



Butterfield

Butterfield Bank (Cayman) Limited

**BUTTERFIELD INTERNATIONAL
BALANCED FUND**

PROSPECTUS
(as amended)

June 2015

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CONTINUOUS OFFER BY

**BUTTERFIELD INTERNATIONAL
BALANCED FUND**
(the "Fund")

(A Multi-Class Unit Trust established under the laws of the Cayman Islands)

of an unlimited number of
"units", each representing an undivided
beneficial interest in the trust fund
of the Unit Trust established by
Butterfield Bank (Cayman) Limited
as Trustees, which Units may be issued
in separate classes.

UNITED STATES DOLLAR CLASS

On 30th January, 1998, the Fund listed the United States Dollar Class
of Units on the Cayman Islands Stock Exchange under the
Bloomberg Symbols BUTIBLI KY.

LISTING AGENT

Appleby (Cayman) Ltd.
Clifton House
75 Fort Street
P.O. Box 190
Grand Cayman KY1-1104
Cayman Islands

The Fund complies with the Cayman Islands Mutual Funds Law (as revised) and continues to maintain a licence under that Law.

A MUTUAL FUND LICENCE ISSUED BY THE CAYMAN ISLANDS MONETARY AUTHORITY DOES NOT CONSTITUTE AN OBLIGATION OF THE AUTHORITY TO ANY INVESTOR AS TO THE PERFORMANCE OR CREDITWORTHINESS OF THE FUND. FURTHERMORE, IN ISSUING SUCH A LICENCE, THE AUTHORITY SHALL NOT BE LIABLE FOR ANY LOSSES OR DEFAULT OF THE FUND OR FOR THE CORRECTNESS OF ANY OPINIONS OR STATEMENTS EXPRESSED IN ANY PROSPECTUS OR OFFERING DOCUMENT.

No action has been taken to permit an offering of Units or the distribution of this Prospectus in any jurisdiction where action would be required for such purposes. Accordingly, this Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is not authorised. In particular, (a) the Units have not been registered under any United States securities legislation and are not being offered or sold, directly or indirectly, in the United States of America or in any of its territories or possessions or areas subject to its jurisdiction or to citizens or persons thereof. As used in this Prospectus, "United States" means the United States of America (including the States and the District of Columbia), its territories, its possessions and other areas subject to its jurisdiction including the Commonwealth of Puerto Rico and "U.S. person" means any national, citizen or resident of the United States, a corporation, partnership or other entity created or organised in or under the laws of the United States or any political subdivision thereof, and an estate or trust which is subject to United States federal income taxation regardless of the source of its income; provided, however, that the term "U.S. person" shall not include a branch or agency of a U.S. bank or insurance company operating outside the United States for valid business reasons as a locally regulated branch or agency engaged in the banking or insurance business and not solely for the purpose of investing in securities not registered under the United States Securities Act of 1933, as amended and (b) this Prospectus has not been delivered for registration to the Registrar of Companies in London and accordingly may not be used for the purpose of an offer or solicitation, and Units may not be offered, in or from the United Kingdom.

IT SHOULD BE NOTED THAT THE PRICE OF UNITS MAY GO DOWN AS WELL AS UP. THE UNIT TRUST HAS NO OBLIGATION TO REDEEM UNITS AT THE SUBSCRIPTION PRICE ORIGINALLY PAID, AND INVESTORS MAY NOT GET BACK THE AMOUNT INVESTED.

Neither the delivery of the Prospectus nor any subscription or purchase made hereunder shall, under any circumstances, create any implication that there has been no material change in the affairs of the Fund since the date hereof. To reflect material changes, this document may from time to time be updated and intending subscribers should enquire of MUFG Fund Services (Cayman) Limited, the Administrator, as to the issue of any later Prospectus for the Fund.

No oral representations whatsoever made by any sales agent or other person whomsoever in respect of the Fund, and no written representations (other than official updates to the Prospectus issued generally by the Trustee) made or issued by any person other than a manager or more senior officer of the Trustee, shall be binding on the Fund or any of the persons listed on page 6 of this Prospectus.

IMPORTANT: If you are in any doubt about this Prospectus, you should consult your financial adviser, stockbroker, bank manager, attorney or accountant.

This Prospectus includes information given in compliance with the Listing Rules of the Cayman Islands Stock Exchange. The Trustee accepts full responsibility for the accuracy of the information contained in this listing document and confirms having made reasonable enquiry that to the best of the Trustee's knowledge and belief there are no other facts the omission of which would make any statement within the Prospectus misleading. The Cayman Islands Stock Exchange takes no responsibility for the contents of this Prospectus and makes no representations as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of this document.

Distribution of this Prospectus is not authorised unless it is accompanied by the latest audited annual accounts of the Fund (when available).

Copies of this Prospectus and any subsequent Prospectus (incorporating subscription forms) may be obtained from:

Butterfield Bank (Cayman) Limited
Butterfield House
68 Fort Street
P.O. Box 705
Grand Cayman KY1-1107
Cayman Islands
Telephone (345) 949 7055
Fax: (345) 949 7004
info.cayman@butterfieldgroup.com

Butterfield Asset Management Limited
65 Front Street
Hamilton HM12
Bermuda
Telephone (441) 299 3817
Fax (441) 292 9947

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MANAGEMENT AND ADMINISTRATION

Trustee	Butterfield Bank (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 705, Grand Cayman KY1-1107, Cayman Islands Tel: (345) 949 7055 Fax: (345) 949 7004
Administrator and Registrar and Transfer Agent	MUFG Fund Services (Cayman) Limited Strathvale House, 90 North Church Street, 2nd Floor P.O. Box 609, Grand Cayman KY1-1107, Cayman Islands Tel: (345) 745 7600 Fax: (345) 745 7690
Investment Advisor	Butterfield Bank (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 705, Grand Cayman KY1-1107, Cayman Islands Tel: (345) 949 7055 Fax: (345) 949 7004
Custodian and Banker	Butterfield Bank (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 705, Grand Cayman KY1-1107, Cayman Islands Tel: (345) 949 7055 Fax: (345) 949 7004
Sales Agents	Butterfield Bank (Cayman) Limited Butterfield House, 68 Fort Street P.O. Box 705, Grand Cayman KY1-1107, Cayman Islands Tel: (345) 949 7055 Fax: (345) 949 7004 Butterfield Asset Management Limited 65 Front Street Hamilton HM12, Bermuda Tel: (441) 299 3871 Fax (441) 292 9947
Auditors	Deloitte One Capital Place P.O. Box 1787, Grand Cayman KY1-1109, Cayman Islands
Legal Advisors and Listing Agent	Appleby (Cayman) Ltd. Clifton House, 75 Fort Street P.O. Box 190, Grand Cayman KY1-1104, Cayman Islands

DEFINITIONS

In this Prospectus, the following expressions shall bear the following meanings:

Administrator	MUFG Fund Services (Cayman) Limited
Bank	Butterfield Bank (Cayman) Limited
Business Day	a day on which banks are authorised to open for business in the Cayman Islands and the principal financial centre for payments in the currency by reference to which the relevant Class is designated (e.g. for the US Dollar Class, New York City);
Classes	each class of Units in the Trust Fund created and designated by the Trustee from time to time, with reference to the investment objectives and other terms and conditions applicable to such class, the particulars of which are set out in the Prospectus;
Custodian	Butterfield Bank (Cayman) Limited
Dealing Day	normally Wednesday of each week, or the following Business Day if Wednesday is not a Business Day, for subscriptions and redemptions provided that one days notice has been received by the Administrator (or such other day or days as the Trustee may determine on a case by case basis or generally from time to time) as of which Units of each Class may be issued or redeemed or such other Business Day as may be determined by the Trustee from time to time in relation to future Classes, and Dealing Day refers to a Subscription Day or Redemption Day as defined in the Trust Deed;
Eligible Investor	any person who is not: (i) a US Person; (ii) a custodian, nominee or trustee of a US Person; or (iii) an Ineligible Investor for any other reason;
Fund	Butterfield International Balanced a Unit Trust Fund was established on 18th June 1996 by a Trust Deed;
Ineligible Investor	any person in respect of whom the Trustee has imposed restrictions for the purpose of ensuring that no Units are held: (i) in breach of the law or requirements of any country or governmental authority; or (ii) in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstance appearing to the Trustee to be relevant) which in the opinion of the Trustee might result in the Fund incurring any liability to taxation or suffering any pecuniary, fiscal, regulatory or other disadvantage which the Fund might not otherwise incur or suffer;
Net Asset Value	the net asset value (basically assets minus liabilities) of the assets attributable to each Class of the Fund or, when divided by the issued and outstanding Units of the relevant Class, the net asset value per Unit of the relevant Class;
Prospectus	this prospectus, including any supplements or amendments hereto;
Units	each unit represents an undivided beneficial interest in the relevant underlying assets of the Fund;
Unitholder	a registered owner of Units of each Class in the Fund from time to time;
Trustee	Butterfield Bank (Cayman) Limited;
US Dollars or US\$	the lawful currency of the United States from time to time;

US Person

for the purposes of this Prospectus, US Person means:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a US Person;
- (d) any trust of which any trustee is a US Person;
- (e) any agency or branch of a foreign entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or, if an individual, resident in the United States; or
- (h) any partnership or corporation if (i) organised or incorporated under the laws of any foreign jurisdiction and (ii) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

US Person does not include:

- (a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non US Person by a dealer or other professional fiduciary organised, incorporated or, if an individual, resident in the United States;
- (b) any estate of which any professional fiduciary acting as executor or administrator is a US Person if (i) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and (ii) the estate is governed by foreign law;
- (c) any trust of which any professional fiduciary acting as trustee is a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person;
- (d) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country;
- (e) any agency or branch of a US Person located outside the United States if (i) the agency or branch operates for valid business reasons and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; or the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations and their agencies, affiliates and pension plans;

Valuation Day

the Business Day preceding the Dealing Day.

THE FUND

The Butterfield International Balanced Fund ("Fund") was established as an open-ended multi-class Unit Trust under the laws of the Cayman Islands by a Trust Deed dated 18th June, 1996 (including any supplements thereto, "Original Trust Deed") and made by Butterfield Bank (Cayman) Limited as trustee ("Trustee") and Butterfield Fulcrum Group (Cayman) Limited as administrator and manager and amended and restated by an Amended and Restated Trust Deed on 15th December 2008 ("Trust Deed") by the Trustee. Following the merger of Butterfield Fund Services (Cayman) Limited and Fulcrum Group the Trustee amended and restated the Original Trust Deed in order to re-assume certain powers which were previously delegated to Butterfield Fund Services (Cayman) Limited as manager. Butterfield Fulcrum Group (Cayman) Limited (formerly Butterfield Fund Services (Cayman) Limited) discontinued its role as manager but continued its role as the appointed administrator of the Fund. Butterfield Fulcrum Group Limited was sold to Mitsubishi UFJ Trust and Banking on September 30, 2013.

The objective of the Fund is to provide investors with an opportunity to invest indirectly in the international securities markets.

The Trust Deed comprises the constitution of the Fund.

The Fund has not established a place of business outside the Cayman Islands.

OFFER OF UNITS

The Units are being offered only to Eligible Investors who are existing clients of the Bank and its affiliates.

The Trustee has resolved to create Classes of Units denominated as follows:-

Class	Minimum Initial Subscription	Offer Price
United States Dollar	US\$5,000	Net Asset Value

Units will continue to be offered on a continuous basis at the net asset value of each unit class.

Subsequent subscriptions by existing holders of Units must be for at least US\$1,000 or its currency equivalent. The United States Dollar Class provides for a monthly standing order facility where the minimum is reduced to US\$500.

The Trustee reserves the right to create other classes ("Classes"), including United States Dollar Class of Units in the future, each Class being a separate trust fund held by the Trustee within the Unit Trust. Each Class will have the same investment objectives as the initial Class but will be designated with reference to and denominated in a different currency.

Subscription payments should be made in the currency by reference to which the relevant Class is denominated. Any subscription payments made other than in the designated currency will be converted at the exchange rate determined by the Custodian or the Sub-Custodian (as the case may be) in the normal course of business with all exchange costs being borne by the subscriber.

INVESTMENT POLICY AND OBJECTIVES OF THE FUND

The principal objective of the Trustee for the Fund is to achieve long-term capital growth in the value of assets. The policy of the Trustee is to hold for each of the Classes a global portfolio of money market instruments, Eurobonds of issuers throughout the world, domestic government bonds of countries that are members of the Organization for Economic Cooperation and Development ("OECD") and international equities or limited partnership interests. This combination of investment and geographical spread should provide the Fund with the necessary diversification that would be required to reduce risk and maximise returns.

In selecting investments for the Fund, the Investment Advisor will seek to identify those securities that are anticipated to provide the best opportunities for capital appreciation and current income having regard to diversification. The Fund may invest in obligations of banks and bank holding companies (including certificates of deposit, bankers' acceptances and other short-term debt obligations) which, at the date of investment, have a stockholders' equity in excess of US\$ 100,000,000. To the extent that the Fund holds cash and cash equivalents it may invest in the highest-rated US dollar money market instruments and funds (including money market funds managed by a related party) and bank time deposits. The Fund may also invest in any debt security not in default, rated from AAA to A- by Standard & Poor's Corporation ("S & P") or from AAA to A3 by Moody's Investors' Service Inc. ("Moody's"). Convertible bonds must have a minimum rating of A- by S & P or A3 by Moody's. The average maturity of the debt securities in the Fund's portfolio will fluctuate depending on the Investment Advisor's judgment as to the future direction of interest rates. Equities will usually be quoted on well-established stock exchanges in countries that are members of the OECD but may include some equities of emerging market issuers. Publicly traded companies in the Cayman Islands may be included in the portfolio. The Fund may invest in collective investment schemes (both open and closed-ended) to obtain exposure in those countries where direct foreign investment is not permitted or is restricted.

The diversification of investments for the Fund including the allocation between debt and equity, currencies, geographical areas and corporate and governmental issuers may be varied by the Investment Advisor from time to time in its absolute discretion.

