Burren Global Arbitrage UCITS Fund

Global Event Driven

June 2015

FACTSHEET

Performance Returns

The MontLake Burren Global Arbitrage UCITS Fund finished down -0.96% in June.

Market Commentary

The fund returned -0.96% net for the month of June, compared to -1.00% for the HFR Event Driven Index and -0.48% for the HFR Merger Arbitrage Index. The best performing strategy was Relative Value which contributed +0.16% gross followed by Tender Arbitrage, +0.05% gross. The worst performing strategy was Merger Arbitrage which posted a -0.93% loss for the month. Geographical exposure was split approximately as follows: Europe 38%, Asia 3% and North America 60%. The fund's volatility was 2.75%.

Sentiment within the equity markets changed dramatically over the course of the month. At the beginning of June, most of the headlines emanating from Greece were shrugged off but by the end of the month the market was practically entirely focussed on updates on Greece. This combined with the market volatility in China and talk of an imminent Fed rate hike resulted in June being a "risk off month" as markets fell across the board and volatility increased.

The key equity indices posted negative returns in the month with the S&P finishing down -2.10% and the Eurostoxx and the Nikkei also dropping -4.10% and -1.59% respectively. Metal moves were also negative in the month with Gold and Silver prices receding -1.53% and -6.05% respectively. The Xover observed a substantial increase from the previous month climbing by +14.52%. Volatility increased substantially with the VIX closing at 18.23%, up more than 31% on the month, although we do not expect volatility to remain at these levels for a sustained period of time. In the month of June the Euro appreciated by +1.47% vs. the US dollar, as did Sterling by +2.75%.

In normal circumstances, these negative market movements coupled with heightened macro uncertainty would have resulted in a slowing or at least a temporary cessation in corporate activity. This however was not the case in June. A flurry of mega deals were announced in the month, the largest by aggregate size and volume we have observed in recent years. An increasingly uncertain macro backdrop is having little to no effect on the levels of corporate activity, further confirming our view that the space has reached escape velocity. Having said this, it's not in our nature to be complacent and we continue to monitor and take a proactive stance on any potential increased risk in our space. However, we are highly encouraged that in a month where an EU member seems to be heading toward a scenario of default, the top five deals announced within our opportunity set totalled more than $190bn, the largest size we have seen since the inception of the fund. Overall, more than $400bn of M&A volume has been announced globally in each of the last 3 months, a phenomenon we have not observed since early 2007. North America continues to be in the driving seat, however we expect activity to pick up significantly in the coming months once the dust settles in Europe. With deal volumes down approximately 50% from their 2007 peak in Europe, there is substantial room for improvement. As we have previously mentioned, we expect much of this activity to be driven by cross border activity.

We are at the beginning of an incredibly interesting and vibrant M&A cycle. The size and frequency of announced transactions continues to grow, mega M&A is back and with it spreads have widened as the capital that is focussed on such situations has shrunk. Risk reward has never been more compelling and we are extremely excited about the opportunity ahead of us. In June we identified 33 new situations within our universe, split roughly 67% North America, 27% Europe and 6% Asia. The situations generally were reasonably well balanced across size, geography and type of buyer.

Within Merger Arbitrage the best performers were Integrated Silicon Solutions / Summitview Capital (+0.40% gross) where the fund benefitted from the finalisation of the competitive bidding process between Hua Capital and Cypress Semi which resulted in increased terms for shareholders of 20% compared to the originally agreed terms. Delhaize Group / Koninklijke Ahold NV produced +0.21% where we traded around the position of the newly announced transaction, taking advantage of the market confusion surrounding the terms, dividends and rights issue/consolidation effects. Advent Software Inc / SS&C Technologies Holdings provided a return of 0.05% off the back of US approval with the deal set to close shortly, the antitrust risk being significantly mispriced in this transaction. The largest losers in the month within Merger Arbitrage were TNT Express NV / Fedex Corp which receded on a widening in the spread off the back of market volatility, (-0.05% gross) and Cleco Corporation / British Columbia Investment which lost -0.07% off the back of general widening of private equity deals spread. However it was the position in Williams Partners LP / Williams Cos Inc which caused the real pain, providing a loss of -1.51%.

In May, Williams Cos announced a vanilla restructuring/simplification of its holding in Williams Partners LP. Williams Cos held 58% of the share capital in Williams Partners and the offer came at a time amidst a wave of Limited Partnership collapses as valuations are relatively depressed due to weak commodity prices. Investors in Williams Partners were to own roughly 26% of the combined company making it one of the top tier NGL players in the US with more than $7bn in annual revenues. The only regulatory approval which was required was in the US, however it did require an acquirer shareholder vote. This was a vanilla trade in the portfolio with a high single digit rate of return, reflecting the low risk associated with the transaction. However on 22nd June, Energy Transfer announced that it had proposed a merger with Williams Cos ($48 bn deal) which was subject to Williams Cos not completing the buyout of Williams Partners. Although this was very much a hostile move by Energy Transfer, it had the result of Williams considering all alternatives and as such the spread widened substantially. Due to the fact that all options are now open to Williams Cos, we did not feel it appropriate to maintain the position and closed it resulting in a loss.

