

CITIFX ALPHA STRATEGY 1 FUND

SIMPLIFIED PROSPECTUS

Dated 28 June 2011

This Simplified Prospectus contains key information in relation to CitiFX Alpha Strategy 1 Fund (the Fund), a fund of CitiFirst Investments plc (the Company). The Company was incorporated on 1 February 2008 and is an umbrella open-ended investment company authorised by the Irish Financial Services Regulatory Authority (the Authority) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2003 (Statutory Instrument No. 212 of 2003) as amended, supplemented, consolidated or otherwise modified from time to time (the Regulations). The Company currently has seven other funds in existence, namely the Citi Global Interest Rates Strategy Index Fund, Citi Global Interest Rates Strategy USD Index Fund, Citi COMET Index Fund, UK Structured Growth Fund, UK Autocall Fund, Citi CUBES Diversified Commodities Fund and Citi 80% Dynamic Allocation Fund.

Potential investors are advised to read the Prospectus of the Company dated 10 May 2011 and the Supplement dated 28 June 2011 (together the Prospectus) before making an investment decision on whether or not to invest in the Fund. The rights and duties of the investor as well as the legal relationship with the Company are laid down in the Prospectus.

Capitalised terms used herein (but not defined herein) have the meanings attributed to them in the Prospectus.

The base currency of the Fund is Euros.

Investment objective	The objective of the Fund is to achieve capital appreciation. The Fund aims to out-perform global equity and global bond investments on a risk-adjusted basis and to provide returns with low correlations to both these asset classes. The Fund will gain exposure to an Index (as defined below) which provides exposure to the foreign exchange market. The Index notionally takes long and/or short positions in Forward Foreign Exchange (FX) Contracts.
Investment policy	In order to achieve the investment objective, the Company on behalf of the Fund intends to invest the net proceeds of any issue of Shares (whether on the Initial Issue Date or subsequently) in Fund Assets. The Fund Assets will be Derivative Contracts entered into with an Approved Counterparty (expected to be Citi and/or Citibank N.A. London or any of its New York branches). Such Derivative Contracts will include but not be limited to swaps, futures and/or options entered into with an Approved Counterparty. For full details on the Fund's investment policy, please refer to the Prospectus.
Risk profile	Overview An investment in the Shares involves certain risks and the description of the risks that follows is not, and does not purport to be, exhaustive. More than one investment risk may have simultaneous effects with respect to the value of the Shares and the effect of any single investment risk may not be predictable. In addition, more than one investment risk may have a compounding effect and no assurance can be given as to the effect that any combination of investment risks may have on the value of the Shares. The statements in these Risk Factors are qualified in their entirety by the remaining contents of this Supplement and the Prospectus. Capitalised terms used but not defined in these Risk Factors have the meanings given to them elsewhere in this Supplement. Suitability Prospective investors should determine whether an investment in the Shares is appropriate in their particular circumstances and should consult with their legal, business and tax advisors to determine the consequences of an investment in the Shares and to arrive at their own evaluation of the investment. Investment in the Shares is only suitable for investors who: <ul style="list-style-type: none">• have the requisite knowledge and experience in financial and business matters to evaluate the merits and risks associated with an investment in the Shares;• have access to, and knowledge of, appropriate analytical tools to evaluate such merits and risks in the context of their financial situation; and• are capable of bearing the economic risk of an investment in the Shares.