In appropriate circumstances, existing positions in the Fund may be hedged against adverse political, exchange control, fiscal or market developments or adverse movements in exchange or interest rates.

The Investment Advisor may not, on behalf of the Fund, make short sales, invest directly in land or buildings or any options, rights or interest in respect of land or building nor utilise leverage for investments for the Fund. The Fund shall not take management control of any underlying investment of the Fund.

Investment on an international basis involves fluctuations in the prices of assets, foreign exchange rates, taxes, exchange controls and other political and economic developments. Availability of information, standards of accounting, auditing and financial reporting and the size, expense and liquidity of markets vary widely from country to country and may limit the diversification of the Fund. There can be no assurance that the investments of the Fund will be successful or that the objectives of the Fund will be attained.

RISK FACTORS

General

Prospective investors should be aware that the value of Units of each Class and the return derived there from can fluctuate. Prospective investors should consider all the risks before subscribing for Units. Investment in the Fund involves the following general risk factors:

- (a) No Assurance of Profits. There can be no assurance that the Fund will sustain a cumulative profit during the period of its existence. The investor may lose all of his investment or may receive upon redemption of his Units less than he paid on subscription for such Units.
- (b) Investment Risks. Each Class primarily holds stocks, which may go up or down in value, sometimes rapidly and unpredictably. Each Class also has primary risks associated with an investment in it. Classes are subject to price volatility and currency fluctuation risks. Price volatility refers to the possibility that the value of the portfolio of a Class will change as the prices of its investments go up or down. Each Class is also subject to currency fluctuation risk. As a result, the value of the assets of a Class will be affected favourably or unfavourably by changes in exchange rates.
- (c) Fund's Right to Redeem and Require Transfer. Under its constitutional documents, the Fund has the right to instigate and effect a compulsory redemption or require the transfer of all or any Units of all or any Classes. The Fund intends to exercise its discretion to compulsorily redeem or require the transfer of any Units acquired by Unitholders in contravention of regulations or otherwise where continued ownership might have adverse regulatory, tax or pecuniary consequences to the Fund or its relevant Unitholders. The Fund may also compulsorily redeem the Units of any Class in order to close a Class where the Trustee determines in its

discretion that the size of the Class makes the continuation of that Class economically unfeasible because of the costs involved in maintaining the Class. Finally, Units may also be compulsorily redeemed if a Unitholder fails to provide the Fund or Administrator with information and/or documentation requested of the Unitholder to enable the Fund to meet its obligations under applicable anti-money laundering or tax information exchange laws or regulations.

- (d) Restrictions on Transfer. Investors should be fully aware of the restrictions on transfer of their Units in the Fund. The Units will not be registered under the securities laws of any jurisdiction and there will be no ready market for the Units. The Units are not readily transferable and no transfer of Units may be made without the prior approval of the Trustee which may be withheld in its absolute discretion.

Conflicts of Interest

The Trustee and the various agents of the Fund have substantial conflicts of interest which increase the risks of an investment in the Fund. Such conflicts include the following:

- (a) The Administrator and Investment Advisor may provide investment advisory and management services to other clients and entities whose interests may compete with or be different from those of the Fund. The Administrator or the Investment Advisor may also give advice or make investments for their own account or for other clients which may differ from the timing and nature of the investment services for the Fund. Such activities may have an effect on the price of investments owned for the Fund or which may be purchased for the Fund. Furthermore, the Administrator or the Investment Advisor may be in receipt of information through other activities which it will have no obligation to use, or may be prohibited from using, for the benefit of the Fund. There may be insufficient investments of any one type available for purchase by all entities for whom the Administrator or Investment Advisor provide investment services, in which case the investments available may have to be allocated pro-rata or otherwise fairly amongst such entities.
- (b) The Administrator, the Investment Advisor and the Custodian will earn a fee based on the Net Asset Value of the Fund. Such fee will be earned in respect of unrealised gains and a subsequent reduction in the Net Asset Value may mean that such fee would not otherwise have been earned. Such fee may also create an incentive to make investments that are more speculative than would be the case without such value based fees.
- (c) The Trustee of the Fund, the Administrator, the Investment Advisor, the Custodian and other agents of the Fund are not prohibited from subscribing for, and may subscribe for, Units in the Fund.
- (d) The Trustee is a wholly-owned subsidiary of The Bank of N.T. Butterfield & Son Limited (“BNTB”) of Bermuda. BNTB is a public company, listed on the stock exchange of Bermuda.

Except for the contracts with agents of and service providers to the Fund described herein there is no contract or arrangement subsisting at the date hereof in which the Fund, and its Trustee, Administrator, Investment Advisor, Custodian or Sales Agent and there are no such contracts in this the Fund is otherwise interested which are significant in relation to the business of the Fund.

Indemnities

Each of the Trustee, Administrator, Investment Advisor and Custodian are indemnified by the Fund for all losses or liabilities arising other than out of their fraud, willful default or gross negligence.

DISTRIBUTION POLICY, PRICES, LISTING AND REPORTS

Distribution Policy

The Trustee does not anticipate that any distributions of income in the nature of dividends or otherwise will be paid on the Units. Instead, net income and net realised investment gains will be reinvested and reflected in the net asset value of the Units.

Publication of Prices

The weekly net asset value per Unit is available from Butterfield Bank (Cayman) Limited’s website www.ky.butterfieldgroup.com, on Bloomberg (symbol BUTIBLI KY) and under the Cayman Islands Stock Exchange page (CSX <GO>).

Listing

The Units of the United States Dollar Class are listed on the Cayman Islands Stock Exchange under the Bloomberg symbols BUTIBL KY.

Reports and Accounts

Copies of the audited financial statements of the Fund will normally be available to the Unitholders on the Butterfield Bank (Cayman) Limited website http://www.bam.butterfieldgroup.com/ButtInvestProds/forms_and_downloads/Pages/Financial-Statements.aspx within 90 days following each year end. The year end will be 30th June in each year.

Financial Statements are prepared under the Canadian Generally Accepted Accounting Principles and audited under Canadian Audit Standards. Effective for the year ended 30th June 2015 and beyond, the financial statements will be prepared under International Financial Reporting Standards ("IFRS") and audited under International Standards on Auditing ("ISA").

Half-yearly reports of the Fund will be made up to 31st December each year and will normally be available to the Unitholders within 90 days at http://www.bam.butterfieldgroup.com/ButtInvestProds/forms_and_downloads/Pages/Financial-Statements.aspx.

MANAGEMENT, CHARGES AND FEES

Trustee

Butterfield Bank (Cayman) Limited is the Trustee of the Unit Trust established by the Trust Deed. The Trustee is a wholly-owned subsidiary of The Bank of N.T. Butterfield & Son Limited, Bermuda and holds a Category "A" Bank Licence under the Cayman Islands Banks and Trust Companies Law and provides a full range of banking, global custody and financial services to a worldwide clientele. Copies of the Trustee's audited financial statements are available upon request.

