

**ELEVATION UCITS FUNDS (IRELAND) ICAV**

**An umbrella fund with segregated liability between Funds**

An open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with segregated liability between Funds and with variable capital and authorised as a UCITS.

The ICAV was registered under the laws of Ireland with registered number C181083

**PROSPECTUS**

The Directors of Elevation UCITS Funds (Ireland) ICAV whose names appear in the **Directors of the ICAV** section of the Prospectus accept responsibility for the information contained in this Prospectus and each relevant Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

**Investors should consult a stockbroker or other financial adviser. Prices of Shares may fall as well as rise. Authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus or the Supplements. The authorisation of this ICAV by the Central Bank shall not constitute a warranty as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV.**

**Where a Preliminary Charge and/or Repurchase Charge is provided for in a Supplement, the difference at any one time between the sale and repurchase price of Shares in a Fund means that the investment should be viewed as medium to long term. The maximum Preliminary Charge, if any, will not exceed 5% of the subscription amount. The maximum Repurchase Charge, if any, will not exceed 3% of the repurchase amount.**

**Shareholders should note that fees and expenses may be charged to the capital of a relevant Fund. Thus, the capital of the ICAV may be eroded and income will be achieved by foregoing the potential for future capital growth. This will have the effect of lowering the capital value of your investment. On a repurchase of holdings, Shareholders may not receive back the full amount invested.**

**Where distributions may be made from capital of the relevant Fund, there is a greater risk that capital will be eroded and the distribution is achieved by forgoing the potential for future capital growth of your investment and the value of future returns may also be diminished. This cycle may continue until all capital is depleted. Distributions of capital may have different tax implications to distributions of income and recommend that investors seek advice in this regard**

Defined terms used in this Prospectus shall have the meanings attributed to them in the **Definitions** section.

**Date: 24 January 2019**

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## DEFINITIONS

**Accounting Date** means the date by reference to which the annual reports of each Fund shall be prepared each year or such other date as the Manager may determine in accordance with the requirements of the Central Bank.

**Accounting Period** means in respect of each Fund, a period ending on an Accounting Date and commencing the case of the first such period, on the date of the first issue of Shares in of the relevant Fund and in subsequent periods, on the expiry of the preceding Accounting Period.

**Accumulating Shares** means Shares that accumulate income and pay no dividend.

**Administration Agreement** means the agreement dated 24 January 2019 between the ICAV, the Manager and the Administrator as amended, supplemented or otherwise modified from time to time.

**Administrator** means Link Fund Administrators (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank as the administrator of the ICAV and each Fund.

**AML Rules** means the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010, 2013 and 2018 as may be amended or replaced from time to time.

**Anti-Dilution Levy** means a levy which may be (i) added to subscription amounts payable by an investor or (ii) deducted from repurchase amounts receivable by an investor to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund.

**Application Form** means the application form for subscription of Shares.

**Associated Person** means a person who is associated with a Director if, and only if, he or she is:

- (a) that Director's spouse, parent, brother, sister or child;
- (b) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which, individually or as a whole, are the Director, his spouse or any of his children or any body corporate which he controls;
- (c) a partner of that Director.

A company will be deemed to be associated with a Director if it is controlled by that Director.

**Base Currency** means in relation to any Fund such currency as is specified as such in the Supplement for the relevant Fund.

**Business Day** means in relation to any Fund, a day on which banks in both Dublin and London are open for normal business (for the avoidance of doubt, days during which banks in Ireland are closed due to red weather warnings issued by the Met Éireann will not be a Business Day unless the Directors determine otherwise).

**Central Bank** means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the ICAV.

**Central Bank UCITS Regulations** means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (S.I. No. 420 of 2015), as amended, supplemented or replaced from time to time.

**CIS** means an open ended collective investment scheme within the meaning of Regulation 4(3) of the Regulations and which is prohibited from investing more than 10% of its assets in another such collective investment scheme.

**Class or Classes/Share Class or Share Classes** means one or more particular division of Shares in a Fund.

**Clear Days** mean in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.

**Connected Person** means the persons defined as such in the **Portfolio Transactions and Conflicts of Interest** section.

**Credit Rating Agency or Ratings Agency** means any of Standard & Poor's Rating Services, a division of The McGraw Hill Group of Companies, Inc., (**S&P**), Moody's Investors Service Limited (**Moody's**), Fitch Ratings (**Fitch**) and other recognised rating agencies as deemed appropriate by the Manager.

**Currency Share Class** means a Class denominated in a currency other than the Base Currency of the relevant Fund.

**Data Protection Legislation** means the EU Data Protection Directive 95/46/EC and the EU Privacy & Electronic Communications Directive 2002/58/EC, any amendments and replacement legislation including the EU General Data Protection Regulation (EU) 2016/679, European Commission decisions, binding EU and national guidance and all national implementing legislation.

**Dealing Day** means in respect of each Fund such Business Day or Business Days as is or are specified in the Supplement for the relevant Fund provided that there shall be at least two dealing days at regular intervals per month.

