

*GAA INVESTMENT FUNDS LIMITED
PROSPECTUS*

2 May 2006



MANAGER

Global Asset Allocation Limited

CUSTODIAN

Bermuda Commercial Bank Limited

REGISTRAR AND ADMINISTRATOR

International Corporate Management of Bermuda Limited

This Prospectus is issued by GAA Investment Funds Limited, a mutual fund company incorporated under the laws of Bermuda with limited liability on 17 May 2000. Separate supplements to this Prospectus will be issued for each class of shares created by the Company from time to time.

The Company has been classified as a Bermuda Standard Scheme. As such, the Company is subject to supervision and regulation as provided for in the Bermuda Monetary Authority (Collective Investment Scheme Classification) Regulations 1998. However, the Company should be viewed as an investment suitable for investors who can fully evaluate and bear the risks involved.

Permission under the Exchange Control Act 1972 (and regulations made thereunder) has been received from the Bermuda Monetary Authority (the "Authority") for the issue of Shares of the Company and does not constitute a guarantee by the Authority as to the performance of the Company or creditworthiness of the Company involved. Furthermore, in giving such approvals or permissions, the Authority shall not be liable for the performance or default of the Company or for the correctness of any opinions or statements expressed.

The Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, or under the securities laws of any of the states of the United States. The Company has not been, and will not be, registered under the United States Investment Company Act of 1940, as amended and the Shares may not, except in a transaction which does not violate such Acts, be offered, sold or transferred directly or indirectly in the United States or in any of its territories or possessions or areas subject to its jurisdiction to any US person. For the purposes of this Prospectus, "US Person" means a natural person who is a resident to the United States, a partnership, corporation or other entity organised under the laws of the United States or which has its principal place of business in the United States, any estate or trust, the income of which is subject to United States income tax regardless of source, or any entity organised principally for passive investment such as a commodity pool, investment company or other similar entity (other than a pension plan for the employees, officers or principals of an entity organised with its principal place of business outside the United States): (i) in which US Persons hold interests of participation representing in the aggregate 10 per cent or more of the beneficial interest in the entity or (ii) which has as a principal purpose the facilitating of investment by a US Person in a commodity pool with respect to which the operator is exempt from certain requirements of Part 4 of the United States Commodity Futures Trading Commission's regulations by virtue of its participants being non-US Persons.

This Prospectus is issued by the Company. The Company is not a recognised collective investment scheme for the purposes of the Financial Services Act 1986 of the United Kingdom (the 'Act'). The Manager is not an authorised person under the Act subject to the rules and regulations made thereunder for the protection of investors, and investors' rights in the Company are not protected by the UK Investors' Compensation Scheme. This Prospectus may not be issued or passed on to any person in the United Kingdom unless that person is (i) of a kind described in Article 9(3) of the Financial Services Act 1986 (Investment Advertisements) (Exemptions) Order 1988 (as amended) or (ii) of a kind specified in Article 2(1) of the

Financial Services Act 1986 (Investment Advertisements) (Exemptions) (No.2) Order 1992. Further, Shares offered pursuant to this Prospectus are available only to persons in the United Kingdom of a kind specified in the said Article 2(1) who have professional experience in matters relating to investment and it would be imprudent for any other such persons to respond to it. The Shares may only be promoted in the United Kingdom by a person authorised to carry on investment business under the Act (an 'authorised person') to other authorised persons, to persons whose ordinary business involves the acquisition and disposal of property of the same kind as the property or a substantial part of the property in which the Company invests and to persons to whom such promotion is permitted pursuant to the Financial Services (Promotion of Unregulated Schemes) Regulations 1991 as from time to time amended.

Neither this Prospectus nor the Shares have been registered or qualified for offer or sale under the laws of any other jurisdiction governing the offer or sale of mutual fund shares or other securities, and this Prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of such Shares in any jurisdiction in which such offer, solicitation or sale is not authorised or to any person to whom it is unlawful to make such offer, solicitation or sale.

No person has been authorised to make any representations concerning the Company or the Shares other than those contained in this Prospectus and, if made, such representations may not be relied upon as having been authorised by the Company.

Prospective investors should not construe the contents of this Prospectus as legal, tax or financial advice. Each prospective investor should consult his own professional advisors as to the legal, tax, financial and other matters relevant to the suitability of an investment in the Shares for such investor.

This Prospectus is intended solely for the use of the person to whom it has been delivered for the purpose of evaluating a possible investment by the recipient in the Shares described herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor).

To the best of the knowledge and belief of the Directors of the Company (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly. A copy of this document has been delivered to the Registrar of Companies in Bermuda for filing pursuant to the Companies Act 1981 of Bermuda. It must be distinctly understood that neither the Bermuda Monetary Authority nor the Registrar of Companies in Bermuda accepts any responsibility for the financial soundness of any proposals herein or the correctness of any of the statements made or opinions expressed with regard to them.

Prospective investors should also note that the Shares carry no voting rights (see 'SHARES OF THE COMPANY Meetings and Voting Rights' on page 12 of this Prospectus).

All monetary amounts set forth herein are expressed in US Dollars except where otherwise stated.

DEFINITIONS

"ADMINISTRATOR"	International Corporate Management of Bermuda Limited. A wholly owned subsidiary of Bermuda Commercial Bank Limited
"AUDITOR"	Deloitte Touche Tohmatsu, Hong Kong
"BID PRICE"	The price at which shares in the Company are redeemed, as calculated by reference to the Net Asset Value per share of the shares of the relevant Class Fund.
"BUSINESS DAY"	Any day on which banks in Bermuda are open for business.
"BYE-LAWS"	The Bye-laws of the Company.
"CLASS FUND"	The separate fund established and maintained by the Company in connection with each class of shares in the Company and within which all assets attributable to the holders of the relevant shares in the Company shall be held.
"COMPANY"	GAA Investment Funds Limited.
"CUSTODIAN OR BANK"	Bermuda Commercial Bank Limited
"DEALING DAY"	The first Business Day of each month and or such other day or days in addition thereto or in substitution therefore as may from time to time be determined by the Directors either in any particular case or generally.
"DIRECTORS"	The Board of Directors of the Company including any duly authorised committee thereof.
"MANAGER"	Global Asset Allocation Limited.
"NET ASSET VALUE"	The Net Asset Value per share of each Class Fund determined in accordance with the Bye-laws
"OFFER"	The offer of Shares pursuant to this Prospectus and any Supplementary Prospectus hereto in respect of Shares of specific Class Funds.
"OFFER PRICE"	The price at which Shares of the Company are subscribed for, as calculated by reference to the Net Asset Value per Share of Shares of the relevant Class Fund plus such sum (if any) as the Manager considers to represent the appropriate provision per Share for fiscal and purchase charges.
"REDEMPTION DAY"	The days on which Shares of a Class Fund may be redeemed, determined in accordance with the Company's Bye-laws.
"REGISTRAR"	International Corporate Management of Bermuda Limited.
"SHARES"	Up to 5,000,000 Common Shares of par value US\$1.00 each in the Company.
"VALUATION DAY"	The last Business Day of each month.

