in whole or in part.

Redemption Charge

None.

Exchange Charge

None.

Anti-dilution Levy

The Fund may suffer a reduction in the value of its asset due to dealing costs incurred when buying and selling investments. To offset this dilution effect the Investment Manager may require the payment of a dilution levy of up to 1% of the subscription amount in respect of net subscriptions or up to 1% of the redemption amount in respect of net redemptions.

Settlement Date

In the case of subscriptions, within 4 Business Days after the relevant Dealing Day, or such other Business Day as the Directors shall decide on a case by case basis at their discretion.

In the case of redemptions, within 4 Business Days after the relevant Dealing Day, assuming timely receipt of the relevant duly signed redemption documentation or such other Business Day (and in any event not exceeding 10 Business Days from the Dealing Deadline) as the Directors shall decide on a case by case basis at their discretion.

This section should be read in conjunction with the section entitled **Payment of Redemption Proceeds** in the Prospectus.

9. HOW TO BUY SHARES

Application for Shares should be made on the Application Form and be submitted in accordance with the provisions set out in the Prospectus to be received by the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day.

The Minimum Shareholding must be maintained by each Shareholder in the Fund (subject to the discretion of the Directors) following any partial redemption, exchange or transfer of Shares.

Unless the Administrator otherwise agrees, payment for Shares must be received by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Shares.

This section should be read in conjunction with the section entitled **Subscription for Shares** in the Prospectus.

10. HOW TO SELL SHARES

Requests for the sale of Shares should be submitted to the Company c/o the Administrator in accordance with the provisions set out in the Prospectus. Requests received on or prior to a Dealing Deadline will be dealt with on the relevant Dealing Day. A redemption request once given will not be capable of revocation without the consent of the Directors or their delegate.

Subject to the terms below under the section **Settlement** under **Key Information for Buying and Selling** above, the amount due on the redemption of Shares of any class in the Fund will be paid by the Settlement Date by electronic transfer to an account in the name of the Shareholder. Payment of the proceeds of redemption will only be paid on receipt by the Administrator of any relevant redemption documentation.

No Shareholder shall be entitled to realise part only of his holding of Shares of any class in the Fund if such realisation would result in his holding of Shares of such class after such realisation being below the Minimum Shareholding.

This section should be read in conjunction with the section entitled **Redemption of Shares** in the Prospectus.

11. NET ASSET VALUE

The Administrator determines the Net Asset Value per Share as at the Valuation Point of each Dealing Day in accordance with the procedure provided for under the heading **Calculation of Net Asset Value/Valuation of Assets** in the Prospectus

12. CHARGES AND EXPENSES

This section should be read in conjunction with the section in the Prospectus entitled **Fees and Expenses**.

Fees of the Manager

The Manager shall be entitled to receive out of the assets of the Fund an annual fee which shall accrue and be calculated on each valuation day and shall not exceed 0.03% of the Net Asset Value of the Fund. The Manager's fee minimum is an annual minimum on an aggregate basis equivalent to £30,000 per sub-fund. The Manager's fee shall be payable monthly in arrears. The Manager shall be entitled to be reimbursed out of the assets of the Fund for out of pocket expenses reasonably incurred by the Manager in the performance of its duties as Manager of the Fund.

Fees of the Investment Manager

Investment Management and Distribution Fee

The Investment Manager will be entitled to receive out of the assets of the Fund a maximum fee payable for investment management and distribution services which shall be for each Class of Shares as follows:

| Class C Shares | Class S Shares |
|--|--|
| 0.50% per annum (plus any applicable VAT thereon) of the Net Asset Value of each class of Shares | 0.25% per annum (plus any applicable VAT thereon) of the Net Asset Value of each class of Shares |

This fee will accrue and be calculated on each valuation day and be payable monthly in arrears. Fifty per cent of this fee will be charged to the Fund's income (where possible) with the balance charged to the Fund's capital. The Investment Manager may at its discretion rebate its annual fee in whole or in part. The Investment Manager will also be entitled to be reimbursed out of the assets of the Fund for all its own reasonable out of pocket costs and expenses.

Fees for advice regarding strategic asset allocation profiles and advice on fund selection, payable to a specialist third party firm (appointed by the Investment Manager which will be responsible for such firms), may be discharged by the Investment Manager and charged back to the Fund. The maximum fees for this is 0.055% of the Net Asset Value of the Fund accruing daily and payable on at least an annual basis. None of the specialist third party firms appointed by the Investment Manager will have discretionary powers in respect of the assets of the Fund.

Where a commission is received by the Investment Manager by virtue of an investment in the units or shares of an Underlying Fund by the Fund, this commission will be paid into the property of the Fund. Where the Fund invests in units or shares of an Underlying Fund managed by the Investment Manager or an associated or related company, the manager of the Underlying Fund in question shall waive any preliminary/initial/redemption charge which it would normally charge on the Underlying Fund. Where the Fund invests in other funds of the Company no annual management fee will be charged in respect of that portion of its assets invested in such other funds of the Company.

Fees of the Administrator and the Depositary

The Administrator shall be entitled to receive out of the assets of the Fund an annual fee, accrued and calculated on each Dealing Day and payable monthly in arrears of up to 0.015 % of the Net Asset Value of the Fund and a fee of up to £3000 per share class per annum. The fees are in respect of all Administration, Accounting, Registrar and Shareholder Services. The Administrator is also entitled to all its reasonable agreed upon transaction, transfer agency and other charges (which will be at normal commercial rates) and other out of pocket expenses out of the assets of the Fund (plus VAT thereon if any).

The Depositary shall be entitled to receive out of the assets of the Fund an annual fee of up to 0.015% of the Net Asset Value of the Fund accrued and calculated on each Dealing Day and payable monthly in arrears.

The Depositary is also entitled to sub-custodian's fees (which will be charged at normal commercial rates) as well as agreed upon transaction charges (which will be at normal commercial rates), exchange traded derivative fees, account fees and other out of pocket expenses (plus VAT thereon if any).

Establishment Costs and Expenses

It is estimated that the cost of establishing the Fund will not exceed £10,000 and this cost will be amortised over the first five years of the Fund's operation. The Investment Manager may initially incur all or part of the cost of establishing the Fund, in which case it will be entitled to be reimbursed out of the assets of the Fund for such expenditure.

Other Fees and Expenses

Any other fees and expenses payable out of the assets of the Fund are set out in the section of the Prospectus entitled **Fees and Expenses**.

13. OTHER FINANCING COUNTERPARTIES

The Fund has not appointed any other financing counterparty at the date of this Supplement but may do so in the future in accordance with the requirements of the Central Bank. In such circumstances the Supplement will be updated accordingly.

14. MISCELLANEOUS

There are currently five other sub-funds of the Company in existence;

1. 7IM Moderately Adventurous (Dublin) Fund;
2. 7IM Moderately Cautious (Dublin) Fund
3. 7IM Balanced (Dublin) Fund;
4. 7IM AAP Moderately Adventurous (Dublin) Fund; and
5. 7IM AAP Moderately Cautious (Dublin) Fund.