	<p>Prospective investors should make their own independent decision to invest in Shares.</p> <p>Prospective investors should not rely on any information communicated (in any manner) by the Company, the Directors, the Manager or Citi or any of their respective Affiliates as investment advice or as a recommendation to invest in the Shares, which shall include, amongst other things, any such information, explanations or discussions concerning the terms and conditions of the Shares, or related features. No information communicated (in any manner) by the Company, the Directors, the Manager, Citi or any of their respective Affiliates shall be regarded as an assurance or guarantee regarding the expected performance of the Index, the Strategies or the Shares.</p> <p>Prospective investors should understand that the amounts payable in respect of the Shares will depend on the performance of the Index.</p> <p>Prospective investors may lose part or all of their originally invested capital. Furthermore, any return on the Shares may be less than the amount that might have been achieved had the capital invested in the Shares been placed on deposit or invested in fixed income investment grade bonds for the same period.</p> <p>The Company, the Directors, the Manager or Citi or any of their respective Affiliates will not act as a fiduciary or trustee for, or as an advisor to, investors in the Shares.</p> <p>Further risks relating to the Shares are also set out under the heading "Risk Factors" in the Supplement and the Prospectus.</p>
Performance Data	N/A
Profile of the typical investor	An investor seeking to achieve capital appreciation and to out-perform global equity and global bond investments on a risk-adjusted basis by exposure to an index which has medium to high volatility.
Distribution Policy	<p>The Directors intend to declare dividends for Class ID Shares denominated in GBP and EUR and for Class AD Shares denominated in GBP and EUR (each such Class of Shares, a Distribution Class). The amount of dividend to be paid will be determined at the discretion of the Directors. Dividends will be paid semi-annually to Shareholders in respect of the Distribution Classes on the register of members as at the close of business on the relevant Dealing Day. Dividends will be declared on the first Dealing Day following the months ending June and December. Distribution Class Shareholders may elect either to receive cash or to reinvest their dividend in additional Shares of the relevant Distribution Class and such election should be made in writing to the Administrator at the time the relevant Distribution Class Shareholder subscribes for the Shares of the relevant Distribution Class. If any Shareholder wishes to withdraw such election they shall give written notification to the Administrator at least 10 Business Days before the due date of any distribution. The Directors may also declare and pay, from time to time, additional interim distributions, at their sole discretion. The Directors shall give advance notice to the Distribution Class Shareholders of any such additional interim distributions.</p> <p>The Directors intend to operate the Fund relating to each Distribution Class Shares with the objective of satisfying the conditions for certification by HMRC as a distributing fund for United Kingdom tax purposes, although no guarantee can be given that this will be the outcome. It is intended that the Company on behalf of the Fund relating to each Distribution Class Shares will make an application for certification by HMRC as a distributing fund. The Directors do not intend to declare any dividends for Class A Shares or Class I Shares. The Company will not apply for "distributing fund" status in respect of these Shares for the purposes of relevant United Kingdom tax legislation.</p>
Fees and Expenses	<p>Shareholders transaction expenses</p> <p>The following fees and expenses will be incurred by the Company on behalf of the Fund and will affect the Net Asset Value of the Fund.</p>
Manager and Administration Fee	<p>Up to 1.50 per cent. per annum in respect of the Class A Shares and the Class AD Shares and up to 0.85 per cent. per annum in respect of the Class I Shares and the Class ID Shares of the aggregate Net Asset Value per Share (plus VAT, if any) is payable by the Company out of the assets of the Fund attributable to the Shares to the Manager. Such fee will be calculated and accrued daily using the relevant Net Asset Value per Share. The Manager Fee will be paid monthly in arrears.</p> <p>The Manager will pay out of the Manager and Administration Fee (and not out of the assets of the</p>