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STANDING PROSPECTUS

Summary

The information set forth below should be read in conjunction with, and is qualified by, the full text of this Prospectus and any supplements hereto which should be read in their entirety.

THE COMPANY

GAA Investment Funds Limited is an open ended mutual fund company incorporated with limited liability in Bermuda on 17 May 2000. Separate supplements to this Prospectus will be issued for each class of Shares created by the Company from time to time.

MANAGER

The Manager, Global Asset Allocation Limited, is a company incorporated with limited liability in Bermuda. The Company has appointed the Manager to provide the Company with administrative and management services under the supervision of their respective Directors, with power to delegate to investment advisors.

CUSTODIAN

The Custodian, Bermuda Commercial Bank Limited, is a licensed bank incorporated in Bermuda. The Company has appointed the Custodian to act as custodian of the assets of the Company under the supervision of the Manager, with power to appoint sub-custodians.

ADMINISTRATOR AND REGISTRAR

The Company has appointed International Corporate Management of Bermuda Limited to provide it with a Secretary and to act as its Registrar and Administrator under the supervision of the Manager.

DIVIDENDS

Although the Company is entitled to pay dividends, except with respect to GAA Blueprint Property Class Fund, it is not envisaged that it will do so, and any income of the Company will instead be added to the relevant Class Fund's investment portfolio for the Shareholders' benefit. Shareholders who require a regular cash flow from their investment may arrange for the Company to redeem sufficient of their Shares to make a specified fixed payment to them on a half yearly or annual basis. This facility is available only to uncertificated Shareholders.

FEES AND EXPENSES

The fees and expenses payable by the Company are set out on page 12 of this Prospectus under "FEES AND EXPENSES" and in the supplements to this Prospectus relating to each Class Fund.

TAX STATUS

There is no Bermuda income, corporation or profits tax, withholding tax, capital gains tax, capital transfer tax, estate duty or inheritance tax payable by the Company or its Shareholders. The Company has obtained from the Minister of Finance of Bermuda, under the Exempted Undertakings Tax Protection Act 1966 as amended, a certificate confirming the exemption of the Company until 28 March 2016 from any such taxes which may be introduced.

FUNCTIONAL CURRENCY

The Company will report its results and transact subscriptions and redemptions in the currency in which its sub funds are denominated.

Directory

DIRECTORS OF THE COMPANY

Jeremy Smeeton (President)
GAA Direct Limited
Unit Level 13 (E)
Main Office Tower
Financial Park Labuan
Jalan Merdeka
87000 Labuan FT
Malaysia

Carl Butler
GAA Direct Limited
Unit Level 13 (E)
Main Office Tower
Financial Park Labuan
Jalan Merdeka
87000 Labuan FT
Malaysia

John Collis
Partner
Conyers, Dill & Pearman
Clarendon House
Church Street
Hamilton HM 11
Bermuda

Alan Moore
Bermuda Commercial Bank Limited
Bermuda Commercial Bank Building
43 Victoria Street
Hamilton HM12
Bermuda

SECRETARY AND REGISTERED OFFICE

Alan Moore
Bermuda Commercial Bank Limited
Bermuda Commercial Bank Building
43 Victoria Street
Hamilton HM12
Bermuda

MANAGER

Global Asset Allocation Limited
Clarendon House
Church Street
Hamilton HM 11
Bermuda

CUSTODIAN

Bermuda Commercial Bank Limited
Bermuda Commercial Bank Building
43 Victoria Street
Hamilton HM12
Bermuda

ADMINISTRATOR AND REGISTRAR

International Corporate Management of Bermuda
Limited
Bermuda Commercial Bank Building
43 Victoria Street
Hamilton HM12
Bermuda

LEGAL ADVISORS

Conyers Dill & Pearman
Clarendon House
Church Street
Hamilton HM 11
Bermuda

AUDITORS

Deloitte Touche Tohmatsu
Certified Public Accountants
35/F One Pacific Place
88 Queensway
Hong Kong

Introduction

GAA Investment Funds Limited is an open-ended mutual fund company incorporated as a limited liability company under the laws of Bermuda on 17 May 2000. Supplementary Prospectuses for each Class Fund are available from the Registrar.

Management & Administration

THE COMPANY

The Directors of the Company are:

JEREMY SMEETON is Managing Director of Global Asset Allocation Limited, GAA Investment Funds Limited and GAA Direct Limited. Formerly Executive Director of Pesaka Capital Corporation, he sits on the board of several unit trust and mutual fund companies. Mr Smeeton has worked in the offshore financial services industry since 1987 and is responsible for the design of a range of financial instruments which have been successfully distributed throughout Europe, the Middle East, Africa and Asia.

CARL BUTLER is a Director of Global Asset Allocation Limited and GAA Investment Funds Limited and is also Chief Operating Officer of GAA Direct Limited. Mr Butler has spent more than 25 years in the management of companies in both the automotive and financial services industries. He was a partner in a UK insurance brokerage regulated by both Lauto and Fimbra before turning to international sales, marketing and distribution in the Middle East, Germany and Korea. During this period he held the post of General Manager for 5 satellite operations for and on behalf of companies headquartered in the US, Holland and Germany. He has operated in the International Financial Services sector since 1996.

JOHN COLLIS is a Partner in Messrs Conyers Dill & Pearman, Barristers and Attorneys, Hamilton, Bermuda. Mr Collis received a Bachelor of Commerce Degree from McGill University, Canada and a Bachelor of Arts (Jurisprudence) from Oxford University, England. He is a member of the Bar of England and Wales and of the Bar of Bermuda. Dawn Griffiths, a corporate associate with Conyers Dill & Pearman, has been appointed Alternate Director to Mr Collis.

ALAN MOORE is the Manager of International Corporate Management of Bermuda Limited and responsible for the management of accounting and corporate services to the Company. He has been involved in the offshore mutual fund industry for over 12 years and acts as director and officer for a number of offshore mutual fund companies. He is professionally qualified as an Associate of the Institute of Chartered Secretaries and Administrators.