THE MANAGER

Andrew McGrath obtained a European Baccalaureate in 1995 from the European School in Oxfordshire and then graduated in 1998 with a Bachelor of Commerce, Banking & Finance (Hons) from University College Dublin. After working for Morgan Stanley (1998-2001) as an associate in the Equity Structured Products Group, Andrew moved to Cater Allen International Limited as Head of Equity Relative Value Proprietary Trading (2001-2003). Andrew then moved to Lehman Brothers International Europe where he co-founded the Special Situations portfolio within Lehman Equity Strategies. After nearly 3 years at Lehman Brothers (2003-2006), he moved to BNP Paribas and assumed the role of European Head of Special Situations & Risk Arbitrage Proprietary Trading. In 2009 Andrew founded Burren Capital Advisors Limited.

FUND FACTS

Structure	UCITS Fund
Domicile	Ireland
Liquidity	Daily
Fund AUM	$10 million
Share Class	**Institutional/Institutional Pooled**
Currency	EUR/GBP/CHF/USD
Mgt. Fee	1.50%
Perf. Fee	20%
Min Init. Sub.	100,000
Inception	7.04.2015
ISIN Codes	EUR: IE00BVVB9450/IE00BVVB9D45
	USD: IE00BVVB9781/IE00BVVB9H82
	CHF: IE00BVVB9674/IE00BVVB9G75
	GBP: IE00BVVB9567/IE00BVVB9F68
Share Class	**Retail Pooled**
Currency	EUR/GBP/CHF/USD
Mgt. Fee	2.00%
Perf. Fee	20%
Min Init. Sub.	100,000
ISIN Codes	EUR: IE00BVVB9J07
	USD: IE00BVVB9M36
	CHF: IE00BVVB9L29
	GBP: IE00BVVB9K12

PORTFOLIO INFORMATION

No. of positions	66
Positions contributing a profit	44
Positions contributing a loss	22
% of profitable positions	67%
Best performing position	0.40%
Worst performing position	-1.51%
Largest allocation	9.91%

Burren Global Arbitrage UCITS Fund

Global Event Driven — **June 2015**

Relative Value returned a positive 0.07% performance this month. Profitability was mainly generated by index reshuffling names (+0.17% gross) and our pharmaceutical M&A basket (+0.14% gross). The largest losers during the month were attributed to AA Plc (-0.13% gross) which retracted some of its outperformance over June. The fund was also negatively impacted by Bouygues' decision to refuse Altice's takeover offer (-0.08% gross). Due to the uncertain macro backdrop, we reduced RV exposure towards the end of June, protecting profitability in anticipation of increased market volatility around the Greek situation. We have subsequently re-established positions in this part of the portfolio during the final few days of the month. We initiated a semiconductor M&A target basket, took a position on Cap Gemini ahead of the anticipated closing of the acquisition of I-Gate to benefit from earning accretion and analysts rerating.

Within Tender Arbitrage, Wendy's announced that they were purchasing $639m of outstanding shares from shareholders through a Dutch Auction at a price between $11.05 and $12.25. Through our fundamental and shareholder analysis we determined that it was likely that a very large proportion of shares tendered would be accepted into the offer and that the clearing price was highly likely to be above the market trading price ($11.25). As such we structured a payoff to take advantage of the offer. The tender closed on the final day of the month and in fact approximately 84% of those shares which were successfully tendered were accepted, while the clearing price was $11.45, above market, but lower than our expectation. This was a successful trade for the fund, although the market volatility and risk off environment negatively impacted the clearing price. We continue to take advantage of such opportunities, focusing on those situations which provide significant upside potential with minimal and critically assessed downside risk.

We are confident and excited about the opportunity set as it continues to improve both in size and volume. The current portfolio make-up should lead to continued positive results over the coming months. As time progresses we continue to find more and more interesting opportunities. A pick-up in European M&A is the one outstanding element to what could be a spectacular opportunity set for the fund and strategy.

UCITS Monthly Performance* (USD Institutional Founder Class B)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Y-T-D
2015	-	-	-	-0.66%	0.54%	-0.96%							**-1.08%**

**The performance figures quoted above represent the performance of the Burren Global Arbitrage UCITS Fund since its launch on 7th April 2015. These performance figures refer to the past and past performance is not a guarantee of future performance or a reliable guide to future performance.*

New Deals	Sector	Country	Value (USDM)
Williams Cos Inc/The \ Energy Transfer Equity LP	Energy	US	69,731.98
Cigna Corp \ Anthem Inc	Consumer, Non-cyclical	US	49,584.29
Aetna Inc \ UnitedHealth Group Inc	Consumer, Non-cyclical	US	40,000.00
Actelion Ltd \ Shire PLC	Consumer, Non-cyclical	SWITZERLAND	18,888.64
Altera Corp \ Intel Corp	Technology	US	14,354.62

Completed Deals	Sector	Country	Value (USDM)
Hutchison Whampoa Ltd \ CK Hutchison Holdings Ltd	Diversified	HONG KONG	41,705.25
Lorillard LLC \ Reynolds American Inc	Consumer, Non-cyclical	US	26,477.06
Integrys Energy Group Inc \ WEC Energy Group Inc	Utilities	US	8,928.90
Synageva BioPharma Corp \ Alexion Pharmaceuticals Inc	Consumer, Non-cyclical	US	7,040.65
Novion Property Group \ Federation Centres	Financial	AUSTRALIA	7,933.07

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