**Dealing Deadline** means in relation to applications for subscription, repurchase or exchange of Shares in a Fund, the day and time specified in the Supplement for the relevant Fund.

**Delegate** means such persons, body, corporate agent, or organisation duly appointed by the Manager, from time to time, to provide a specific investment function or execute a specific investment policy.

**Depository** means BNY Mellon Trust Company (Ireland) Limited or any successor thereto duly appointed as depository in accordance with the requirements of the Central Bank and the UCITS Rulebook.

**Depository Agreement** means the agreement dated 24 January 2019 between the ICAV and the Depository as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.

**Directors** mean the directors of the ICAV (including any alternate directors), each a **Director**.

**Distributing Shares** means Shares in respect of which dividends may be declared and paid in accordance with the **Dividend Policy** section of this Prospectus.

**Distribution Agreement** means any agreement between the ICAV, the Manager and/or the relevant Investment Manager and a Distributor as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the UCITS Rulebook.

**Distributor** means such distributor appointed by the Manager and/or the relevant Investment Manager and/or any successor thereto or additional entity duly appointed as a distributor for the ICAV or one or more Funds in accordance with the requirements of the Central Bank and as specified in the Supplement for the relevant Fund(s).

**EEA** means the European Economic Area encompassing the Member States together with Iceland, Liechtenstein and Norway.

**ERISA** means the US Employee Retirement Income Security Act of 1974, as amended.

**EU** means the European Union.

**Euro, EUR or €** means the lawful currency of Ireland.

**Euronext Dublin** means The Irish Stock Exchange plc trading as Euronext Dublin.

**Exchange Charge** means the charge, if any, payable on the exchange of Shares as is specified in the Supplement for the relevant Fund.

**FATCA** means the US Foreign Account Tax Compliance Act (as amended, consolidated or supplemented from time to time), including any regulations issued pursuant thereto and any intergovernmental agreement entered into to facilitate its implementation.

**Foreign Person** means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the ICAV with the appropriate declaration under Schedule 2B TCA and the ICAV is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the ICAV is in possession of written notice of approval from the Irish Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied.

**FCA** means the Financial Conduct Authority of the United Kingdom or any successor regulatory authority thereto.

**FDI** means financial derivative instruments.

**FSMA** means Financial Services and Markets Act 2000 of the United Kingdom and the regulations made under it.

**Fund** means a separate portfolio of assets which is invested in accordance with the investment objective and policies as set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such fund shall be applied and charged and **Funds** means all or some of the Funds as the context requires or any other funds as may be established by the ICAV from time to time with the prior approval of the Central Bank.

**GBP** or **£** means Pounds Sterling, the lawful currency of the United Kingdom.

**G7** means France, Germany, Italy, Japan, United Kingdom, United States and Canada.

**Hedged Share Class** means a Share Class whose denominated currency is hedged against exchange rate fluctuations as set out in the **Share Class Hedging Policy** section.

**ICAV** means Elevation UCITS Funds (Ireland) ICAV.

**ICAV Act** means Irish Collective Asset-management Vehicles Act 2015 as amended, supplemented or replaced from time to time.

**Initial Issue Price** means the price (excluding any Preliminary Charge) per Share at which Shares are initially offered in a Fund during the Initial Offer Period as specified in the Supplement for the relevant Fund.

**Initial Offer Period** means the period during which Shares in a Fund are initially offered at the Initial Issue Price as specified in the Supplement for the relevant Fund.

**Instrument of Incorporation** means the Instrument of Incorporation of the ICAV as amended from time to time.

**Investment Grade Asset / Issuer** means an asset or issuer with a public credit rating of Baa3 or higher from Moody's and/or BBB- or higher from S&P and/or BBB- or higher from Fitch or if no public credit rating is available, an internal credit rating by the Manager or relevant Investment Manager equivalent to such public credit ratings or higher.

**Investment Management Agreement** means the investment management agreement appointing an Investment Manager in relation to a specific Fund as may be substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank.

**Investment Manager** means the entity identified in the relevant Supplement or any successor thereto duly appointed in accordance with the requirements of the Central Bank.

**in specie** (or **in kind**) means in its actual form and refers the distribution of an asset as is, rather than realising the asset and distributing the cash proceeds. Such distributions are made by allocating the physical asset as an alternative to distributing cash.

**Ireland** means the Republic of Ireland.

**Issue Price** means the Net Asset Value per Share as at the Valuation Point.

**Manager** means Link Fund Manager Solutions (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank.

**Management Agreement** means the management agreement between the ICAV and the Manager dated 24 January 2019, as may be substituted, amended, supplemented, novated or otherwise amended from time to time in accordance with the requirements of the Central Bank.

**Member State** means a member state of the EU.

**Minimum Additional Investment Amount** means such amount (if any) as the Directors may from time to time prescribe as the minimum additional investment amount required by each Shareholder for Shares of each Class in a Fund as is specified in the Supplement for the relevant Fund.