The Company's Bye-laws provide that, except for fraud and dishonesty, every Director or Officer of the Company shall be indemnified out of the assets of the Company against all costs, losses and expenses which any such Director or Officer may incur or for which he may become liable by reason of any contract entered into, or any act or thing done by him in such capacity, or in any way in the discharge of his duties.

THE MANAGER

Pursuant to a Management Agreement dated 6 June 2000 the Company has appointed Global Asset Allocation Limited to provide it with administrative and management services for the Company under the supervision of the Directors of the Company in compliance with the Company's Bye-laws and the applicable provisions of this Prospectus and any supplements hereto, with power to delegate to investment advisors.

The Manager was incorporated as a limited liability company under the laws of Bermuda on 17 May 2000 and has a share capital of 12,000 shares of US\$1.00 each.

The Management Agreement has an initial term expiring on 22 March 2003 which is automatically extended thereafter, subject to termination by either party upon not less than 90 days' written notice.

The Management Agreement provides that the Manager shall not be liable to the Company or its Shareholders for any act or omission in the performance of its duties, except through wilful default or gross negligence. The Management Agreement also contains provisions for the indemnification of the Manager by the Company against liabilities arising in connection with the performance of its duties.

The Company will achieve its objectives by investing in strategies managed by fund management groups relating to each Class Fund on terms agreed upon in respect of each Class Fund as detailed in the relevant Supplementary Prospectus.

See "FEES AND EXPENSES" on page 12 of this Prospectus and the supplements hereto in respect of separate Class Funds for a description of the compensation payable to the Manager pursuant to the Management Agreement.

THE ADMINISTRATOR AND REGISTRAR

Pursuant to a Registrar, Corporate Secretarial and Administration Agreement dated 28 April 2006 the Company has appointed International Corporate Management of Bermuda Limited to provide it with a Secretary and to act as its Registrar and Administrator under the supervision of the Manager. As such International Corporate Management of Bermuda Limited has responsibility for maintaining a register of Shareholders of the Company, issuing and redeeming Shares, determining the value of the net assets of each Class Fund, and the redemption price of Shares and keeping the accounts of the Company and each Class Fund.

The Registrar, Corporate Secretarial and Administration Agreement shall continue in force until terminated either by the Company or International Corporate Management of Bermuda Limited giving to the other not less than three calendar months' notice in writing without penalty by either party.

See "FEES AND EXPENSES" on page 12 of this Prospectus for a description of the fees payable to International Corporate Management of Bermuda Limited pursuant to the Registrar, Corporate Secretarial and Administration Agreement.

Management & Administration (cont)

The Registrar, Corporate Secretarial and Administration Agreement provides that the Administrator shall not be liable to the Company or its shareholders for any acts or omissions in the performance of its duties in the absence of fraud, gross negligence or wilful default and contains provisions for the Administrator's indemnification by the Company, subject to the foregoing standard of exculpation, against any and all liabilities and expenses whatsoever arising out of its actions pursuant to the Registrar, Corporate Secretarial and Administration Agreement.

THE CUSTODIAN

Pursuant to a Custodian Agreement dated 28 April 2006 the Company has appointed Bermuda Commercial Bank Limited to act as Custodian of the assets of the Company under the supervision of the Manager, with power to appoint sub-custodians. In addition, Bermuda Commercial Bank Limited may, at the request of the Manager, open accounts with brokers or other intermediaries. The Custodian will not be responsible for the safekeeping of assets or cash deposited with such brokers or other intermediaries.

Bermuda Commercial Bank Limited is a licensed bank incorporated in Bermuda. Bermuda Commercial Bank Limited is engaged in a wide range of international banking and trust services through its office in Bermuda.

The Custodian Agreement shall continue in force until terminated either by the Company or Bermuda Commercial Bank Limited giving to the other not less than three months' notice in writing without penalty by either party. The Custodian Agreement provides that the Custodian shall not be liable to the Company or its shareholders for any acts or omissions in the course of or in connection with the services rendered by it under the Custodian Agreement in the absence of fraud, gross negligence or wilful default and contains provisions for the Custodian's indemnification by the Company, subject to the foregoing standard of exculpation, against any and all liabilities, obligations, losses and expenses whatsoever arising out of its actions pursuant to the Custodian Agreement.

See "FEES AND EXPENSES" on page 12 of this Prospectus for a description of the fees payable to the Bermuda Commercial Bank Limited pursuant to the Custodian Agreement.

The Company has also appointed Bermuda Commercial Bank Limited as its banker on Bermuda Commercial Bank Limited's normal banking terms for customers as regards bank charges, interest and other matters.

Shares of the Company

THE COMPANY'S SHARE CAPITAL

The Company has an authorised share capital of US\$5,012,000 comprising 5,000,000 Common Shares and 12,000 Founders' Shares, each having a par value of US\$1.00 per share. The Common Shares carry no voting rights (save as described herein). The Founders' Shares, which have been issued to the Manager, do not participate in dividends, may not be redeemed or repurchased and, in the event of a winding up or dissolution of the Company or upon a distribution of capital, participate *pari passu* with the Shares only in an amount equal to the par value per Founders' Share.

The Bye-laws of the Company empower the Directors to create different classes of Shares and certain provisions in respect of the Class Funds established in connection with each class of Shares. The Bye-laws allow a Class Fund to invest its assets in other Class Funds. The supplements to this Prospectus in respect of the relevant Class Funds will indicate whether such Class Funds will invest in other Class Funds. The assets of each Class Fund will be subject to the general creditors of the Company. Copies of the Supplementary Prospectuses for each Class Fund may be obtained from the Registrar.

The Shares of each class of Shares in the Company participate in any dividends declared by the Company in respect of that class, have the redemption rights described in the supplements to this Prospectus in respect of each Fund and, in the event of a winding up or dissolution of the Company or upon a distribution of capital, participate (i) *pari passu* with the Founders' Shares in an amount equal to the par value per Share, (ii) in all the surplus assets of the relevant Class Fund and (iii) *pari passu* with the Shares of any other class in any surplus assets of the Company which are not comprised within any of the Class Funds, but subject to the general creditors of the Company. Additional classes of Shares in the Company may be issued from time to time at the Directors' discretion.

Details of the subscription procedures are set forth in the supplements to this Prospectus in respect of each Class Fund.

DETERMINATION OF NET ASSET VALUE

The Net Asset Value per Share of each Class Fund will be determined by the Registrar rounded to three decimal places (0.0005 being rounded down), as of the close of business in Bermuda on each Valuation Day by dividing the value of the net assets comprised within each Class Fund by the number of Shares then in issue, all determined as indicated below.