In addition the Trustee is licensed and regulated by the Cayman Islands Monetary Authority. The administration of the Fund has been delegated by the Trustee to MUFG Fund Services (Cayman) Limited (formerly Butterfield Fulcrum Group (Cayman) Limited) (the "Administrator"). The Fund as a unit trust is not a separate legal entity and all action taken by or against the Fund must be taken by or against the Trustee and its relevant agents on behalf of the Fund.

The fee of the Trustee as trustee of the Unit Trust will be paid out of the assets of the relevant Class.

The Trustee may be removed and replaced by a resolution of Unitholders holding 75% of all the Units in issue and outstanding.

Administrator

MUFG Fund Services (Cayman) Limited, a Cayman Islands company based in Grand Cayman, Cayman Islands, has been appointed as the Fund's administrator, registrar and transfer agent. The Administrator and its affiliates provide administrative services for many offshore investment funds.

The Administrator is a licensed Mutual Fund Administrator under the Mutual Funds Law 2013 of the Cayman Islands. The registered office of the Administrator is at Strathvale House, 90 North Church Street, 2nd Floor, Grand Cayman KY1-1107, Cayman Islands.

Pursuant to the Administration Agreement, the Administrator is responsible, under the ultimate supervision of the Fund's Trustee, for maintaining the Fund's principal office and for certain matters pertaining to the administration of the Fund, including: (i) maintaining the Fund's accounts, (ii) calculating the Fund's Net Asset Value (iii) maintaining the Fund's principal corporate records, (iv) communicating with Unitholders, (v) accepting the subscriptions of new Unitholders, (vi) making redemptions of the Units, and (vii) ensuring compliance with Cayman Islands law and regulation (including but not limited to anti-money laundering regulations). The Fund and the Administrator have entered into an Administration Agreement concerning these duties and responsibilities. The fee payable to the Administrator is based on its standard schedule of fees charged by the Administrator for similar services.

The Administration Agreement is governed by Cayman Islands law and subject to termination by the Administrator or by the Fund upon 90 days' written notice. Under the Administration Agreement between the Fund and the Administrator, the Fund will indemnify the Administrator against, and hold it harmless from, any expense, loss, liability or damage

arising out of any claim asserted or threatened to be asserted by any third party in connection with the Administrator's serving or having served as such pursuant to the Administration Agreement; provided however, that the Administrator will not be indemnified with respect to any expense, loss, liability or damage which was caused by its own gross negligence, willful default or fraud. The Administrator will not be responsible for valuing the Fund's investments and, in providing services to the Fund, will not act as guarantor or offeror of the Units in any respect nor will the Administrator be responsible for monitoring any investment restrictions or compliance with the investment restrictions and therefore will not be liable for any breach thereof.

The Administrator has no responsibility with respect to trading activities, the Investment Advisor, the management or performance of the Fund, or the accuracy or adequacy of this Prospectus.

Investment Advisor

The Trustee serves as Investment Advisor for the Fund and for the United States Dollar Class. The Investment Advisor provides a full range of asset management and investment advisory services to an international clientele consisting of institutional, individual and trust accounts, pension and mutual funds. Through its international network of brokers and other financial companies, the Investment Advisor is able to draw upon a wide source of investment information and in particular draws on the support of the Butterfield Bank Group offices and their investment strategies.

The key personnel of the Investment Advisor are all members of the CFA Institute and as such comply fully with the Code of Ethics and Standards of Professional Conduct of that Association.

Subject to such terms and conditions as the Trustees of the Fund might from time to time impose, the Investment Advisor is responsible to the Fund for investment management and advice on each Class of the Fund and shall the power to enter into transaction on behalf of and thereby to bind the Fund. The Investment Advisor is at liberty to establish or act in a similar capacity for other funds or companies separate and distinct from this Fund.

Custodian

The Trustee serves as Custodian and principal bankers for the United States Dollar Class of the Fund. The Custodian will hold the Fund's assets and un-invested cash, directly or through sub-custodians, nominees, agents or delegates.

Sales Agents

The Trustee, together with Butterfield Asset Management Limited, serve as sales agents to investors. As the holder of a Category "A" Bank License, the Trustee is authorised to sell Units to the public of the Cayman Islands. The Trustee is licensed and regulated by the Cayman Islands Monetary Authority.

Butterfield Asset Management Limited is licensed by the Bermuda Monetary Authority to conduct Investment business.

Charges and Fees

The Fund will bear its own operating, brokerage and out-of-pocket expenses, including (in so far as they relate to the Fund) the fees and expenses of the Trustee, the Investment Advisor, the Administrator, the Custodian, the Auditors, the Legal Advisors to the Fund, the costs of printing and distributing the financial reports and statements, all annual government mandated fees, listing fees and the mutual fund licence payable in the Cayman Islands and any other applicable fees.

The Fees attributable to the United States Dollar Class are as follows;

Investment Advisor	0.65% per annum of the net asset value in each month calculated and accrued weekly
Custodian	0.25% per annum of the net asset value in each month calculated and accrued weekly
Administrator	0.15% per annum of the net asset value in each month calculated and accrued weekly
TOTAL FEES ATTRIBUTABLE TO THE UNITED STATES DOLLAR CLASS	1.05% per annum of the net asset value in each month calculated and accrued weekly

The trustee fees may only be increased above 1% by amendment to the Trust Deed. (See Variation of Unitholders' Rights and Trust Deed set out below).

SUBSCRIPTION, REGISTRATION, REDEMPTION, TRANSFER AND CONVERSION OF UNITS

Subscription

Units of the Fund are issued in response to applications from investors at the current subscription price for the Units on the Subscription Day next following receipt of a Subscription Form. A Subscription Day is normally Wednesday of each week, or the following Business Day if Wednesday is not a Business Day. The issue of Units is conditional upon the Subscription Form and payment of cleared funds for such Units having been received, as described below, by or on behalf of the Sales Agent by the close of U.S. Markets, on the Business Day immediately preceding the relevant Subscription Day. If the Subscription Form and cleared funds are received after the close of U.S. Markets, the issue of Units pursuant thereto will normally take place on the next but one Subscription Day. The subscription price for Units will be the net asset value per Unit of the relevant Class as at the preceding Valuation Day which is normally the Business Day preceding the Subscription Day. No Units will be issued whilst the calculation of net asset value is suspended.

Application must be made on the Subscription Form attached to this Prospectus and signed originals should be sent to the Administrator, MUFU Fund Services (Cayman) Limited, Strathvale House, 90 North Church Street, P.O. Box 609, Grand Cayman KY1-1107, Cayman Islands. Faxed Initial Subscription Forms will not be accepted but the signed original Subscription Form should be forwarded promptly. No redemption of Units will be allowed until the original "Subscription" form has been received. Neither the Fund nor the Administrator nor any other agents of the fund will be responsible or liable in any way for any invalidity of signatures or any errors arising from acceptance of a faxed Subscription form.

The initial subscription must be for at least the minimum initial subscription set out in the Prospectus. Subsequent subscriptions from existing investors must be for at least US\$ 1,000 or its currency equivalent (There is also the option to set up a monthly standing order in the US\$ Class at a minimum level of US\$500 per month). Fractions of a Unit (up to four decimal places) will be issued where any subscription monies are not an exact multiple of the subscription price.