**Minimum Fund Size** means such amount (if any) as the Directors decide for each Fund and as set out in the Supplement for the relevant Fund or as otherwise notified to Shareholders in that Fund.

**Minimum Initial Investment Amount** means such amount (if any) as the Directors may from time to time determine as the minimum initial investment amount required by each Applicant for Shares of each Class in a Fund as is specified in the Supplement for the relevant Fund.

**Minimum Shareholding** means such number or value of Shares of any class (if any) as specified in the Supplement for the relevant Class of Shares within a Fund.

**month** means a calendar month.

**Net Asset Value** or **Net Asset Value per Share** means in respect of the assets of a Fund or the Shares in a Fund, the amount determined in accordance with the principles set out in the **Net Asset Value** section as the Net Asset Value of a Fund or the Net Asset Value per Share.

**OECD** means the Organisation for European Co-operation and Development and **OECD Member State** means a Member State of the OECD.

**OTC** means over the counter.

**Par Value** means the nominal value assigned to a security (which term includes loans) by the issuer of such security.

**Permitted Person** has the meaning given to it the Instrument of Incorporation.

**Person Closely Associated** means a person in relation to a director, who is:

- (a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;
- (b) a dependent child, in accordance with national law;
- (c) a relative who has shared the same household for at least one year on the date of the transaction concerned; or
- (d) a legal person, trust or partnership, the managerial responsibilities of which are discharged by a person discharging managerial responsibilities or by a person referred to in point (a), (b) or (c), which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.

**Personal Data** means any data relating to a living individual who can be identified directly from that data or indirectly in conjunction with other information.

**Preliminary Charge** means in respect of a Fund, the charge payable (if any) on the subscription for Shares as specified in the Supplement for the relevant Fund.

**Prospectus** means the current prospectus of the ICAV and any Supplements and addenda thereto.

**Regulated Market** means one of the stock exchanges or regulated markets listed in Appendix 1 to this Prospectus.

**Regulations** means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as may be amended from time to time and any rules or notices made by the Central Bank pursuant to them which are applicable to the ICAV.

**Related Companies** has the meaning assigned thereto in the Companies Act 2014. In general, this states that companies are related where 50% of the paid-up share capital or 50% of the voting rights in one company are owned directly or indirectly by another company.

**Repurchase Charge** means in respect of a Fund, the charge payable (if any) on the repurchase of Shares as specified in the Supplement for the relevant Fund.

**Retail Price Index** means an index published by the UK Office for National Statistics and which represents a measure of UK inflation.

**SEC** means US Securities and Exchange Commission.

**Settlement Date** means in respect of receipt of subscription monies for subscription for Shares or dispatch of monies for the repurchase of Shares, the date specified in the Supplement for the relevant Fund.

**SFT** means securities financing transactions which shall consist of repurchase transactions, reverse repurchase transactions and total return swaps.

**SFTR** means Regulation (EU) 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended or supplemented.

**Shareholders or Holders** means holders of Shares, and each a **Shareholder or a Holder**.

**Shares** means participating shares in the ICAV representing interests in a Fund and where the context so permits or requires any Class of participating shares representing interests in a Fund.

**Subscriber Share** means a non-participating share in the capital of the ICAV issued in accordance with the Instrument of Incorporation and with the rights provided for under the Instrument of Incorporation.

**Sub-Investment Advisor** means any sub-investment advisor or sub-investment advisors appointed by the Manager and/or any Investment Manager or any successor thereto duly appointed in accordance with the requirements of the Central Bank as specified in the Supplement in respect of each Fund as the sub-investment advisor for that relevant Fund.

**Sub-Investment Advisory Agreement(s)** means the agreement or agreements between the Manager and/or any Investment Manager and the relevant Sub-Investment Advisor (as specified in the Supplement for a Fund) as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the UCITS Rulebook.

**Sub-Investment Grade Asset / Issuer** means an asset or issuer with a public credit rating less than an Investment Grade Asset / Issuer or an internal credit rating by the Manager or the relevant Investment Manager equivalent to such public credit ratings or lower.

**Sub-Investment Manager** means any sub-investment manager or sub-investment managers appointed by the Manager and/or any Investment Manager or any successor thereto duly appointed in accordance with the requirements of the Central Bank as specified in the Supplement in respect of each Fund as the sub-investment manager for that relevant Fund.

**Sub-Investment Management Agreement(s)** means the agreement or agreements between the Manager and/or any Investment Manager and the relevant Sub-Investment Manager (as specified in the Supplement for a Fund) as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the UCITS Rulebook.

**Supplement** means any supplement, including any Addendum thereto, to the Prospectus issued on behalf of the ICAV from time to time.