The net assets of each Class Fund will comprise the aggregate of:

1. investments owned or contracted to be acquired;
2. cash in hand or on deposit including accrued interest;
3. bills and demand notes and amounts receivable including net amounts receivable in respect of investments contracted to be realised;
4. interest accrued on interest-bearing investments of each Class Fund except that accrued on securities which is included in the quoted price; and
5. other property and assets of any kind and nature including prepaid expenses and unamortised preliminary expenses as valued and defined from time to time by the Directors;

Shares of the Company (cont)

in each case, attributable only to the relevant Class Fund and from which will be deducted;

6. investments contracted to be sold;
7. bills and accounts payable;
8. management, performance, custodial and administrative fees and expenses payable and/or accrued;
9. the gross acquisition consideration of investments or other property contracted to be purchased;
10. reserves authorised or approved by the Directors for duties and charges or taxes or contingencies;
11. the aggregate amount of all borrowings and interest, and commitment fees and other charges arising in connection therewith; and
12. other liabilities of whatsoever nature including outstanding payments on any Shares of the relevant class previously redeemed, and as from the record date in respect thereof, any dividends declared and not paid (contingent liabilities, if any, being valued in such manner as the Directors may determine from time to time or in any particular case);

in each case, attributable only to the relevant Class Fund.

Where appropriate, liabilities will be deemed to accrue on a day-to-day basis. For the purpose of calculating the number of Shares in issue or deemed to be in issue, Shares for which application have been duly made shall be deemed to be not in issue on the relevant Valuation Day and Shares to be redeemed or purchased will be deemed in issue on the relevant Valuation Day.

For the purpose of calculating the value of the net assets comprised in a Class Fund:

1. the value of any cash in hand or on deposit, bills (other than United States Treasury securities), demand notes, accounts receivable, prepaid expenses, cash dividends and interest declared or accrued and not yet received is deemed to be the full amount thereof unless the Directors determine that it is not worth such full amount, in which event the value will be such as the Directors deem to be the reasonable value;
2. United States Treasury Securities shall be valued at the lower of (i) market value and (ii) cost plus accrued interest;
3. the Net Asset Value of the shares in any subsidiary company shall be calculated in accordance with the same principles as apply in calculating the Net Asset Value of the Shares;
4. where the Company has entered into a forward contract for the sale or purchase of any currency the currency required to be delivered by the Company shall be included in the assets of the Company at the price payable to the Company under such contract and there shall be included in the liabilities of the Company for the relevant Valuation Day, the cost of purchasing, as advised to the Company for the relevant Valuation Day, the contract quantity of that currency on the date for performance of the contract;
5. the value attributed to any open futures position shall be the amount calculated by reference to the settlement price on the principal futures exchange on which that future is traded after deduction of any commission or charges that would be incurred in liquidating that future at the settlement price on the relevant date and if any future cannot be valued by reference to the settlement price on that day due to the operation of daily limits or other rules of the market on which that future is traded or for any other reason, then the value of that future shall be the value which is attributed to it by the Directors after obtaining such professional advice as the Directors think fit;
6. in the case of securities all calculations shall be based upon the mean between the lowest available dealing offered price on the principal market for those securities and the highest available dealing bid price on the principal market for those securities. All such valuations shall be calculated by reference to the prices appearing to the Directors to be the latest available on such principal market at the end of business on the relevant Valuation Day;

PROVIDED ALWAYS that:

- (i) if the Directors at their discretion consider that the prices ruling on a market other than the principal market provide in all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;
- (ii) the Directors may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value; if and whenever the quoted listed or available price of an investment is a single price such price shall be taken as the mean between the lowest available market dealing offered price and the highest available market dealing bid price;
7. if no price quotations are available as above provided, the value thereof shall be determined from time to time in such manner as the Directors shall determine;
8. preliminary expenses will be amortised over a period of 60 months and included as an asset at cost less amounts written off;

Shares of the Company (cont)

9. any value (whether of a security or cash) otherwise than in US dollars shall be converted into US dollars at the rate which the Directors in their absolute discretion deem appropriate to the circumstances having regard, inter alia, to any premium or discount which they consider may be relevant and to costs of exchange;
10. notwithstanding the foregoing, the Directors may, after obtaining such professional advice as they think fit, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value of any assets;
11. the value of units or other securities in any unit trust, mutual fund, investment corporation or other similar investment vehicle or collective investment scheme shall be the last available Redemption Price released by the Administrator of such vehicle or scheme.

PROVIDED ALWAYS that:

- (i) if the Directors at their discretion consider that the prices ruling on a market other than the principal market provide in all the circumstances a fairer criterion of value in relation to any such investment, they may adopt such prices;
- (ii) the Directors may, at their absolute discretion, permit some other method of valuation to be used if they consider that such valuation better reflects the fair value.

It should be noted that the Directors have delegated their duties outlined above to the Registrar on a day-to-day basis. However, they will review the Net Asset Value calculation on a periodic basis.

Investors should note that amortisation is not in compliance with International Financial Reporting Standards and, where the financial accounts of the Company are prepared in accordance with such Standards, such amortisation may result in the financial accounts being qualified by the Auditor in this regard.

TEMPORARY SUSPENSION OF NET ASSET VALUE

The Directors may suspend the determination of the Net Asset Value per Share of any Class Fund for the whole or any part of a period:

1. during which any stock or futures exchange or over-the-counter market on which any significant portion of the investments of the Company or a Class Fund are listed, quoted, traded or dealt in is closed (other than the customary weekend and holiday closing) or trading on any such stock or futures exchange or over the-counter market is restricted; or
2. when circumstances exist as a result of which in the opinion of the Directors it is not reasonably practicable for the Company or a Class Fund to dispose of investments owned by it or as a result of which any such disposal would be materially prejudicial to Shareholders; or
3. when a breakdown occurs in any of the means normally employed in ascertaining the value of investments or when for any other reason the value of any of the investments or other assets of a Class Fund or any subsidiary company of the Company, Shares of which are attributable to a Class Fund, cannot reasonably or fairly be ascertained; or
4. during which the Company or a Class Fund is unable to repatriate funds required for the purpose of making payments due on redemption of Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemptions of Shares, cannot in the opinion of the Directors be effected at normal rates of exchange; or
5. if the Directors recommend the winding up of the Company or the termination of a Class Fund.

REGISTRATION AND TRANSFER OF SHARES AND CERTIFICATES

Shares of the Company will be issued only in registered form: the Company will not issue bearer shares. The Registrar will maintain a current list of the registered names and addresses of the Company's Shareholders at the registered office of the Company in Bermuda. Certificates representing Shares will be issued, without charge, but only if requested by a Shareholder. Since certificates must be returned to the Registrar prior to the processing of redemption requests, the Company strongly discourages Shareholders from requesting certificates.