All subscriptions will be filled by way of a transfer from the Unitholders retail bank account at Butterfield Bank (Cayman) Limited in the same name as the Unitholder.

If payment is made in a currency other than that in which the required Units are denominated, the applicable exchange rate for investment in the Fund will be determined by the Custodian as the case may be, in the normal course of business. The cost of conversion (if any) will be deducted from the converted amount. Confirmation Advices confirming the allocation of Units and (where appropriate) any exchange rate applied, will be posted as soon as possible to applicants or their nominated agents at the applicant's risk.

The Trustee reserves the right to reject any application in whole or in part.

Registration

Units will be held in registered form, although it is not intended to issue certificates unless specifically requested. Unitholders will receive a Confirmation Advice which will act as confirmation of purchase. The Trustee through its nominee company, Field Nominees (Cayman) Limited, may at the request of the applicant, hold Units in the name of its nominee. Details of this facility can be obtained from the Trustee or the Administrator.

Redemption

Unitholders may arrange to redeem all or part of their Units on any Redemption Day at the prevailing redemption price of the Units. A Redemption Day is normally Wednesday of each week, or the following Business Day if Wednesday is not a Business Day. Instructions should be given in writing or by fax to be received by the Administrator not later than the close of US Markets on the Business Day immediately preceding the intended Redemption Day. Otherwise, at the option of the Trustee, redemption will be at the redemption price for the Units on the next but one Redemption Day. At the election of the Trustee, Units offered for redemption may be purchased by the Trustee or redeemed by the Fund but no selling Unitholder may receive less than the redemption price specified under the Trust Deed. The prevailing redemption price of Units will be net asset value per Unit of the relevant Class as at the preceding Valuation Day which is normally the Business Day preceding the Redemption Day. No Units may be redeemed whilst the calculation of net asset value is suspended.

Minimum redemption amounts of US\$1,000 will apply.

The Trustee may, in its absolute discretion, cause all Units to be redeemed should any redemption request result in the Unitholder's balance falling below the minimum balance of US\$5,000 in the United States Dollar Class.

Neither the Trustee, the Administrator nor any other agents of the Fund will be responsible for any errors in or liability arising from faxed transmission of redemption instructions. No redemptions will be processed where the original Subscription and Redemption Forms of the redeeming Unitholder were sent by fax, until the signed original of both the Subscription and Redemption Forms have been received by or on behalf of the Fund.

Where no certificates in respect of the Units being redeemed have been issued, redemption proceeds will normally be dispatched by the Administrator on the Business Day following the relevant Redemption Day. Payment will only be made in the name of the registered Unitholder or, in the case of joint holders, to the first named holder unless alternative payment instructions are provided on the Subscription Form. Payment instructions for the redemption proceeds may be amended upon receipt of original written instructions to this effect signed by the registered holder. Where a certificate has been issued in respect of the Units being redeemed which is not delivered with the redemption instructions, redemption proceeds will normally be dispatched by the Administrator on the Business Day following receipt of the relevant certificate(s). Payment of redemption proceeds will be made in any event not later than four Business Days after the relevant Redemption Day or receipt of the relevant certificate(s), whichever is the later. Redemption proceeds will be paid into a retail bank account at Butterfield Bank (Cayman) Limited in the same name as the Unitholder at the Unitholder's risk and expense. Should the Unitholder no longer maintain a retail bank account with Butterfield Bank (Cayman) Limited the holdings will be redeemed in full and payment made only in the name of the registered Unitholder by cheque, draft or wire transfer at the Unitholder's request, risk and expense.

Transfer

Units may be transferred by any form of transfer with the prior consent and approval of the Trustee. Upon any transfer of Units, the transferee is required to complete and deliver to the Trustee or the Administrator promptly a Subscription Form together with such other supporting documents as the Trustee may require. Failure to do so may result in the Units being compulsorily redeemed or transferred. All transfer of Units require the prior approval of the Trustees of the Fund or their agents. In connection with the listing of the Units on the Cayman Islands Stock Exchange, the Trustees have given their prior approval to all prospective transfers of Units effected through the Stock Exchange the Fund reserves the right to compulsorily redeem or require the transfer of the Units in certain circumstances. (See Compulsory Redemptions and Transfers below).

Conversion

Holders of one Class of Units are normally entitled to convert all or a portion of such Units into Units of another Class, by giving notice to the Administrator in the required form, to this effect, if such other Class exists. If such notice is received by the Administrator prior to 3:30 p.m. (Cayman time) on a Business Day, conversion will take place on the next Subscription Day. If, however, such notice is received after 3:30 p.m. (Cayman time) conversion will take place on the next but one Subscription Day. Conversions will be effected by redeeming the Units of the existing Class held by such Unitholder at the prevailing redemption price and applying the redemption proceeds in subscribing for new Units of the new Class to which the Units are to be converted at the current subscription price for Units of such new Class. The exchange rate applicable to the conversion will be determined by the Custodian or the Sub-Custodian (as the case may be) and the cost of conversion (if any) will be borne by the Unitholder. If there is any delay in subscription in the new Class arising because there is not a common Business Day for both Classes, the converting Unitholder will not be entitled to any interest or earnings occasioned by such delay. Once notice of conversion has been given, the Unitholder(s) will not be entitled to withdraw it in any circumstances, except with the consent of the Trustee.

Where a certificate has been issued, the certificate(s) for the Units being converted must be returned to the Administrator without delay before a certificate(s) for Units in the new Class will be issued.

No charge (other than any exchange conversion cost) is made on conversion from one Class to another.

STRUCTURE

The Fund

The Fund was established as a Unit Trust under the laws of the Cayman Islands by a Trust Deed dated 18th June 1996 made by the Trustee and the Administrator and amended by Supplemental Trust Deeds dated 31st October, 1997 and 2nd January, 1998 and further amended and restated by an Amended and Restated Trust Deed dated 15th December 2008 and made by the Trustee. The Fund will terminate 150 years after it is established. It may be sooner terminated by the Trustee or the Unitholders holding 75% of all Units in issue as described in the Trust Deed.

Units

There is no limit to the number of Units that may be issued. Each Unit represents an undivided beneficial interest in the relevant underlying assets of the Fund. All issued Units are in registered form.

The Units carry no right to distributions or other interim payments unless so determined by the Trustee. At any annual or other meeting of holders of Units, or any Class thereof, each Unitholder is entitled on a poll to one vote for each Unit held. In a winding-up, each Unit has a right to share in relevant surplus assets of the Fund. A fraction of a Unit will rank *pari passu* and proportionately with a whole Unit.