**Taxable Irish Person** means any person, other than

- (a) a Foreign Person;
- (b) an intermediary, including a nominee, for a Foreign Person;
- (c) a qualifying management company within the meaning of section 739B TCA;
- (d) a specified company within the meaning of section 734 TCA;
- (e) an investment undertaking within the meaning of section 739B TCA;
- (f) an investment limited partnership within the meaning of section 739J TCA;
- (g) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
- (h) a company carrying on life business within the meaning of section 706 TCA;
- (i) a special investment scheme within the meaning of section 737 TCA;
- (j) a unit trust to which section 731(5)(a) TCA applies;
- (k) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (l) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA, section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);
- (m) the Courts Service;
- (n) a Credit Union;
- (o) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;
- (p) a company within the charge to corporation tax under section 110(2) TCA;
- (q) the National Asset Management Agency;
- (r) the National Treasury Management Agency or a fund investment vehicle within the meaning of section 739D(6)(kb);
- (s) the National Pensions Reserve Fund Commission or a Commission investment vehicle (within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 as amended);

- (t) the State acting through the National Pensions Reserve Fund Commission or a Commission investment vehicle within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 (as amended); and
- (u) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the ICAV in respect of that Shareholder under Part 27 Chapter 1A TCA,

in respect of each of which the appropriate declaration set out in Schedule 2B TCA or otherwise and such other information evidencing such status is in the possession of the ICAV on the appropriate date.

**TCA** means the Taxes Consolidation Act, 1997, as amended.

**transferable securities** shall have the meaning prescribed in the UCITS Rulebook.

**UCITS** means an undertaking for collective investment in transferable securities established pursuant to the Regulations.

**UCITS Rulebook** means the Central Bank UCITS Regulations and guidelines issued by the Central Bank from time to time affecting the ICAV or any Fund.

**Unhedged Currency Share Class** means a Class where typically, Shares may be applied and paid for, income payments calculated and paid and repurchase proceeds paid in a currency other than the Base Currency of the relevant Fund on the basis of a currency conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Class.

**United Kingdom** and **UK** means the United Kingdom of Great Britain and Northern Ireland.

**United States** and **US** means the United States of America, (including each of the states, the District of Columbia and the Commonwealth of Puerto Rico) its territories, possessions and all other areas subject to its jurisdiction.

**US Dollars, USD, US\$, Dollars** and **\$** means the lawful currency of the United States or any successor currency.

**US. Person** shall have the meaning prescribed in Regulation S under the United States Securities Act of 1933, as amended (the Securities Act) and thus shall include (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a US Person; (iv) any trust of which any trustee is a US Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; (vii) any discretionary account held by a dealer or other fiduciary organised or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (A) organised or incorporated under the laws of any foreign jurisdiction; and (B) formed by a US Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts.

**Valuation Point** the point in time by reference to which the Net Asset Value of a Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Fund.

**VaR** means value at risk which is a statistical technique that measures and quantifies the level of financial risk within a Fund portfolio or position over a specific time frame.

**VAT** means value-added tax.

## 2 INTRODUCTION

The ICAV was registered as an umbrella Irish collective asset-management vehicle with segregated liability between Funds pursuant to Part 2, Chapter 1 of the ICAV Act and is authorised by the Central Bank pursuant to Regulations.

The ICAV is structured as an umbrella fund with segregated liability between Funds. Shares representing interests in different Funds may be issued from time to time by the ICAV. Shares of more than one Class in a Class may be issued in relation to a Fund. All Shares of each Class will rank rateably amongst themselves and *pari passu* save as provided for in the relevant Supplement. On the introduction of any new Fund (for which prior Central Bank approval is required) or any new Class of Shares (which must be issued in accordance with the requirements of the Central Bank), the ICAV will prepare and issue a new or updated Supplement setting out the relevant details of each such Fund or new Class of Shares as the case may be. A separate portfolio of assets will be maintained for each Fund (and accordingly not for each Class of Shares) and will be invested in accordance with the investment objective and policies applicable to such Fund. Particulars relating to individual Funds and the Classes of Shares available therein are set out in the relevant Supplement. Any amendments to the Prospectus and any Supplements must be notified to and cleared in advance by the Central Bank.

The ICAV has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund. Further detail on this is included in the **Risk Factors** section.

Distribution of this Prospectus and the relevant Supplement is not authorised in any jurisdiction after publication of the annual report and audited accounts unless accompanied by a copy of such report and accounts. Such reports and this Prospectus together form the prospectus for the issue of Shares in the ICAV.

The Instrument of Incorporation of the ICAV gives powers to the Directors to impose restrictions on the holding of Shares directly or indirectly by (and consequently to repurchase Shares held by), or the transfer of Shares to any person or entity who, in the opinion of the Directors is not or will hold Shares for the benefit of someone who is not a Permitted Person.

Neither this Prospectus nor the Shares have been qualified for offer, sale or distribution under the laws of any jurisdiction governing the offer or sale of shares or other securities, and this Prospectus shall not constitute an offer to sell or a 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 authorized, or to any person to whom it is unlawful, to make such offer, solicitation or sale. It is the responsibility of any person in possession of this prospectus and any person wishing to subscribe for shares pursuant to an application form to inform themselves of and to observe all applicable laws and regulations of any relevant jurisdictions.