A maximum of four names may be entered on the register as joint holders of any Shares. Should any joint Shareholder die, the remaining Shareholders shall be treated as solely and fully entitled to such Shares.

Transfer of Shares will be permitted in accordance with the Bye-laws of the Company. Violation of applicable ownership and transfer restrictions, or any regulatory, tax or legal restrictions thereto may result in the compulsory redemption by the Company of a Shareholder's Shares.

In order to comply with Bermuda's anti-money laundering laws, the Registrar is required to obtain satisfactory evidence as to the identity of new investors, and new investors in a Class Fund must observe and meet certain requirements designed to prevent the use of collective investment schemes for money laundering purposes. As a result, the identity of investors (a certified copy of the passport, copy utility bill etc.) and/or the status of financial intermediaries (a certified copy of the intermediaries constitutional documents, a recent copy of the business authorisation delivered by the competent local authorities etc.) shall be disclosed to the Company. Please note that the Company and the Registrar reserve the right to request further documentation or information as necessary to comply with their regulatory obligations. Failure to provide such documentation or information may result in rejection of the subscription and/or the withholding of redemption proceeds. Such information shall be collected for compliance reasons only and shall be covered by the duty of secrecy incumbent to the Registrar. For further information please see Notice to Investors page of the relevant Supplementary Prospectus.

Shares of the Company (cont)

The Shares are not listed or proposed to be listed on any securities exchange, and it is not anticipated that there will be any secondary market for trading in the Shares.

DIVIDEND POLICY

Although the Company is entitled to pay dividends, except with respect to GAA Blueprint Property Class Fund, it is not envisaged that it will do so, and any income of the Company will instead be added to the relevant Class Fund's investment portfolio for the Shareholders' benefit. Shareholders who require a regular cash flow from their investment may arrange for the Company to redeem sufficient of their Shares to make a specified fixed payment to them on a half yearly or annual basis. This facility is available only to uncertificated Shareholders.

MEETINGS AND VOTING RIGHTS

Meetings of the Company's Shareholders will be held annually to approve the election of auditors and to attend to such other business as may properly be placed before a meeting. Each of the Founders' Shares carries the right to one vote on any matter presented to a meeting of Shareholders. Whilst no voting rights are attached to Shares in the Company (other than in respect of variation of rights see page 17 under "VARIATION OF RIGHTS"), Shareholders will receive at least 21 days' notice of any Shareholders' meeting and will be invited to attend and address any such meeting.

Fees & Expenses

PRELIMINARY EXPENSES

The costs of incorporating the Company are approximately US\$50,000 and will be allocated between all Class Funds pro-rata to the value of the net assets of the relevant Class Funds following their launch and will be, together with expenses in connection with the preparation of this Prospectus, amortized over the first five accounting periods (60 months) of the Company.

All preliminary expenses incurred in connection with the creation of a Class Fund and the expenses of the issue of Shares, including, without limitation, professional fees and expenses in connection with the preparation of this Prospectus and the agreements to which the Company is party, will be paid out of the proceeds of the offer of Shares in the relevant Class Fund and will be amortised by each Class Fund over a period of 60 months.

All preliminary expenses incurred in the formation and issue of Shares of all other Class Funds are not expected to exceed US\$100,000 per Class Fund.

Investors should note that such amortisation is not in compliance with International Financial Reporting Standards and, where the financial accounts of the Company are prepared in accordance with such Standards, such amortisation may result in the financial accounts being qualified by the Auditor in this regard.

MANAGEMENT FEE

The Company will be charged a Management Fee by the Manager, in respect of each Class Fund, on terms to be agreed in respect of each Class Fund. For further details on the Management fee payable by the Company in respect of separate Class Funds refer to the supplements to this Prospectus in respect of the relevant Class Fund.

Class Funds may invest in other Class Funds of the Company, but will not be subject to additional Management Fees as a result of such investments. That is, where a Class Fund ("the investing Class") invests in another Class Fund ("the Investee Class") of the Company, Management Fees charged by the Investee Class in respect of investments attributable to an Investing Class, will be reimbursed to the Investing Class.

PERFORMANCE FEE

The Company may pay the Manager a Performance Fee relating to each Class Fund on terms to be agreed in respect of each Class Fund. Any Performance Fee due will be paid monthly. For further details on the Performance fee payable by the Company in respect of separate Class Funds refer to the supplements to this Prospectus in respect of the relevant Class Fund.

Class Funds may invest in other Class Funds of the Company, but will not be subject to additional Performance Fees as a result of such investments. That is, where a Class Fund ("the Investing Class") invests in another Class Fund ("the Investee Class") of the Company, Performance Fees charged by the Investee Class in respect of investments attributable to an Investing Class, will be reimbursed to the Investing Class.

FEES OF THE ADMINISTRATOR AND REGISTRAR

Pursuant to Registrar, Corporate Secretarial and Administration Agreement, International Corporate Management of Bermuda Limited is paid a fee by the Company, in each case based on its normal charges for the work performed by it and is entitled to reimbursement of actual out of pocket expenses incurred in the performance of its duties.

FEES OF THE CUSTODIAN

Pursuant to the Custodian Agreement, Bermuda Commercial Bank Limited is paid a fee by the Company, in each case based on its normal charges for the work performed by it and is entitled to reimbursement of actual out of pocket expenses incurred in the performance of its duties.

OTHER OPERATING EXPENSES

Each Class Fund will bear all other expenses incidental to its operations and business and, with any other Class Fund, its proportional share of the expenses of the Company (pro rata to the value of the net assets of the relevant Class Funds on the preceding Valuation Day), including (without limitation) (i) the fees of its Legal Advisors and Auditors (ii) Directors' fees and expenses, (iii) the costs of maintaining the Company's registered office in Bermuda, (iv) the costs of printing and distributing reports and notices to Shareholders

Fees & Expenses (cont)

and (v) the costs of printing and distributing this Prospectus, any supplement to this Prospectus and any other promotional material and information concerning the relevant Class Fund.

Taxation & Exchange Control

INTRODUCTION

The following summary of the principal tax and exchange control considerations applicable to the Company and its Shareholders does not constitute legal or tax advice. Prospective investors should consult their own professional advisors on the income and other tax consequences of acquiring, holding or disposing of Shares in the Company arising in the jurisdiction in which they are resident or domiciled for tax purposes. While this summary is considered to be a correct interpretation of existing laws in force as of the date of this Prospectus, no assurance can be given that courts or fiscal authorities responsible for the administration of such laws will agree with the interpretations or that changes in such laws will not occur.

