

**Item 1: Cover Page**

**PRESCIENT INVESTMENT MANAGERS (IRELAND) LTD.**

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Prescient Investment Managers (Ireland) Ltd. (“Prescient IML”) is an investment adviser regulated by the Central Bank of Ireland and is registered with the United States Securities and Exchange Commission (“SEC”). Registration with the SEC does not imply a certain level of skill or training.

This brochure provides information about the qualifications and business practices of Prescient IML. If you have any questions about the contents of this brochure, please contact us at 1-011-353-1-6410151. The information in this brochure has not been approved or verified by the SEC or by any state securities authority.

Additional information about Prescient IML also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

This brochure was last amended on June 14, 2012.

## Item 2: Material Changes

This section describes only material changes since the last annual update of the brochure of Prescient IML (formerly known as AIB Investment Managers Ltd. (“AIBIM”)) on March 30, 2012. In May 2012, AIBIM’s direct parent entity, AIB Asset Management Holdings Ltd., was acquired (the “Acquisition”) by Prescient Global Limited. Prescient Global Limited is a subsidiary of Prescient Holdings (Pty) Ltd., which, in turn, is a subsidiary of Prescient Limited. In connection with the Acquisition, AIB Asset Management Holdings Ltd. was renamed Prescient Asset Management Holdings (Ireland) Ltd., and AIB Investment Managers Ltd. was renamed Prescient Investment Managers (Ireland) Ltd. The Acquisition also resulted in changes in certain of Prescient IML’s directors, executive officers and supervised persons, among other changes. These changes are reflected in Prescient IML’s Form ADV, Parts 1, 2A (this brochure) and 2B (the brochure supplements). Copies of Form ADV, Part 1 are publicly available via the [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov) website, and are available to clients upon request. Copies of Form ADV, Part 2B are provided to clients periodically in compliance with applicable regulations, and upon request.

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## Item 4: Advisory Business

Prescient IML is an asset management business which manages assets solely on behalf of its clients. Prescient IML (formerly known as AIBIM) has been managing investment portfolios since 1966. Prescient IML serves a diverse client base in Ireland, the U.S., Europe and Asia.

Prescient IML is wholly-owned by Prescient Asset Management Holdings (Ireland) Ltd., (formerly known as AIB Asset Management Holdings Ltd.). Prescient Asset Management Holdings (Ireland) Ltd. is wholly-owned by Prescient Global Limited, which is wholly-owned by Prescient Holdings (Pty) Ltd., which, in turn, is wholly-owned by Prescient Limited (“Prescient”).

Prescient, headquartered in Cape Town, South Africa, was established in 1998 and operates a range of financial services activities, including investment management, investment administration, wealth management, and securities businesses. Prior to its acquisition by Prescient Global Limited in May 2012, Prescient IML (then known as AIBIM) was a wholly-owned subsidiary of Allied Irish Banks, p.l.c.

For U.S. clients, Prescient IML specializes in the management of global and international equity mandates, including global (world) and international (world excluding the U.S.) equity income and global and international equity socially responsible investing (“SRI”). SRI strategies are typically tailored to meet specific client restrictions, including the prohibition of specific securities. Non-SRI portfolios can also be customized to meet specific client requirements, including restrictions on investing in a specific stock, country or region.

All global and international equity portfolios are managed on a long only basis, with no shorting of securities allowed. Portfolios are typically comprised of 50 to 70 large capitalization, income/dividend focused securities.

Prescient IML additionally provides a range of investment services to its non-U.S. clients, including, balanced assets, regional equity, fixed income, forestry, real estate and cash mandates.

As of May 31, 2012, total assets under management were as follows:

* Discretionary:	\$7,112,000,000
Non-Discretionary:	\$684,000,000

\* Including U.S. client assets of \$11,230,000

Prescient IML does not participate in any wrap fee programs.