Where a Taxable Irish Person acquires and holds Shares, the ICAV shall, where necessary for the collection of Irish Tax, repurchase Shares held by a person who is or is deemed to be acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for Irish taxation purposes and pay the proceeds thereof to the Irish Revenue Commissioners.

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. To the extent that there is any inconsistency between this English language document and the document in another language, this English language document shall prevail.

Potential purchasers of Shares should inform themselves as to (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or disposal of Shares.

The value of and income from Shares in a Fund may go up or down and Applicants may not get back the amount they have invested in the Fund. Applicants may lose their entire investment. Shares constituting each Fund are described in a Supplement to this Prospectus for each such Fund, each of which is an integral part of this Prospectus and is incorporated herein by reference with respect to the relevant Fund. Investment in Shares may involve above average risk and Applicants' attention is drawn to the **Risk Factors** section and also to the equivalent section in each Supplement. An investment in a Fund is only suitable for sophisticated applicants who are in a position to understand and take such risks and satisfy themselves that such investment is appropriate for them.

Where there is a Preliminary Charge and a Repurchase Charge payable on the issue and repurchase of Shares, an investment in Shares should be viewed as medium to long term. A Preliminary Charge and/or a Repurchase Charge may be charged by a Fund, as set out in the relevant Supplement. The maximum Preliminary Charge, if any, will not exceed 5% of the subscription amount. The maximum Repurchase Charge, if any, will not exceed 3% of the repurchase amount.

This Prospectus and any other documents referred to in it and the relevant Supplement(s) should be read in their entirety before making an application for Shares. Statements made in the Prospectus and any Supplement are based on the laws and practice in force in Ireland at the date of this Prospectus or Supplement as the case may be, which may be subject to change.

Any information given or representations made by any dealer, salesman or other person which are not contained in this Prospectus or the relevant Supplement or in any reports and accounts of the ICAV forming part hereof must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus or the relevant Supplement nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus or the relevant Supplement is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement. This Prospectus or the relevant Supplement may from time to time be updated and intending purchasers should enquire of the Manager or the Administrator as to the issue of any later Prospectus or as to the issue of any reports and accounts of the ICAV.

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Instrument of Incorporation, copies of which are available as mentioned herein.

This Prospectus and the relevant Supplement shall be governed by and construed in accordance with Irish law.

The ICAV is required to and will comply with the UCITS Rulebook.

This document is confidential to the addressee and may not be copied or passed on, in whole or in part, or its contents reproduced, disclosed, distributed to or used by any other person outside the group of affiliates of the addressee or their professional advisers. By accepting delivery of this document, each recipient agrees that it will (i) use this Prospectus for the sole purpose of evaluating a possible investment in a Fund and (ii) keep permanently confidential all information contained herein not already in the public domain.

### 3 FUNDS

The ICAV is structured as an umbrella fund in that different Funds may be established from time to time by the Directors with the prior approval of the Central Bank. On the introduction of any new Fund, the Directors will issue documentation setting out the relevant details of each such Fund. A separate portfolio of assets will be maintained for each Fund. Separate records will also be maintained for each Fund with assets and liabilities allocated to the relevant Fund and each Fund will be invested in accordance with the investment objective applicable to such Fund. Particulars relating to each Fund are set out in a Supplement to the Prospectus.

Shares may be issued in relation to each Fund. Different Classes of Shares may also be issued in relation to any Fund subject to notifying and clearing in advance with the Central Bank of the creation of each Class

of Shares and the different Classes of Shares available for issue in each Fund will be set out in a Supplement for the relevant Fund. The different Classes of Shares in a Fund may have different charging structures, designation of Shares in different currencies or gains/losses on and costs of different financial instruments employed for currency hedging between the Base Currency of a Fund or the underlying assets of a Fund and the designated currency of the relevant Class of Shares and the Minimum Initial Investment Amount therefore may also differ. Details of such structures and amounts for each Fund shall be set out in a Supplement for the relevant Fund. The different Classes of Shares within a Fund together represent interests in a single pool of assets of the Fund.

Within each Fund and Share Class, the ICAV may issue Accumulating Shares and Distributing Shares which shall represent interests in the same distinct portfolio on investments. The net income per Distributing Share may be distributed or re-invested in accordance with the dividend policy for the Fund as set out in the relevant Supplement and may be in the form of additional Shares to Shareholders. No declarations shall be made in respect of the Accumulating Shares.

The ICAV has segregated liability between its Funds and accordingly any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

### **3.1 Form of Shares**

Shares will be issued in registered form. Purchase contract notes will normally be issued within one Business Days after the allotment of Shares. Written confirmation of ownership evidencing entry in the register will normally be issued within thirty (30) days of the relevant Dealing Day upon receipt of all forms of documentation required by the Administrator. Share certificates shall not be issued.

Share Classes may be established in each Fund (in accordance with the requirements of the Central Bank) which may be subject to different terms, including higher or lower or no fees. Further information in this regard is available on request.

### **3.2 Investment Objective and Policies**

The Instrument of Incorporation provides that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the ICAV appear in the Supplement for the relevant Fund.