THE COMPANY - BERMUDA

At the date of this Prospectus, there is no Bermuda income, corporation or profits tax, withholding tax, capital gains tax, capital transfer tax, estate or stamp duty or inheritance tax payable by the Company or its Shareholders.

The Company has obtained from the Minister of Finance under the Exempted Undertakings Tax Protection Act 1966, as amended, a certificate confirming that, in the event of there being enacted in Bermuda any legislation imposing tax computed on profits or income, or computed on any capital assets, gain or appreciation of any tax in the nature of estate duty or inheritance tax, such tax shall not until 28 March, 2016 be applicable to the Company or to any of their operations, or to the Shares or other obligations of the Company except insofar as such tax applies to persons ordinarily resident in Bermuda and holding such Shares or other obligations or any land leased or let to the Company.

The Company is liable to pay the Bermuda Government an annual registration fee based on its authorised share capital and its premium on its issued Shares at a rate not exceeding BD\$27,825.

The Company has been classified as non-resident of Bermuda for exchange control purposes by the Bermuda Monetary Authority whose permission for the issue of the Shares has been obtained. The transfer of Shares between persons regarded as non-residents of Bermuda for exchange control purposes and the issue and redemption of Shares to or by such persons may be effected without specific consent under the Exchange Control Act 1972 of Bermuda and regulations made thereunder. Transfers involving any person regarded as resident in Bermuda for exchange control purposes require specific authorisation under that Act.

The Company, by virtue of being a non-resident of Bermuda for exchange control purposes, is free to acquire, hold and sell any foreign currency, securities and other investments without restriction.

UNITED STATES FEDERAL INCOME TAX ISSUES

The following summary of material United States federal income issues is for general information only. This summary is based upon the provision of the United States Internal Revenue Code of 1986, as amended (the "Code"), the applicable Treasury Regulations promulgated and proposed thereunder, judicial authority and current administrative rulings and practice, all of which are subject to change, possibly on a retroactive basis. No assurance can be given that the tax treatment described below of the Company and holders of the Shares will be accepted by the United States Internal Revenue Services or a court.

This discussion does not address all aspects of United States federal income taxation that may be relevant to particular investors in light of their personal circumstances or to certain types of investors subject to special treatment under the Code (for example, S corporations, life insurance companies, tax exempt organisations, taxpayers subject to the United States alternative minimum tax, banks, and dealers in securities) and does not address any aspect of state, local or foreign tax laws or any estate, gift or generation-skipping tax considerations.

The Company has not obtained an opinion of legal counsel or its tax advisors with respect to matters addressed herein. Prospective investors are urged to consult their own tax advisors concerning the tax consequences of acquiring, owning and disposing of Shares.

UNITED STATES FEDERAL INCOME TAXATION OF THE COMPANY

In general, the United States federal income taxation of the Company will depend in material part on whether the Company is "engaged in a trade or business within the United States". Such a determination is a question of fact. However, the Code and the Treasury Regulations thereunder include a "safe harbour" rule pursuant to which the Company should be deemed not to be engaged in a trade or business in the United States assuming that: (i) the Company will not engage in activity within the United States other than trading for its own account in (A) commodities of a kind customarily traded on organised exchanges and/or (B) stocks and securities; (ii) the Company will not be a dealer in commodities, stocks or securities; and (iii) the Company will maintain its "principal office" outside the United States.

Although the Company intends to conduct all of its activities in such a manner as to avoid being treated as engaged in a trade or business within the United States, it is possible that the Company may be treated for United States federal income tax purposes as so engaged with respect to certain activities. For example, to the extent the Company allocates assets to (i) investment limited partnerships that are engaged in a trade or business within the United States or (ii) investment managers located in the United States which trade for the Company instruments other than commodities of a kind customarily traded on organised exchanges, stocks or securities, the Company may be deemed to engage in a trade or business within the United States. In such case, the Company would be subject to United States federal income tax (currently imposed at a maximum rate of 35%) on income which is effectively connected with such trade or business. Further, in such case the Company could be subject to (i) a 30% branch profits tax on the after tax

Taxation & Exchange Control (cont)

earnings from such activities and (ii) a 30% branch interest tax on certain interest allowable as a deduction against its effectively connected income.

To the extent the Company is not treated as engaged in a trade or business within the United States the United States federal income tax treatment of the principal categories of income expected to be derived by the Company will be as follows:

CAPITAL GAINS

The Company should not be subject to United States federal income tax on capital gains realised from its investment and trading activities unless such gains are derived from investments in "United States real property interests". Such interests include equity or convertible debt securities (or options or other rights to acquire such securities) in a "United States real property holding corporation" ("a USRPHC"), unless (i) shares of such corporation are regularly traded on an established securities market and (ii) the Company is considered to hold (after application of certain constructive ownership rules) not more than five percent of such shares.

USRPHC is a United States corporation the assets of which consist predominantly of real property interests located in the United States. Generally, a person acquiring United States real property interests from the Company would be required to withhold 10% of the amount realised by the Company on the disposition of such interests. The Company would be required to file a United States income tax return to pay any additional tax liability due on the net gain in respect of such dispositions or to claim a refund of any excess tax withheld. While the Company will endeavour to avoid investing in securities of USRPHCs, it is possible that such investments will be made, or that interests in United States corporations which are not USRPHCs when acquired may become USRPHCs while held by the Company.

UNITED STATES SOURCE INTEREST

The Company anticipates that Interest income it may derive from United States sources will be exempt from United States federal income and gross basis withholding tax under the exemption for "portfolio interest" or under another statutory exemption. "Portfolio interest" includes interest (including original issue discount) on a bearer obligation that (i) originally is issued after July 18, 1984 under arrangement reasonably designed to ensure that such obligation is sold only to non-United States persons, (ii) requires that interest thereon is payable only outside the United States and (iii) bears a legend on its face stating that any United States person who holds such obligations is subject to United States income tax laws. Portfolio interest also includes interest (including original issue discount) on an obligation issued in registered form after July 18, 1984, with respect to which obligation the United States person responsible for paying interest has received a statement from the beneficial owner of such obligation that such owner is not a United States person. Interest on a debt obligation will not qualify as portfolio interest if a non-United States person owns (directly or indirectly after application of certain constructive ownership rules) 10% or more (by vote) of the issuer. Further, interest on certain debt obligations issued after April 7, 1993 will not qualify as portfolio interest if and to the extent the interest is determined by reference to certain economic attributes of the debtor (or a person related thereto). In addition to portfolio interest, no gross basis withholding tax is imposed with respect to interest on United States bank deposits, certificates of deposit and certain obligations with maturities of 183 days or less from original issuance. Interest (including original issue discount) derived by the Company from United States sources not otherwise exempt under United States law will be subject to United States gross basis withholding tax at a rate of 30%.