## **Item 5: Fees and Compensation**

Prescient IML employs the following flat investment management fee structure for all U.S. client accounts:

Investment management fee per account:     0.75% of the value of the account

Investment management fees are negotiable in some cases. Fees are billed and payable quarterly in arrears or as otherwise agreed in the investment management contract. The value of the account is calculated as of the last business day of each calendar quarter and adjusted for time weighting of cash flows in excess of \$15,000. Investment management contracts are terminable upon 30 days prior written notice. Upon termination, a client will receive a pro rata invoice for management fees outstanding from the beginning of the billing period up to the date of termination. The client is independently responsible for contracting a custodian to maintain custody of the client's funds and for the costs related to that relationship. The client will also incur brokerage commissions and other transaction costs as part of regular portfolio trading, which commissions and costs are separate from Prescient IML's investment management fee. Brokerage practices are discussed in Item 12 of this brochure.

## **Item 6: Performance-Based Fees and Side-By-Side Management**

Not applicable.

## **Item 7: Types of Clients**

Prescient IML offers discretionary investment management services to the following types of clients:

- Corporate Pension Plans
- Public Pension Plans
- Charitable Organizations
- Investment Managers and Financial Intermediaries
- High Net Worth Individuals
- Family Offices
- Taft-Hartley Plans
- Endowments and Foundations
- Faith-based Investors
- Insurance Companies

Prescient IML offers separate account services. The minimum account size for a separate account for a U.S. client is approximately \$10 million.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

### **Prescient IML's Organization and Structure:**

Prescient IML focuses on two areas, Asset Management and Relationship Management. This segregation allows each Asset Manager to concentrate on his or her assigned market sectors. Examples of market sectors include International Fixed Interest, U.K. Equities, U.S. Equities, Irish/Continental European Equities, Far Eastern Equities and Currencies. Each Relationship Manager is responsible for identifying and attending to the individual needs of his or her assigned client portfolios. Asset Managers and Relationship Managers communicate regularly to ensure that optimal investment strategies are used for each client's portfolio. Prescient IML notes that investing in securities involves risk of loss that clients should be prepared to bear.

### **Investment Policy Determination:**

For U.S. clients, Prescient IML specializes primarily in the management of global and international equity mandates, including global and international equity income and global and international equity SRI accounts on a separate basis. A Lead Portfolio Manager is designated for each product and is responsible for the product's portfolio construction. The geographic and sector allocation of a portfolio is reviewed formally every month at a meeting of the Global Products Group, which is chaired by the Co-Heads of the Global Equity Team, Paul Cahill and Louise McGuigan. The group ensures that portfolio style is consistent with both the mandate and the investment expectations of the Global Equity Team.

The Global Products Group takes into account all of Prescient IML's evolving views on economies and markets in light of prevailing circumstances in deciding on appropriate geographic and sector changes. These decisions are then communicated to the Lead Portfolio Managers, who implement the decisions after consultation, when necessary, with Relationship Managers to ensure changes are consistent with client mandates.

### **Securities Selection:**

The Lead Portfolio Managers have discretion over, and are responsible for, the acquisition and disposal of individual securities in a portfolio, subject to the approval of the Co-Heads of the Global Equity Team.

Portfolio Managers carry out their own research in their market sectors. Company and market analysis are also supported by in-house research and analysis. Prescient IML emphasizes internal and fundamental research to support and appraise the research that is available from external sources. This research focuses on the financial health of the company, company valuation relative to its history and its sector, company strategy and market position relative to its competitors and a qualitative assessment of the management team. All of these factors are assessed with reference to Prescient IML's judgment as to where we are in the economic/investment cycle. Stocks are selected with the goal of constructing an overall portfolio meeting the stated objectives. For example, Prescient IML typically structures equity income portfolios with the goal of achieving a higher than



average dividend yield, a lower than average volatility of return and a higher than average level of quality as measured by return on equity.

Prescient IML applies risk and return metrics as part of the securities selection process to check for risk implications. This process also enables checks to be made to determine any inconsistent style biases which may be emerging within portfolios.