Any change in the investment objective or material change to the investment policy of a Fund may only be made with approval on the basis of a majority of votes cast at a general meeting of the Shareholders of the Fund or by way of a written resolution of all the Shareholders in the Fund. Subject and without prejudice to the first sentence of this paragraph, in the event of a change of investment objective and/or policies of a Fund, approved by way of a majority of votes at a general meeting, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares repurchased prior to the implementation of such change.

The Investment Manager or the Sub-Investment Manager (as applicable) has been given full discretion in the investment and reinvestment of the assets of each Fund, provided that it complies with the Fund's investment objective, policies and restrictions in exercising that discretion. Each Fund's asset allocation shall be determined solely by the Investment Manager or the Sub-Investment Manager. Accordingly, the exposure of each Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager or the Sub-Investment Manager in accordance with the requirements of the Central Bank.

The various Markets on which a Fund's investments in securities and FDI (other than permitted investments in unlisted securities and OTC FDI) are traded or listed is set out in Appendix 1.

### 3.3 Investment Restrictions

The investment restrictions for each Fund will be formulated by the Directors at the time of the creation of the Fund. The Instrument of Incorporation provides that investments may only be made as permitted by the Instrument of Incorporation and the Regulations. In any event, each Fund will comply with the UCITS Rulebook.

The following general investment restrictions apply to each Fund except where restrictions are expressly or implicitly disapplied in accordance with the requirements of the Central Bank. In that case, the Supplement for the relevant Fund will set out the extent to which such investment restrictions do not apply and specify if any additional restrictions apply.

### 3.4 Permitted Investments

Investments of a Fund must be confined to:

- 3.4.1 transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State and is listed in Appendix 1;
- 3.4.2 recently issued transferable securities which will be admitted to official listing on a stock exchange or other market, as described above, within a year;
- 3.4.3 money market instruments other than those dealt in on a Regulated Market;
- 3.4.4 shares or units of UCITS;
- 3.4.5 shares or units of AIFs;
- 3.4.6 deposits with credit institutions; and
- 3.4.7 FDI.

### 3.5 Investment Restrictions

3.5.1 A Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in section 3.4.

3.5.2 Subject to paragraph 2, the Manager shall not invest any more than 10% of assets of a Fund in securities of the type to which Regulation 68(1)(d) of the Regulations (as described in section 3.4.2) apply.

This restriction does not apply to an investment by the Manager in US Securities known as Rule 144 A securities provided that the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue and the securities are not illiquid securities i.e. they may be realised by the relevant Fund within 7 days at the price, or approximately at the price, which they are valued by the Fund.

3.5.3 A Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

3.5.4 Subject to the prior approval of the Central Bank, the limit of 10% (as described in section 3.5.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect

bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund.

3.5.5 The limit of 10% (as described in section 3.5.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a Non-Member State or public international body of which one or more Member States are members.

3.5.6 The transferable securities and money market instruments referred to in section 3.5.4 and 3.5.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in section 3.5.3.

3.5.7 Cash booked in accounts and held as ancillary liquidity shall not exceed either 10% of the net assets of the relevant Fund, or where cash is booked in an account with the Depositary, 20% of the net assets of the Fund.

3.5.8 The risk exposure of a Fund to a counterparty to an OTC FDI may not exceed 5% of its Net Asset Value.

This limit is raised to 10% in the case of credit institutions authorised in the EEA, credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

3.5.9 Notwithstanding sections 3.5.3, 3.5.7 and 3.5.8, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of a Fund's Net Asset Value: investments in transferable securities or money market instruments; deposits; and/or risk exposures arising from OTC FDI.

3.5.10 The limits referred to in sections 3.5.3, 3.5.4, 3.5.5, 3.5.7, 3.5.8 and 3.5.9 may not be combined, so that exposure to a single body shall not exceed 35% of a Fund's Net Asset Value.

3.5.11 Group companies are regarded as a single issuer for the purposes of sections 3.5.3, 3.5.4, 3.5.5, 3.5.7, 3.5.8 and 3.5.9. However, a limit of 20% of a Fund's Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group.

3.5.12 A Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, Non-Member State or public international body of which one or more Member States are members.

3.5.13 The individual issuers may be drawn from the following list:

OECD governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority and Straight-A Funding LLC.

3.5.14 The Fund must hold securities from at least six different issues, with securities from any one issue not exceeding 30% of net assets.