UNITED STATES SOURCE DIVIDENDS

Dividend income derived from United States sources by the Company will be subject to gross basis withholding tax at a rate of 30%.

UNITED STATES FEDERAL INCOME TAXATION OF UNITED STATES PERSONS HOLDING SHARES

Generally, United States persons (including United States citizens, resident aliens, corporations or other entities created or organised in the United States or under the law of the United States or any state) holding Shares will be subject to United States federal income tax (currently imposed at a maximum rate of 39.6% for individuals and 35% for associations) with respect to dividends (if any) received with respect to Shares and capital gains realised with respect to redemptions or other dispositions of Shares.

The tax treatment of United States persons holding Shares will be affected by the Company's status as a 'passive foreign investment company' ("PFIC") for United States federal income tax purposes. In general, the tax treatment of a United States holder depends upon whether the holder elects to treat the Company as a 'qualified electing fund' ("QEF"). If so, then the United States holder must include in its gross income (for the taxable year in which the Company's year ends) a pro rata share of the Company's ordinary earnings (as ordinary income) and net capital gains (as long term capital gain), as determined under United States income tax accounting principles. A United States holder who makes such an election could, therefore, be subject to taxation on its share of the Company's earnings irrespective of whether the Company actually distributes any amounts to holders of Shares, although an actual distribution by the Company to a QEF electing holder of amounts previously included in the holder's income will not be taxed again. In the absence of a QEF election, a United States holder of Shares will not be subject to United States federal income tax with respect to income and gains of the Company until such holder either (i) receives an "excess distribution" from the Company (generally, any distribution that exceeds 125% of the average distribution during the prior three year period or, if shorter, the holder's holding period) or (ii) disposes (or is deemed to dispose) of its Shares, at which time such holder will be subject to a deferred charge.

That charge consists of tax on the gross amount of the excess distribution or gain on disposition, imposed as if such distribution or gain had been received ratably over the holder's holding period for the Shares, at the highest marginal rate in effect for each taxable year during such holding period. Further, an interest charge is imposed with respect to such tax using rates applicable to tax underpayments.

The PFIC tax regime is complex. United States persons who are considering an investment in the Company should consult tax counsel as to the tax consequences of any investment in the Company. The Company does not plan to prepare data required in order for a QEF election to be made.

UNITED STATES FEDERAL INCOME TAXATION OF NONUNITED STATES PERSONS HOLDING SHARES

Redemption payments and dividends payments (if any) made by the Company to holders of Shares who are not subject to United States federal income tax on world-wide income (including non-resident aliens and corporations and other entities created or organised

Taxation & Exchange Control

under foreign law), and gain recognised upon disposition of Shares by such holders, should not be subject to United States federal income tax, provided that Shares are not held in connection with a United States trade or business.

UNITED KINGDOM TAXATION

It is intended that the central management and control of the Company will be exercised outside the United Kingdom. On this basis the Company will not be resident in the United Kingdom for taxation purposes, and will not therefore be liable to United Kingdom tax on its profits other than income which has a United Kingdom source, including income derived from a trade carried on in the United Kingdom.

OTHER TAX CONSIDERATIONS

The Company has no present plans to apply for any certifications or registrations, or to take any other actions under the laws of any jurisdictions which would afford relief to local investors therein from the normal tax regime otherwise applicable to an investment in Shares of a Class Fund. It is the responsibility of all persons interested in subscribing for Shares to inform themselves not only of any income or other tax consequences arising in the jurisdiction in which they are resident or domiciled for tax purposes, but also as to any foreign exchange or other fiscal or legal restrictions which are relevant to their particular circumstances in connection with the acquisition, holding or disposal of Shares. The foregoing summary does not address tax considerations which may be applicable to certain Shareholders under the laws of any jurisdiction including Bermuda, the United States or the United Kingdom. It is the responsibility of all persons interested in purchasing Shares to inform themselves as to any income or other tax consequences arising in these jurisdictions.

Additional Information

REPORTS TO SHAREHOLDERS

The Company will furnish annual reports to its Shareholders containing audited combined financial statements of the Company made up to 31 December in each year. The Company will also furnish half yearly reports containing an unaudited condensed balance sheet and a statement of operations and the Manager will also arrange for Shareholders to be furnished with monthly statements of the Net Asset Value of the Shares. Net Asset Value quotations in respect of each class of Shares as of the last day of the most recent calendar month will, at the discretion of the Directors, be published in the International Herald Tribune, the Financial Times (other than issues circulating in the United States) and in such other newspapers as the Directors may from time to time determine, and also may be obtained by contacting the Registrar.

AVAILABLE DOCUMENTS

This Prospectus is not intended to provide a complete description of the Company's Memorandum of Association and Bye-laws or of the agreements with or between the Manager, the Sponsor, the Custodian and the Registrar summarised herein. Copies of all such documents and other relevant documents are available for inspection at the registered office of the Company at Bermuda Commercial Bank Limited, Bermuda Commercial Bank Building, 43 Victoria Street, Hamilton, Bermuda from the date of this Prospectus.

AUDITORS' PERMISSION

The Auditors to the Company have given and have not withdrawn their consent to the incorporation of their reports or statements in the supplements to this Prospectus in the form and context in which they are incorporated

ENQUIRIES

Enquiries concerning the Company, each Class Fund and the Shares (including information concerning redemption procedures and current Net Asset Values) should be directed to the Secretary at the following address:

To the Secretary
International Corporate Management of Bermuda Limited
Bermuda Commercial Bank Building
43 Victoria Street
Hamilton HM12
Bermuda

Tel: +1 441 295 5678

Fax: +1 441 292 5898

Attn: Registrar

DIRECTORS' INTERESTS

The right of Shareholders to remove a Director from office, and to appoint a new Director, is exercisable solely by the holders of the Founders' Shares which are currently held by, or on behalf of, the Manager.

The interests of the Directors of the Company and their interests in companies associated with the management, administration, promotion and marketing of the Company and the Shares are set out below:

- (a) Jeremy Smeeton is a Director, Officer and Shareholder of Global Asset Allocation Limited which acts as Manager to the Company.
- (b) Carl Butler is a Director of Global Asset Allocation Limited which acts as Manager to the Company.
- (c) John Collis is a Partner in the firm of Conyers, Dill & Pearman, the Company's legal advisors in Bermuda. That firm acted in connection with the formation of the Company and has received fees for these services. Dawn Griffiths, a Corporate Associate with Conyers Dill & Pearman has been appointed Alternate Director to Mr Collis.