#### **Currency Exchange Transactions:**

Prescient IML sometimes uses contracts to purchase or sell foreign currencies at a future date, known as “currency forward contracts”, to protect against adverse changes in currency exchange rates relating to the purchase or sale of securities for client portfolios, or to protect the value of specific portfolio positions. Prescient IML also uses currency forward contracts in connection with corporate liquidity management.

## **Item 9: Disciplinary Information**

Neither Prescient IML nor any management person of Prescient IML has been involved in a legal or disciplinary event that Prescient IML deems material to a client's or prospective client's evaluation of Prescient IML's advisory business or the integrity of its management.

## **Item 10: Other Financial Industry Activities and Affiliations**

Prescient IML is wholly-owned by Prescient Asset Management Holdings (Ireland) Ltd., which is wholly-owned by Prescient Global Limited. Prescient Global Limited is wholly-owned by Prescient Holdings (Pty) Ltd., which is wholly-owned by Prescient Limited. With respect to U.S. clients, Prescient IML acts independently of its affiliates. Potential conflicts arising from transactions involving Prescient IML's affiliates are discussed in Item 11 of this brochure.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Prescient IML's Code of Ethics sets forth the high ethical standards that Prescient IML abides by as an investment adviser. The Code of Ethics prohibits activities such as insider trading and establishes procedures to protect against conflicts of interest, including certain restrictions on personal trading, receipt of gifts, and outside employment by Prescient IML's employees. Any client or prospective client may obtain a copy of Prescient IML's Code of Ethics upon written request to Prescient IML.

While Prescient IML believes that its Code of Ethics implements appropriate measures to address conflicts of interest among Prescient IML, its personnel and its clients, clients and prospective clients should recognize that no set of rules can possibly anticipate or alleviate every potential conflict.

Prescient IML notes that its affiliates provide a full range of investment services and other financial services. As a result of these numerous relationships, Prescient IML acknowledges that it will encounter actual or potential conflicts of interest periodically.

Where an actual or potential conflict of interest arises, Prescient IML evaluates all of the circumstances involved. After identifying and evaluating the nature of the conflict, Prescient IML bases its investment decision solely on considerations deemed to be in the best interests of its clients and requires that all transactions be conducted on an arm's-length basis.

## Item 12: Brokerage Practices

Prescient IML considers the following factors when selecting a broker-dealer and negotiating commissions: (i) the financial standing of the firm; (ii) whether the firm provides comprehensive coverage of the particular investment market; (iii) whether the securities prices offered by the firm represent fair market value; (iv) the firm's standard of research coverage; and (v) the firm's standard of back-office and settlement arrangements. All of Prescient IML's dealing arrangements are subject to best execution inclusive of commissions and therefore no higher commissions are paid to brokers for research products and services. Research products and services are used for all client accounts.

Prescient IML uses research obtained from broker-dealers to supplement its own research if it is relevant to the particular market and comprehensive in terms of market prospects. Prescient IML monitors the recommendations of broker-dealers in regard to specific stocks and their views on sector and economic prospects against their outcome, and reviews the composition of its panel of broker-dealers in light of the findings of these ongoing exercises. Prescient IML is of the opinion that, because the research provided by broker-dealers must be analyzed and reviewed, its receipt and use does not tend to reduce expenses but it may benefit clients by supplementing Prescient IML's own research. In the opinion of Prescient IML, it is not possible to measure separately the benefits to each of its accounts from the research provided by broker-dealers.

In providing discretionary investment management services to clients, Prescient IML generally is responsible for decisions to buy and sell securities and for the placement of portfolio business and the negotiation of commissions, if any, paid on such transactions. Prescient IML effects portfolio transactions for its clients in a manner deemed fair and reasonable and not according to any formula. The primary consideration in all portfolio transactions is to execute transactions most efficiently.