### 3.6 Investment in Other Collective Investment Schemes

- 3.6.1 A Fund may not invest more than 20% of its Net Asset Value in any one CIS.
- 3.6.2 Investment in AIFs may not, in aggregate, exceed 30% of the Fund's Net Asset Value.
- 3.6.3 A Fund may not invest in another single structure CIS or a Fund of an umbrella CIS, which itself invests more than 10% of its net assets in other CIS.
- 3.6.4 When a Fund invests in the shares or units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by common management or control, or by a substantial direct or indirect holding, the Manager or other company may not charge subscription, switching or repurchase fees on account of the investment by the Fund in the shares or units of such other CIS.
- 3.6.5 Where by virtue of investment in the shares or units of another CIS, the Manager receives a commission on behalf of the Fund (including a rebated commission), the Manager shall ensure that the relevant commission is paid into the property of the Fund.
- 3.6.6 Investment by a Fund in another Fund of the ICAV is subject to the following additional provisions:
- (a) Investment must not be made in a Fund which itself holds Shares in another Fund within the ICAV; and
  - (b) The investing Fund may not charge an annual management fee in respect of that portion of its assets invested in other Funds within the ICAV. This provision is also applicable to the annual fee charged by the Investment Manager where such fee is paid directly out of the assets of the Fund.

### 3.7 Index Tracking UCITS

A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the UCITS Rulebook and is recognised by the Central Bank. This limit may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

### 3.8 General Provisions

- 3.8.1 The ICAV acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.
- 3.8.2 A Fund may acquire no more than:
- (a) 10% of the non-voting shares of any single issuing body;
  - (b) 10% of the debt securities of any single issuing body;
  - (c) 25% of the shares or units of any single CIS;
  - (d) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in sub-sections (b), (c) and (d) may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

- 3.8.3 Sections 3.8.1 and 3.8.2 shall not be applicable to:

- (a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- (b) transferable securities and money market instruments issued or guaranteed by a Non-Member State;
- (c) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members; and
- (d) shares held by a Fund in the capital of a company incorporated in a Non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that Non-Member State, where under the legislation of that Non-Member State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that Non-Member State. This waiver is applicable only if in its investment strategies the company from the Non-Member State complies with the limits laid down in sections 3.5.3 to 3.113.5.11, 3.6.1, 3.6.2, 3.8.1 and 3.8.2 and sections (d), 3.8.4, 3.8.5 below and provided that where these limits are exceeded, sections 3.8.4 and 3.8.5 are observed;
- (e) shares held by a Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of shares or units at the request of share or unit holders exclusively on their behalf.

3.8.4 A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments that form part of their assets.

3.8.5 The Central Bank may allow recently authorised Funds to derogate from the provisions of sections 3.5.3 to 3.5.12, 3.6.1, 3.6.2, and 3.7 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

3.8.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

3.8.7 The ICAV may not carry out uncovered sales of transferable securities; money market instruments (any short selling of money market instruments by the ICAV is prohibited); shares or units of CIS or FDI.

3.8.8 A Fund may hold ancillary liquid assets.

### 3.9 **FDI**

As at the date of the Prospectus, no Fund may engage in transactions in FDI. Where a Fund is established which may engage in transactions in FDI, the relevant Supplement will include:

- (a) a prominent statement to this effect, indicating if FDI may be used for investment purposes and/or solely for the purposes of hedging and the expected effect of FDI transactions;
- (b) if a Fund invests principally in FDI, a warning of this intention at the beginning of the Supplement;
- (c) a specific disclosure in relation to the use of FDI to clarify the purpose behind the use of the FDI;
- (d) a description of the permitted types of FDIs that may be used including clear details as to their commercial purpose;
- (e) in relation to each of the categories of assets in which the Fund may invest whether the Fund will take long positions or short positions or both;

- (f) where it is proposed that the Fund will take short positions, relative to the Net Asset Value of the Fund, the percentage of the anticipated maximum value of the long positions and maximum of the absolute values of the short positions or the anticipated maximum of the ratio of the value of the long positions to the absolute value of the short positions; and
- (g) the method used to calculate global exposure which will be the commitment approach, relative VaR or absolute VaR.

A Fund's global exposure (as prescribed in the UCITS Rulebook) relating to FDI must not exceed its total Net Asset Value. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Regulations. This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the UCITS Rulebook.

A risk management process will be submitted to the Central Bank in accordance with Central Bank UCITS Regulations prior to any Fund engaging in FDI transactions. A risk management process enables the Manager to accurately measure, monitor and manage the various risks associated with FDIs. A Fund shall not utilise any FDI that is not included in the risk management process which has been prepared and submitted to the Central Bank in accordance with the Central Bank requirements.

Investment in FDI is subject to other conditions and limits laid down by the Central Bank which will be adhered to by any Fund which intends to use FDI.

FDI may be dealt in OTC provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

While the prudent use of FDIs can be beneficial, FDI also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments. Investors should refer to the **FDI Risk** in the **Risk Factors** section.

The following is a description of the types of FDI which a Fund might include in its investment policies:

#### 3.9.1 **Currency Swaps**

A currency swap is an agreement between parties to exchange sequences of cash flows over a period in the future. The cash flows that the counterparties make are tied to the value of foreign currencies.

#### 3.9.2 **Equity Swaps**

An equity swap contract which gives the holder the economic benefits of a notional holding of an underlying security or basket of securities in exchange for an interest stream representing the financing cost for the notional value of that security or basket of securities. A swap can be a long exposure where the holder is receiving the economic benefits of the underlying security from the other party or a short exposure where the holder is paying the economic benefits of the underlying security to the other party. Equity swaps may be used to achieve both long and short exposure.