<p>Performance Fee</p>	<p>Fund) the fees of the Investment Advisor, Administrator, Distributor and the Custodian.</p> <p>The Manager is not entitled to be reimbursed out of the assets of the Fund for its out-of-pocket expenses. Each of the Administrator, Investment Advisor, Distributor and the Custodian (including the expenses of any sub-custodian) is entitled to be repaid by the Manager its agreed upon transaction and other charges (which will be at normal commercial rates) and other reasonable out-of-pocket expenses out of the assets of the Fund (plus VAT if any).</p> <p>The Investment Advisor will be entitled to receive from the Fund Assets a performance fee (Performance Fee) calculated at the rate of 20 per cent. of any increase in the Net Asset Value per Share of the Fund, prior to the deduction of any Performance Fee, in excess of 1 month's LIBOR Rate for the relevant currency of the share class.</p> <p>The Performance Fee will be calculated and accrued on a monthly basis (commencing on and including the Initial Issue Date) and payable quarterly in arrears. The Performance Fee will be verified by the Custodian. In the event of a fall in the Net Asset Value per Share, the Performance Fee will only be payable to the extent that: (1) the Net Asset Value per Share of the Fund at the time of the last Performance Fee payment is exceeded, and (2) the performance per Share of the Fund exceeds the 1 month's LIBOR Rate for the relevant currency of the share class since the time of the last performance fee payment. For the avoidance of doubt, the first time that the Performance Fee is calculated, the Net Asset Value per Share of the Fund will be the Initial Issue Price of each Share.</p> <p>For the avoidance of doubt, to ensure all investors are treated fairly, at each Valuation Point an accrual is made for Performance Fees, where applicable, in calculating the Net Asset Value of each class.</p> <p>Shareholders should also note the Preliminary Charge of up to 5% of the Initial Issue Price or Net Asset Value per Share, which will be incurred on each relevant Share by Shareholders (which accordingly will not be incurred by the Company on behalf of the Fund and will not affect the Net Asset Value of the Fund). The Distributor or Sub-Distributors, as applicable, shall be entitled to the Preliminary Charge.</p> <p>This section headed "Fees and Expenses" should be read in conjunction with the section headed "Fees and Expenses" in the Prospectus.</p>
<p>Total Expense Ratio Portfolio Turnover Rate</p>	<p>N/A</p> <p>N/A</p>
<p>Taxation</p>	<p>Each Shareholder will assume and be solely responsible for any and all taxes of any jurisdiction or governmental or regulatory authority, including, without limitation, any state or local taxes or other like assessment or charges that may be applicable to any payment to it in respect of the Shares.</p> <p>In the event that withholding or deduction of any taxes from payments of principal or interest, if any, in respect of the Shares is required by law in any jurisdiction, the Company is not under any obligation to make any additional payments to the Shareholders in respect of such withholding or deduction.</p>
<p>Publication of Share Price</p>	<p>The Net Asset Value of each Class of Shares will be available from the Administrator and will be published on each Business Day on www.ise.ie. Such prices will reflect the Net Asset Value of the Fund at the Valuation Point on the relevant Dealing Day.</p>
<p>How to buy/sell Shares</p>	<p>Instructions to buy, sell and exchange Shares may be made directly to the Company care of the Administrator at 1 Adelaide Court, Adelaide Road, Dublin 2, Ireland by 9.30am (UK time) on the Wednesday prior to any Dealing Day (the Directors may however elect to extend the Dealing Deadline in their sole and absolute discretion), or indirectly through a Distributor, Sub-Distributor or a Clearing System, for onward transmission to the Company care of the Administrator by the times specified above. For investors seeking to buy or sell Shares via facsimile, by telephone or indirectly through a Distributor, Sub-Distributor or Clearing System, attention is drawn to the relevant provisions contained in the Share Dealings section of the Prospectus.</p>

Description of the Class A Shares and the Class I Shares

	Class A	Class I
Minimum Initial Investment Amount	USD 50,000 / EUR 50,000 / GBP 50,000 / JPY 5,000,000	USD 1,000,000 / EUR 1,000,000 / GBP 1,000,000 / JPY 100,000,000
Minimum Additional Investment Amount	USD 10,000 / EUR 10,000 / GBP 10,000 / JPY 1,000,000	USD 1,000,000 / EUR 1,000,000 / GBP 1,000,000 / JPY 100,000,000
Minimum Shareholding	10 Shares	1000 Shares
Minimum Repurchase Amount	10 Shares	1000 Shares
Minimum Share Class Size	USD 10,000,000 / EUR 10,000,000 / GBP 10,000,000 / JPY 1,000,000,000	USD 10,000,000 / EUR 10,000,000 / GBP 10,000,000 / JPY 1,000,000,000

Description of the Class AD Shares and the Class ID Shares

	Class AD	Class ID
Minimum Initial Investment Amount	EUR 50,000 / GBP 50,000	EUR 1,000,000 / GBP 1,000,000
Minimum Additional Investment Amount	EUR 10,000 / GBP 10,000	EUR 1,000,000 / GBP 1,000,000
Minimum Shareholding	10 Shares	1000 Shares
Minimum Repurchase Amount	10 Shares	1000 Shares
Minimum Share Class Size	EUR 10,000,000 / GBP 10,000,000	EUR 10,000,000 / GBP 10,000,000

Frequency of dealing is each Thursday, further details of which are contained in the Prospectus.