Prescient IML may aggregate portfolio transactions for client accounts. Whenever aggregate decisions are made to purchase or sell securities, Prescient IML will attempt to allocate portfolio transactions equitably among accounts. All allocation decisions are made prior to the execution of the transactions. In making such allocations, the main factors considered will be the respective investment objectives, the relative size of portfolio holdings of the same or comparable securities, the availability of cash for investment, the size of investment commitments generally held, and the opinions of the persons responsible for recommending investments to the accounts. In some cases this procedure could have an adverse effect on the price or amount of securities available to a particular account. In the opinion of Prescient IML, however, the results obtained by application of the procedures will, on the whole, be in the best interest of its clients. Prescient IML may from time to time sell a security for a client account and simultaneously purchase the security for another client account, when the transactions are conducted in accordance with applicable laws and regulations and deemed to be consistent with the investment objectives and policies of each account.

Prescient IML may aggregate currency transactions for different client accounts. Prescient IML will equitably rotate the selection of client counterparties and equitably allocate transactions where different clients use the same counterparty. Prescient IML will not buy a currency from one account and sell it to another account. Prescient IML currently does not have any directed brokerage arrangements with its U.S. clients.

### **Item 13: Review of Accounts**

Prescient IML's Relationship Managers review accounts on a regular basis under the guidance of Prescient IML's Directors. Further, in most cases, Relationship Managers review individual portfolio performance for each client on a quarterly basis. Approximately 20 to 25 individuals at different levels within Prescient IML's organization are involved in the process of regular review of client accounts, ensuring that the investment strategy implemented for each client is in line with the investment policy determined in accordance with the process outlined in Items 4 and 8 of this brochure. Prescient IML's review of client accounts is facilitated by the maintenance of investment models and specific investment portfolios.

When a client appoints Prescient IML as its investment manager, Prescient IML has discussions with the client or its representative that establish clear investment objectives which take account of the specific requirements of the client. Thereafter, Prescient IML has regular meetings with its client or the client's representative to examine the progress of the portfolio. A client can arrange with Prescient IML to include in the investment report special reporting requirements tailored for that client. In most cases, clients request and receive quarterly written reports, while in some cases reports are issued on a monthly or semi-annual basis. These periodic written reports typically contain automatically generated information on the portfolio's security holdings and asset values, transaction history and rate of return for the period covered, along with general market and economic commentary. Relationship Managers maintain regular communications with clients.

## **Item 14: Client Referrals and Other Compensation**

Not applicable.

## **Item 15: Custody**

Prescient IML does not provide custody of client assets for its U.S. clients. Prescient IML's clients typically arrange for their custodians to forward records to Prescient IML, and Prescient IML compares records received from the custodians against its own records.



## **Item 16: Investment Discretion**

Prescient IML provides discretionary investment management services to its clients. Prescient IML exercises discretion over the buying and selling of securities and the negotiation of commissions payable to brokers in connection with those transactions. Prescient IML's primary considerations when exercising discretion are to seek the most favorable prices and to execute the transactions efficiently.

For US clients, Prescient IML specializes in the management of global and international equity mandates, including global and international equity income and global and international equity SRI. SRI strategies are typically tailored to meet specific client restrictions, including the prohibition of specific securities. Non-SRI portfolios can also be customized to meet specific client requirements, including restrictions on investing in a specific stock, country or region. Prior to entering into an advisory agreement with a new client, Prescient IML and the client discuss and agree upon (a) the client's investment strategies and how those strategies will be implemented, and (b) any desired SRI screening or restrictions, including screening criteria.

## **Item 17: Voting Client Securities**

When a client independently appoints a custodian to maintain custody of its assets, then any proxy voting arrangement will be established directly between the custodian and the client or a representative appointed by the client.

Separately, clients often grant Prescient IML authority to respond to corporate action matters (*i.e.*, actions affecting investment management decisions or the client's economic position) on their behalf. In general, decisions to vote for or against corporate actions will be based on the perceived financial results to the client. Controversial proposals or situations involving a potential conflict of interest will be reviewed on a case-by-case basis by the Head of Compliance. Prescient IML does not usually solicit or receive instructions from clients on how to respond to a particular corporate action matter.

Upon written request, Prescient IML will furnish to a client records of Prescient IML's responses to corporate action matters on behalf of that client.

## **Item 18: Financial Information**

Not applicable.