Classes

The Trustee has reserved the right to create from time to time new Classes of Units in addition to the initial Class being the United States Dollar Class and Sterling Class (now terminated). Each of such new Classes will have the same investment objectives as the initial Class and as described in this Prospectus. All of the Units of all the Classes will rank *pari passu* and have substantially the same rights and terms and conditions. The assets attributable to each Class will be held by or on behalf of the Trustee upon separate trusts for the holders of Units of that Class. Each Class will be designated and denominated in a different currency. All subscriptions monies received will be applied, and redemption payment will be made, in the designated currency of the relevant Class. Investments made with the proceeds attributable to each Class will be kept in segregated accounts and separate accounting records will be maintained for each Class in the designated currency. To the extent that any investments are made for any Class denominated in a currency other than the designated currency of the relevant Class, the performance of such Class expressed in the designated currency of that Class will be affected by changes in the relevant currency exchange rates.

In calculating the net asset value of each Class, liabilities attributable to a particular Class will be deducted in the net asset value calculation for that Class. However, to the extent that liabilities of the Fund are not clearly attributable to any one particular Class, the Manager may allocate such liabilities amongst all of the Classes, or the relevant Classes, *pro rata* on the basis of the respective aggregate net asset values of each relevant Class or otherwise as the Administrator deems in its discretion to be fair and reasonable. As noted above each Class will constitute a separate Trust, the investments of which will be segregated from other Classes. It is not, therefore, anticipated that the activities of any Class will affect those of other Classes but it is conceivable in extraordinary circumstances that they could. In particular, the Trustee, the Administrator and certain of their delegates may be indemnified out of the assets attributable to other Classes in respect of liabilities attributable to a Class where the assets of that latter Class are insufficient.

The Trustee may in its discretion terminate a Class.

Meetings

The Trustee will convene an annual general meeting of Unitholders of all Classes each year for the purpose, *inter alia*, of approving the annual audited accounts of each Class. Extraordinary meetings of Unitholders of all or any relevant Classes may be convened by the Trustee. Extraordinary meetings of Unitholders of all Classes may also be requisitioned by holders of 10% of the Units of all Classes in issue and outstanding. Unitholders will be given at least 14 clear days' notice specifying the place where the meeting is to be held and the day and the hour of the meeting and the business to be considered at the meeting. Except in the circumstances described in this Prospectus where a majority of 75% of all relevant Units in issue is required, a resolution will be passed if approved by Unitholders holding a majority of Units present at the meeting or by written resolution signed by Unitholders holding a majority of the relevant Units in issue. At meetings, all votes will be taken on a poll. A quorum at all meetings of Unitholders will be holders representing in person or by proxy 25% of the Units of all or the relevant Classes in issue and outstanding. Meetings at which the requisite quorum is not in attendance will be adjourned to the same time and place in the following week at which those Unitholders in attendance will constitute a quorum.

Variation of Unitholders' Rights and Trust Deed

Except where the Trustee is able to certify that such variation does not materially adversely prejudice the rights of the Unitholders, the Trust Deed and the special rights attached to any Class of Unit may be varied only by a resolution of the Unitholders of all or the relevant Classes. The special rights conferred on the holders of any Units shall (unless otherwise expressly provided by the conditions of issue of such Units) be deemed not to be varied, inter alia, by the creation or issue of further Units or a further Class of Units.

Business Day

A Business Day is a day on which banks are open for business in the Cayman Islands and the principal financial centre for payments in the currency by reference to which the relevant Class is designated (e.g. for the United States Dollar Class, New York City.)

Place of Business

The Fund has not established a place of business in the United States of America or in Great Britain. Its principal place of business is in the Cayman Islands.

Register of Units

The Register of Units is maintained by the Administrator and may not be inspected by other Unitholders and is not open to public inspection.

Litigation

No litigation or claims are known to the Trustees to be pending or threatened in relation to the Fund.

Borrowing Powers

The Trustee may borrow on behalf of each Class of the Fund but no sum shall be borrowed if, on the date it is proposed to borrow the sum, that sum together with all other sums borrowed and not repaid at that date would if they were immediately repayable, require more than 10% in net asset value of the investments of the relevant Class to be utilised for the purposes of repayment. Borrowing may be effected only for the purpose of paying expenses of the Fund, facilitating the payment of the redemption price on Units which are to be redeemed or have been redeemed, for the clearance of transactions or for emergency purposes. The Fund may not borrow for one Class utilizing the assets of another Class as security.

At the date hereof, the Fund has no outstanding borrowing or indebtedness in the nature of borrowing, including bank overdrafts, liabilities under acceptances, acceptance credits, mortgages, charges, hire purchase commitments or any guarantees or other material contingent liabilities.

Options and Special Terms

No Units are under option or agreed to be put under option conditionally or unconditionally and no commission, discounts, brokerage, or other special terms have been granted in connection with the issue or sale of any Units.

Offering Expenses

The expenses incurred in connection with the issue of this Prospectus have been paid out of the Fund.

VALUATION, SUSPENSION AND COMPULSORY REDEMPTION**Valuation**

The prices at which Units may be issued and redeemed are calculated as at the close of business in the Cayman Islands on the Valuation Day which is normally the Business Day preceding the Subscription Day or Redemption Day by reference to the net asset value per Unit of the relevant Class for the purpose of determining the subscription price and the redemption price. In establishing the net asset value per Unit of the relevant Class, listed investments are valued at closing market prices prevailing at the close of business on the Valuation Day. Other unlisted investments are included at a value decided on by the Trustee (or its delegates) in good faith, allowing for any discount that the Trustee (or its delegates) thinks appropriate.

Subscription and redemption prices are calculated to two decimal places.

When an investor requests redemption of 10% or more of the Units of any Class then in issue, the Trustee may, by serving notice in writing to the investor not later than the close of business on the second Business Day following the day on which the request is received, elect that the investor shall accept a transfer of property in lieu of the redemption proceeds. The investor in turn has the right to instruct the Trustee to arrange for a sale of such property and the payment to the investor of the net sale proceeds.

Suspension

The Trustee may declare a suspension of the determination of the net asset value of the Units of all or any of the Classes for the whole or any part of a period during which:-

- (a) by reason of the closure of or the suspension of trading on any money market or stock exchange or over-the-counter market or any other exchange or market or for any other reason circumstances exist as a result of which, in the opinion of the Trustee, it is not reasonably practicable for the investments of the Fund or any Class to be realised or disposed of or for the net asset value of all or any of the Classes to be fairly determined;
- (b) as a result of an emergency state of affairs, the reasonable disposal of the securities of the Fund or any Class becomes impracticable or there exist circumstances that the Trustee deems will cause material harm or serious prejudice to the relevant Unitholders;
- (c) the communications system normally used for the determination of the price or the value of the investments of the Fund or any Class is damaged, or there are reasons why the prompt and correct establishment of the price of the investments of the Fund or any Class is reasonably impracticable to obtain; or
- (d) the Trustee deems it impracticable to transfer moneys of or for the Fund at normal exchange rates at any time.

Any such suspension shall be publicised by the Trustee in the Caymanian Compass newspaper and in such other manner as the Trustee may deem appropriate, to the persons likely to be affected thereby and shall take effect at such time as the Trustee shall declare but not later than the close of business in the Cayman Islands on the Business Day next following the declaration and thereafter there shall be no determination of the net asset value until the Trustee shall declare the suspension at an end except that the suspension shall terminate, in any event, on the first Business Day on which:-

- (a) the condition giving rise to the suspension shall have ceased to exist; and
- (b) no other condition under which suspension is authorised shall exist.