The Valuation Point, by reference to which the Net Asset Value per Share is determined for subscriptions and repurchases, is 4.00 pm, UK time daily, or if such day is not a Index Business Day, the immediately succeeding Index Business Day.

The Settlement Date in the case of subscriptions will be two Business Days immediately following the relevant Dealing Day, assuming receipt of the relevant signed subscription application request prior to the Dealing Deadline for such Dealing Day and cleared funds as confirmed by the Administrator.

The Settlement Date in the case of repurchases, up to five Business Days after the relevant Dealing Day, assuming receipt of the relevant signed repurchase request prior to the Dealing Deadline for such Dealing Day as confirmed by the Administrator.

Minimum Fund Size

USD 50,000,000 (or the equivalent in such other relevant currency) or such other amount as the Directors may determine from time to time at their absolute discretion.

Additional Important Information	Directors of Company:	John Donohoe Kevin Molony
	Promoter:	Citibank International plc
	Manager:	Capita Financial Managers (Ireland) Limited
	Investment Advisor and Distributor:	Citigroup Global Markets Limited
	Custodian:	J.P. Morgan Bank (Ireland) plc
	Administrator:	Capita Financial Administrators (Ireland) Limited
	Auditors:	Deloitte & Touche
	Supervisory Authority:	Central Bank of Ireland
Additional information and copies of the Prospectus, the Supplement, the latest annual and semi-annual report and accounts (if any) may be obtained free of charge from the Company at the offices of Capita Financial Administrators (Ireland) Limited Tel: +353 1 4005300 or Fax: +353 1 400 5350 or the registered office of the Company at 27 St. Stephen's Green, Dublin 2, Ireland.		

SCHEDULE I

Description of the Index

The CITIFX ALPHA INDEX (the **Index**) represents the global foreign exchange market and uses a leveraged rules-based trading strategy sponsored by the Index Sponsor which aims notionally to generate capital appreciation by a combination of leveraged rules-based foreign exchange trading strategies, namely the Strategies. This effect will be notionally achieved through the taking of long and/or short positions in Forward FX Contracts in relation to particular Currency Pairs (please see the diagram below). The Index is not confined to a restricted number of Currency Pairs but can use the full population of approximately 180 global currencies. It currently uses nineteen currencies from stable economic regimes that are liquid, easily traded and unpegged. These currencies make up approximately 92% of global foreign exchange turnover. The Index is the Reference Asset.

The Index was developed by the Index Sponsor. The Index Sponsor calculates and maintains the Index based on the methodology set out in the Index Conditions and is also responsible for publishing the Index Value on Bloomberg.

The Index is comprised of four leveraged rules-based foreign exchange strategies: the Carry Strategy, the Trend Strategy, the Economic Factor Strategy and the Emerging Market Carry Strategy (together, the **Strategies**). The daily change in Index Value is driven by the change in value of the Strategies together with Funding. The determination of the Index Value is set out in the Index Conditions.

On the Start Date the Index consists of equal exposures to each of the Strategies. On each Index Month End, the Index Sponsor will calculate the Risk Contribution of each Strategy to the Index using Risk Contribution Methodology and will reweight the Index using the Risk Contribution Methodology in order that the Risk Contribution of each Strategy to the Index for the following month is equal or, in the determination of the Index Sponsor as close to equal as is practicable. The Risk Contribution Methodology uses the returns and correlations of the Strategies from the immediately preceding 6 months to calculate an equal contribution of risk from each Strategy to the Index.