Additional Information (cont)

- (d) Alan Moore is Manager of International Corporate Management of Bermuda Limited, which acts as Registrar for the Company. Paul Kneen, General Manager of Bermuda Commercial Bank Limited has been appointed Alternate Director to Mr. Moore.
- (e) There are no existing or proposed service agreements between the Company and any of the Directors.
- (f) No shareholding qualification for Directors is required. The Directors of the Company or companies of which they are officers or employees may, however, subscribe for Shares in the Company. Their application will rank *pari passu* with all other applications.

DIRECTORS' REMUNERATION

The Bye-laws of the Company contain provisions, *inter alia*, to the effect that the remuneration of the Directors shall be determined by the Company in general meeting and shall be deemed to accrue from day to day. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors, any committee of the Directors or general meetings of the Company or in connection with the business of the company.

TRANSACTIONS WITH DIRECTORS

- (a) A Director may hold any other office or place of profit under the Company (except that of Auditor) in conjunction with his office of Director or may act in a professional capacity to the Company on such terms as to tenure of office, remuneration and otherwise as the Directors may determine.
- (b) No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contracts or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Directors so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relation thereby established, but the nature of his interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Directors held after he becomes so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made then at the first meeting of the Directors held after he becomes so interested.
- (c) Save as provided below, a Director shall not vote in respect of any contract or arrangement or any other proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in Shares or debentures or other securities of or otherwise in or through the Company unless the nature of his interest is declared at the first opportunity at a meeting of Directors or by writing to the Directors and no other Director objects to the interested Director voting on such arrangement. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting.
- (d) A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:
 - (i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries;
 - (ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
 - (iii) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting thereof;
 - (iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he is not the holder of or beneficially interested in 1 % or more of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purpose of these provisions to be a material interest in all circumstances).
- (e) Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or any company in which the Company is interested, such proposals may be decided and considered in relation to such Director separately and in such cases each of the Directors concerned (if not debarred from voting under the proviso to sub paragraph (iv) of paragraph (d) above) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.
- (f) If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to such Director shall be final and conclusive except in a case where the nature of extent of the interests of the Director concerned have not been fairly disclosed.
- (g) The Company in general meeting may suspend or relax these provisions to any extent or ratify any transaction not duly authorised by reason of a contravention of the provisions in paragraph (a) to (f) above.

- (h) Any Director may continue to be or become a president, vice president, director, managing director, manager or other officer or member of any other company in which the Company may be interested, and no such Director shall be accountable for any remuneration or other benefits received by him as a president, vice president, director, managing director, manager or other officer or member of any such other company. The Directors may exercise the voting powers conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of them president, vice president, director, managing director, manager or other officer of such company) and subject as set out above, any Director of the Company may vote in favour of the exercise of such voting rights in the manner aforesaid, notwithstanding that he may be, or be about to be, appointed a president, vice president, director, managing director, manager or other officer of such other company, and as such is or may become interested in the exercise of such voting rights in the manner aforesaid.

BORROWINGS

Under the Bye-laws of the Company, the Directors may exercise the Company's power to borrow money. It is intended to use this power in respect of the Company as a short term basis to provide funds to meet redemptions.

While it is not the Company's general policy, the Company may also, from time to time, exercise its power to borrow in order to increase its exposure to the investment managers. The Company will set in respect of each Class Fund, a policy in respect of borrowings by the Company on behalf of such Class Fund for the purpose of leverage. While borrowings by any Class Fund for the purpose of leverage will not generally exceed 25% of such Class Fund's assets or net assets, each Class Fund's policy will be described in the relevant supplement to this Prospectus prepared in respect of such Class Fund.

MINIMUM AMOUNT

The minimum amount which, in the opinion of the Directors, must be raised by the issue of Shares pursuant to this Prospectus and each Supplement to provide for the matters referred to in Section 28 of the Companies Act 1981 of Bermuda is set out in the relevant supplements to this Prospectus.

VARIATION OF RIGHTS

The special rights attached to any class of Shares in the Company may be altered or abrogated with the consent in writing of holders of not less than three fourths of the issued Shares of such class, or with the sanction of a resolution passed at a separate meeting of holders of the Shares of that class by a majority of three fourths of such holders voting in person or by proxy. The quorum for such a meeting shall be two persons holding or representing by proxy at least one third of the nominal amount of the issued Shares of the class, or at any adjourned meeting, such holders as are present. On a poll each holder will be entitled to one vote per Share of the class held. Any holder present in person or by proxy may demand a poll. For such purposes the Directors may treat all the classes of Shares as forming one class if they consider that all such classes would be affected in the same way by the proposals under consideration but in any other case shall treat them as separate classes. No special rights of any class of Shares will be deemed varied by the creation, allotment or issue of further shares ranking *pari passu* with such Share.

Risk Factors

The investment return and principal value of an investment will fluctuate so that an investor's Shares, when redeemed, may be worth more or less than their original cost.

The assets of each Class Fund will be subject to the general creditors of the Company. Although each Class Fund will be treated as bearing its own liabilities, the Company will remain liable as a whole to third parties for all liabilities of the Company. Accordingly, the Directors reserve the right to transfer any asset to or from a Class Fund where necessary in order to satisfy any creditor proceeding against assets of the Company or otherwise. However, in the event of any insolvency of any one or more Class Fund under this umbrella structure, any creditor in respect of such insolvent Class Fund would be a creditor of the Company as a whole and accordingly could proceed against any assets of the Company, including assets held in other Class Funds of the Company.

If losses are sustained by a Class Fund of the Company in excess of the net asset value attributable to such Class Fund, then such excess loss will be charged against the net asset value of the other Class Funds.

There will be no secondary market for Shares and consequently Shareholders may dispose of their Shares only by means of redemption. The risk of decline in Net Asset Value of the Shares during the period from the date of notice of redemption until the next redemption date in the relevant Class Fund, as specified in that Class Fund's Supplementary Prospectus, is borne by the shareholders.

Subscription Procedure

For details on how to subscribe for shares in any Class Fund within GAA Investment Funds Limited, please refer to the section on "SUBSCRIPTION FOR SHARES" in that Class Fund's Supplementary Prospectus and "SUBSCRIPTION INSTRUCTIONS" on page ii at the back of this document.