Compulsory Redemption or Transfer

Units will be compulsorily redeemed or transferred if it comes to the notice of the Trustee that they are owned directly or beneficially in breach of any law or requirement of any country or governmental authority or that any person is not qualified to hold such Units directly or beneficially by virtue of such law or requirement or that continued ownership may result in pecuniary or financial disadvantage to the Fund or any of its agents or any of the Unitholders or if the number of Units of any Class held by a Unitholder is less than any minimum holding prescribed for that Class. Units may also be compulsorily redeemed if a Unitholder fails to provide the Fund or Administrator with information and/or documentation requested of the Unitholder to enable the Fund to meet its obligations under applicable anti-money laundering or tax information exchange laws or regulations.

The Trustee also has the right to redeem all outstanding Units if the aggregate net asset value of all the Classes, for 26 consecutive weeks, is less than US\$5,000,000.

GENERAL INFORMATION

Taxation

The Cayman Islands under existing legislation impose no taxes on income, profits, capital gains or appreciations of the Fund. There are also currently no taxes imposed in the Cayman Islands on income, profits, capital gains or appreciations

of the holders of the Units nor any taxes on the holders of Units in the nature of estate duty, inheritance or capital transfer tax. Further the Fund has obtained an undertaking from the Cayman Islands Government authorities that, for a period of twenty years from the date of the undertaking, no law which is enacted in the Cayman Islands imposing any tax on profits, income, capital gains or appreciations will apply to the Fund, and that, for the same period of twenty years, no taxes on profits, income, capital gains or appreciations nor any tax in the nature of estate duty or inheritance tax will be payable on the Units, debentures or other obligations of the Fund including on any Units owned by Cayman residents.

There are presently no exchange controls and no other restrictions on the transfer of funds to or from the Cayman Islands.

No stamp duty will be levied by the Government of the Cayman Islands on the issue or transfer of Units.

The foregoing is based on the law and practice currently in force in the Cayman Islands and is subject to changes therein. Investors should consult their professional advisors on the possible tax consequences of buying, selling, holding or redeeming Units under the laws of their country of citizenship, residence or domicile.

Cayman Islands Tax Reporting

The Cayman Islands have entered into a Model 1(b) (non-reciprocal) intergovernmental agreement ("US IGA") with the United States to give effect to the United States Foreign Account Tax Compliance Act ("FATCA") and have made amendments to the Tax Information Authority Law (as revised) ("TIA Law") and enacted the Tax Information Authority (International Tax Compliance) (United States of America) Regulations, 2014 ("US Regulations", together with the TIA Law, the "Enabling Legislation") to give effect to the US IGA. Cayman Islands financial institutions ("FIs") that comply with the US IGA and the Enabling Legislation will be treated as satisfying the due diligence and reporting requirements of FATCA and accordingly will be treated as participating foreign financial institutions ("Participating FIs") for the purposes of FATCA. Participating FIs will be 'deemed compliant' with FATCA and will not be subject to withholding tax and will not be required to close recalcitrant accounts.

The US IGA categorises FIs as either 'Reporting' or 'Non-Reporting FIs'. By default, all Cayman FIs are Reporting FIs, unless they qualify as Non-Reporting FIs. The categories of Non-Reporting FIs are set out in an annex to the US IGA. A Reporting FI is not required to enter into a separate agreement directly with the United States Internal Revenue Service ("IRS"), but must (i) register with the IRS to obtain a Global Intermediary Identification Number, (ii) register with the Cayman Islands Tax Information Authority ("TIA"), (iii) conduct due diligence on its investors to identify whether accounts are held directly or indirectly by 'Specified US Persons' (as defined in the US IGA) and (iv) make annual filings with the TIA. The TIA will automatically exchange such information with the IRS annually from 2015 onwards. While a Non-Reporting FI will not be subject to the registration and reporting requirements, it will need to self-certify its FATCA status to withholding agents to avoid the imposition of a 30% withholding tax.

Under the terms of the US IGA and the relevant regulations, FATCA withholding tax will not be imposed on payments made to the Fund, or on payments made by the Fund to an account holder, except to the extent the Fund fails to comply with its obligations under FATCA or the US IGA, or its investors or account holders otherwise fail to comply with any other obligations they may have to the Fund with respect to the Fund's obligations under FATCA and/or the US IGA, as applicable. FATCA withholding tax, if any, is generally at the rate of 30% of the relevant payment. Unitholders will be required to furnish appropriate documentation certifying as to their US or non-US tax status and the identity of their controlling persons, together with such additional tax information as the Fund may from time to time request to enable the Fund to comply with the US Regulations.

The Cayman Islands have also signed an intergovernmental agreement with the United Kingdom ("UK IGA"), modelled on the US IGA and has passed the Tax Information Authority (International Tax Compliance) (United Kingdom) Regulations, 2014 ("UK Regulations"). The UK IGA imposes similar requirements to the US IGA, so that the Fund will be obliged to make annual filings with the TIA which will include providing information in relation to Unitholders who are Specified United Kingdom Persons (as defined in the UK IGA) and any direct or indirect Specified United Kingdom Persons which invest in the Fund. The TIA will automatically exchange such information with the Her Majesty's Revenue and Customs ("HMRC") annually from 2016 onwards.

A Unitholder that is resident in the United Kingdom for tax purposes or is an entity that is identified as having one or more controlling persons that is resident in the United Kingdom for tax purposes will be required to provide

information to the Fund which identifies such United Kingdom tax resident persons and the extent of their respective investment in the Fund.

In February 2014, the OECD announced the 'Common Reporting Standard' ("CRS"), intended to become an international standard for financial account reporting, and in October 2014, the Cayman Islands Government signed up to the multi-lateral competent authority agreement ("MCAA") that is being adopted by all jurisdictions committing to the CRS, in order to implement the CRS. The Cayman Islands Government and other governments that have signed up to the CRS and the MCAA ("Future Reporting Jurisdictions") will implement local legislation and it is expected that the first exchanges of information under this regime will begin in 2017. The MCAA and reporting obligations under the CRS will be very similar to the UK IGA and are expected to replace the UK IGA.

Details of the CRS and the jurisdictions in respect of which reporting will be required can be found at <http://www.oecd.org/tax/transparency/automaticexchangeofinformation.htm>.