The exposure to each of the Strategies is multiplied by the Leverage Factor, which on the Start Date was 3. The Index Sponsor will calculate the Leverage Factor on each Index Month End for the following calendar month in order to achieve as far as practicable the target volatility of 7% for the Index. The Leverage Factor is calculated by the Index Sponsor on each Index Month End as the quotient of (a) 7 per cent (as numerator) and (b) the standard deviation of the daily percentage changes in the Unfunded Index Value on each Index Business Day in the 6 month period immediately preceding such Index Month End, [annualised with the factor of the square root

of 245] (the **Volatility**) (as denominator), subject to a maximum of 4. Accordingly, the Leverage Factor is adjusted in proportion to the Volatility (subject to a maximum Leverage Factor of 4), with the greater the Volatility, the lower the Leverage Factor for the following calendar month and *vice versa*.

If the Index Sponsor determines that a Top-Level Risk Control Event has occurred, the Index Sponsor will reduce the Leverage Factor in accordance with Index Condition 7 (Adjustments). Details of such reduction of the Leverage Factor will be available as soon as practicable following such determination on the website: <https://www.citigroupcib.com/euprospectus>.

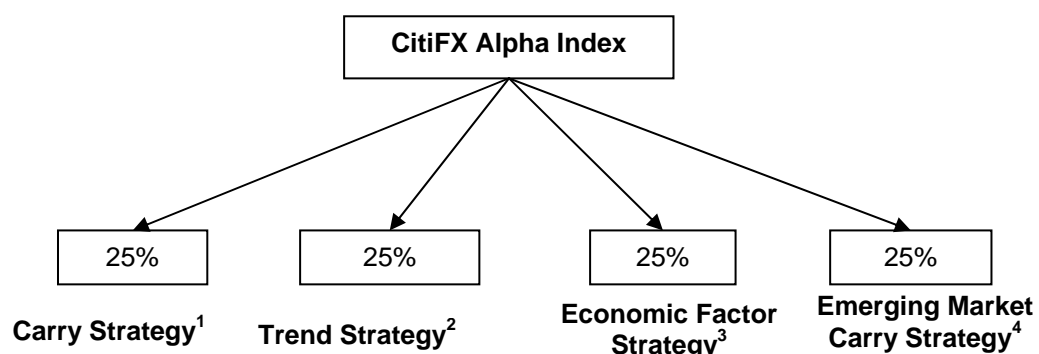
The market risk and leverage of the Fund will be measured using a sophisticated risk-measurement technique, "Value at Risk", in accordance with the requirements of the Financial Regulator (which, for example, would mean that if a daily basis of calculation is used, a Value at Risk of 5% of Net Asset Value of the Fund at a 99% confidence level).

If the Index Sponsor determines that a Review Event or Disruption Event has occurred, the Index Sponsor will review and if necessary adjust the weightings of any and all the Strategies of the Index and/or amend or replace any and all of the Strategies while acting in good faith and in a commercially reasonable manner. Any changes will be available on the website: <https://www.citigroupcib.com/euprospectus>.

Whilst the Index Sponsor has agreed that it will act in good faith and in a commercially reasonable manner in making determinations and calculations and to take into account the matters referred to in the Index Conditions in so doing, there can be no assurance that the making of any such determination or calculation will not affect the performance of the Index and in turn the Net Asset Value per Share of each Class. The basis on which the Index Sponsor will make determinations and calculations is respectively set out in the Index Conditions.

While the Index Sponsor currently employs the methodology described in the Index Conditions to calculate the Index, if market, regulatory, juridical or fiscal circumstances or, without limitation, any other circumstances arise that would, in the determination of the Index Sponsor, necessitate a modification or change to such methodology, the Index Sponsor may make such modifications or changes as it considers appropriate to maintain the economic objectives of the Index. For so long as the Financial Regulator so requires, promptly upon becoming aware that any such modifications or changes which would have a material effect on such methodology are to be, or have been, made, the Company shall, if required, on behalf of the Fund, notify the Financial Regulator in accordance with the Financial Regulator's requirements and obtain the approval of the Financial Regulator.

The Index Conditions and any changes to the Index are available on the website of the Index Sponsor at <https://www.citigroupcib.com/euprospectus>.



¹ There are approximately eight Currency Pairs for the Carry Strategy.

² ***The Currency Pairs for the Trend Strategy are a selection from a set of fifteen liquid and traded currency pairs between G10 Currencies.***

³ There are approximately six Currency Pairs for the Economic Factor Strategy.

⁴ The Currency Pairs for the Emerging Market Carry Strategy are a selection from a set of up to twenty Emerging Market Currency Pairs.

Summary Description of the Strategies

The Strategies are leveraged and rules-based and are set out more fully in the Index Conditions. The Strategies comprise various trade signals that are monitored daily as described in the paragraphs below and detailed further in the Index Conditions.

Trend Strategy

The Currency Pairs for the Trend Strategy are a selection from a set of fifteen liquid and traded currency pairs between G10 Currencies.

The Trend Strategy captures longer term momentum in exchange rates. The Trend Strategy notionally trades in Currency Pairs that have historically seen large and persistent moves. The Trend Strategy includes a cut-out mode should the volatility of a Currency Pair exceed a specified level, in which case the position is eliminated.

Carry Strategy

There are approximately eight Currency Pairs for the Carry Strategy selected from a set of fifteen liquid and traded currency pairs between G10 Currencies.

The Carry Strategy uses interest rate differentials as the signal to invest in high yielding and borrow in low yielding currencies. In addition to the rate differential the Carry Strategy benefits from spot moves away from the forward rates. Forward rates have no predictive power for future spot rates in the short and medium term. Therefore, by selling lower yielding currencies and using the proceeds to buy higher yielding ones, positive returns may be generated. The Carry Strategy benefits from diversification and two risk filters, which control the drawdowns.

Emerging Market Carry Strategy

The Currency Pairs for the Emerging Market Carry Strategy are a selection from a set of up to twenty Emerging Market Currency Pairs.

The Emerging Market Carry Strategy uses signals from two models, the Emerging Market State Contingent Carry Model and the Emerging Market Long Short Model, to invest in high yielding currencies and borrow in low yielding currencies.

The Emerging Market State Contingent Carry Model includes a "long only" rule. Should the short-dated emerging market rate drop below the G10 Financing Currency, the position is eliminated. The Emerging Market Long Short Model takes long and short positions in the currency pairs based on deposit rates, forward rates and the volatility of the currency pairs.

Returns may be derived from the forward rate bias in emerging markets. Emerging market carry trades often tend to be more attractive due to higher interest rate differentials and a greater degree of diversification among currency pairs. Profits from an emerging market carry trade are largely dependent on the rate differential.

Economic Factor Strategy

There are approximately six Currency Pairs for the Economic Factor Strategy selected from a set of fifteen liquid and traded currency pairs between G10 Currencies.

The Economic Factor Strategy is an economic forecasting model based on historical economic data consisting of figures relating to interest rates, inflation, exports, unemployment and retail sales. The Economic Factor Strategy attempts to predict the direction in currency pairs using such historical economic data.

If the month-end calculation predicts that a currency will weaken against the USD over the next month then the Index notionally sells the currency at the next month-end forward date and vice a versa. Historical economic data may be presented in a currency other than the currency of the country in which potential investors reside. The actual return on this product may increase or decrease with fluctuations between currencies.

Disclaimers

THE DIRECTORS OF THE COMPANY, THE MANAGER AND INVESTMENT ADVISOR TOGETHER THE "RESPONSIBLE PARTIES" DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY DESCRIPTION RELATING TO THE INDEX OR ANY STRATEGY OR ANY DATA INCLUDED THEREIN AND THE RESPONSIBLE PARTIES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS HEREIN. THE APPROVED RESPONSIBLE PARTIES MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE FUND, ANY SHAREHOLDER IN THE FUND, OR TO ANY OTHER PERSON OR ENTITY IN RESPECT OF THE INDEX DESCRIBED HEREIN.

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