By investing (or continuing to invest) in the Fund, investors shall be deemed to acknowledge that:

- (a) the Fund (or its agent) may be required to disclose to the TIA certain confidential information in relation to the investor, including but not limited to the investor's name, address, tax identification number (if any), social security number (if any) and certain information relating to the investor's investment;
- (b) the TIA may be required to automatically exchange information as outlined above with the IRS, HMRC and other foreign fiscal authorities located in Future Reporting Jurisdictions;
- (c) the Fund (or its agent) may be required to disclose to the IRS, HMRC and other foreign fiscal authorities located in Future Reporting Jurisdictions certain confidential information when registering with such authorities and if such authorities contact the Fund (or its agent directly) with further enquiries;
- (d) the Fund may require the investor to provide additional information and/or documentation that the Fund may be required to disclose to the TIA, IRS, HMRC or other foreign fiscal authorities located in Future Reporting Jurisdictions;
- (e) in the event an investor fails to provide the requested information and/or documentation, whether or not such failure actually leads to compliance failures by the Fund, or a risk of the Fund or its investors being subject to withholding tax under the relevant legislative or inter-governmental regime, the Fund reserves the right to take any action and/or pursue all remedies at its disposal including, without limitation, compulsory redemption or withdrawal of the investor concerned; and
- (f) no investor affected by any such action or remedy shall have any claim against the Fund (or its agent) for any form of damages or liability as a result of actions taken or remedies pursued by or on behalf of the Fund in order to comply with any of the US IGA, the UK IGA or the MCAA, or any of the relevant underlying legislation.

Unitholders are encouraged to consult with their own tax advisers regarding their tax status and the applicability of this legislation on their investment in the Fund.

The EU Savings Directive

As of 1 July, 2005, the EU Savings Directive (the "EUSD") became effective. The EUSD requires withholding of tax, or exchange of relevant tax information, on interest paid to certain residents of the European Union in certain limited circumstances. Payments from the Fund should generally not be subject to the EUSD withholding tax, or information exchange obligations and the EUSD should therefore have little or no impact on the Fund or its investors due to their investments in the Fund. However, because of complexities and uncertainties in the law and certain possible application of the tax on payments through paying agents or nominees, the tax might apply with respect to certain individual investors resident in certain EU member states. Investors should consult with, and rely solely upon, their own legal advisors about the possible application of the EUSD withholding tax, or information exchange, to payments to them based on their particular facts and circumstances.

The above information appears as general information only and does not constitute any form of tax advice or directions to any investor.

Investors not resident in the Cayman Islands are advised to inform themselves as to any tax, regulatory or exchange control regulations applicable to them in their country of residence or otherwise.

Cayman Islands Regulations

The Fund is a mutual fund as defined in the Mutual Funds Law (as revised) of the Cayman Islands (the "Law") and accordingly is regulated in terms of that Law and is required to be licensed or employ a licensed mutual fund administrator,

As a regulated mutual fund, the Fund is subject to the supervision of the Cayman Islands Monetary Authority (the "Monetary Authority"). The Fund must file this Prospectus and any changes that materially affect any information in this document with the Monetary Authority. The Monetary Authority may, at any time, instruct the Fund to have its accounts audited and to submit them to the Monetary Authority within such time as the Monetary Authority specifies. In addition, the Monetary Authority may ask the Trustee to give the Monetary Authority such information or such explanation in respect of the Fund as the Monetary Authority may reasonably require to enable it to carry out its duty under the Law.

The Trustee must give the Monetary Authority access to or provide at any reasonable time all records relating to the Fund and the Monetary Authority may copy or take an extract of a record it is given access to. Failure to comply with these requests by the Monetary Authority may result in substantial fines on the part of the Trustee and may result in the Monetary Authority applying to a court to have the Fund wound up.

The Monetary Authority may take certain actions if it is satisfied that a regulated mutual fund:

- (a) is or is likely to become unable to meet its obligations as they fall due;
- (b) is carrying on or is attempting to carry on business or is winding up its business voluntarily in a manner that is prejudicial to its investor or creditors;
- (c) is not being managed in a fit and proper manner; or
- (d) has persons appointed as trustee, manager or officer that are not fit and proper persons to hold the respective positions.

The powers of the Monetary Authority include inter alia the power to require the substitution of Trustee, to appoint the person to advise the Fund on the proper conduct of its affairs, or to appoint a person to assume control of the affairs of the Fund. There are other remedies available to the Monetary Authority including the ability to apply to the court for approval of other actions.

Anti-Money Laundering Requirements

As part of the Fund's responsibility for the prevention of money laundering, the Fund, the Administrator, its affiliates, subsidiaries or associates will require a detailed verification of the applicant's identity and the source of the payment. Depending on the circumstances of each application, a detailed verification might not be required where:

- (a) the applicant is a recognized financial institution which is regulated by a recognized regulatory authority and carries on business in a country listed in Schedule 3, of the Proceeds of Crime Law (as revised)); the related Money Laundering Regulations 2013.
- (b) the application is made through a recognized intermediary which is regulated by a recognized regulatory authority and carries on business in a country recognized in Schedule 3, of the Proceeds of Crime Law (as revised); the related Money Laundering Regulations 2013. In this situation the Company may rely on a written assurance from the intermediary that the requisite identification procedures on the applicant for business have been carried out.

For the purposes of these exceptions, recognition of a financial institution, regulatory authority or jurisdiction will be determined in accordance with the Money Laundering Regulations, 2013 by reference to those jurisdictions recognised by the Monetary Authority as having equivalent anti-money laundering regulations. In the event of delay or failure on the part of the subscriber in producing any information required for verification purposes, the Fund, or

the Administrator on the Fund's behalf, may refuse to accept the application, in which case any funds received will be returned without interest to the account from which they were originally debited.

The Fund, and the Administrator on the Fund's behalf, also reserve the right to refuse to make any redemption payment to a Unitholder if the Directors or the Administrator suspect or are advised that the payment of redemption proceeds to such Shareholder might result in a breach of applicable anti-money laundering or other laws or regulations by any person in any relevant jurisdiction, or if such refusal is considered necessary or appropriate to ensure the compliance by the Fund or the Administrator with any such laws or regulations in any applicable jurisdiction.

If any person resident in the Cayman Islands knows or suspects or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct or is involved with terrorism or terrorist property and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands, pursuant to the Proceeds of Crime Law (as revised) if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher pursuant to the Terrorism Law (as revised) if the disclosure relates to involvement with terrorism or terrorist financing and property. Such a report shall not be treated as a breach of confidence or of any restriction upon the disclosure of information imposed by any enactment or otherwise and the Unitholder shall have no claim whatsoever against the Investment Advisor, the Fund or the Administrator for any such required disclosure.

Available Documents

Copies of the following documents are available for inspection at the office of MUFG Fund Services (Cayman) Limited, Strathvale House, 90 North Church Street, Grand Cayman, Cayman Islands during usual business hours on any weekday (public holidays excepted):-

- (a) Administration Agreement;
- (b) The Trust Deed;
- (c) The latest Interim Report and Annual Report and audited Accounts;
- (d) The Mutual Funds Law (as revised) of the Cayman Islands.

Copies of the Trust Deed, the Administration Agreement, may be obtained from the Trustee on payment of a sum, at the discretion of the Trustee, not exceeding US\$ 25 per copy. Copies of the latest Interim Report and Annual Report and audited Accounts and this Prospectus are available at http://www.bam.butterfieldgroup.com/ButtInvestProds/forms_and_downloads/Pages/Financial-Statements.aspx.

Other

The above information appears as general information only and does not constitute any form of tax advice or directions to any investor.

Investors not resident in the Cayman Islands are advised to inform themselves as to any tax, regulatory or exchange control regulations applicable to them in their country of residence or otherwise.

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