#### 3.9.3 **Caps / Floors**

The purchase of a cap entitles the purchaser, to the extent that a specified index exceeds a predetermined value, to receive payments on a notional principal amount from the party selling the cap. The purchase of a floor entitles the purchaser, to the extent that a specified index falls below a predetermined value, to receive payments on a notional principal amount from the party selling the floor. Swap agreements, including caps and floors can be individually negotiated and structured

to include exposure to a variety of different types of investments or market factors. Caps and floors have an effect similar to buying or writing options.

#### 3.9.4 **Credit Default Swap or a CDS**

CDS provide a measure of protection against or exposure to defaults of debt issuers. It is not certain that use of CDS will be effective or will have the desired result. A Fund might be the buyer and/or seller in CDS transactions. CDS are transactions under which the parties' obligations depend on whether a credit event has occurred in relation to the reference asset. The credit events are specified in the contract and are intended to identify the occurrence of a significant deterioration in the creditworthiness of the reference asset. On settlement, credit default products may be cash settled or involve the physical delivery of an obligation of the reference entity following a default. The buyer in a CDS contract is obligated to pay the seller a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference asset has occurred. If a credit event occurs, the seller must pay the buyer the full notional value of the reference asset that may have little or no value. If a Fund is a buyer and no credit event occurs, losses will be limited to the periodic stream of payments over the term of the contract. As a seller, a Fund would receive a fixed rate of income throughout the term of the contract, provided that there is no credit event. If a credit event occurs, the seller must pay the buyer the full notional value of the reference obligation.

#### 3.9.5 **Futures**

Futures are contracts to buy or sell a standard quantity of a specific asset (or, in some cases, receive or pay cash based on the performance of an underlying asset, instrument or index) at a pre-determined future date and at a price agreed through a transaction undertaken on an exchange. Futures contracts allow investors to hedge against market risk or gain exposure to the underlying market. Since these contracts are marked-to-market daily investors can, by closing out their position, exit from their obligation to buy or sell the underlying assets prior to the contract's delivery date. Using futures to achieve a particular strategy instead of using the underlying or related security, index or index sector or basket of debt securities frequently results in lower transaction costs being incurred. For example, a Fund may enter into interest rate or bond futures in order to seek to reduce the interest rate exposure of fixed rate bonds. Futures may also be used to equitise cash balances, both pending investment of a cash flow and with respect to fixed cash targets.

#### 3.9.6 **Options**

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives the buyer the right, but not the obligation, to sell to the other party to the contract (which is the seller), a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option at a specified price. Options may also be cash settled. A Fund might be a seller or buyer of put and call options (including index equity options) and may purchase or sell these instruments either individually or in combinations. This would allow a Fund to benefit from any upside in the performance, while limiting its overall exposure to the original premium paid by a Fund. Currency options express positional views on the direction of currency movements and volatility. Bond options may be used to express similar positional views as would be the case as buying or selling the underlying bond or alternatively to express a view on the bond's volatility. Options on interest rate or bond futures can reflect the view that interest rate risk may change in a particular way or alternatively, to reflect its view on interest rate volatility. Put options on equity indices or equity exchange traded funds might also be bought for hedging purposes. These instruments may be purchased or sold either individually or in combinations.

### 3.9.7 **Swaptions**

A swaption is an option on a swap. It gives the holder the right but not the obligation to enter into a swap at a specific date in the future, at a particular fixed rate and for a specified term. Swaptions may be used for hedging and investment purposes.

### 3.9.8 **Forward Foreign Exchange Contracts**

A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date. Forward foreign exchange contracts may be used to hedge any currency exposure back to the relevant Base Currency. They may also be used to change currency compositions without necessarily hedging back to Base Currency.

### 3.9.9 **Contracts for Difference**

CFD allow a direct exposure to a market, a sector or an individual security. Unlike a forward contract, there is no final maturity and the position may be closed out at the discretion of the entity which has entered into the CFD. CFD are used to gain exposure to share price movements without buying the shares themselves. A CFD on a company's shares will specify the price of the shares when the contract was started. The contract is an agreement to pay out cash on the difference between the starting share price and when the contract is closed.

## 3.10 **Borrowing, Leverage, Lending Powers and Restrictions**

The ICAV may borrow up to 10% of a Fund's Net Asset Value at any time and the Depositary may charge the assets of such Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes. Credit balances such as cash may not be offset against borrowings when determining the percentage of borrowings outstanding. Assets of a Fund may not be passed outside the Depositary's custody network to secure borrowings. The ICAV may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classed as borrowings for the purposes of Regulation 103(1) provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding. Where the offsetting deposit is not denominated in the Base Currency of the relevant Fund, changes in the exchange rate between the Base Currency and the currency of the offsetting deposit may lead to a depreciation of the value of the offsetting deposit as expressed in the Base Currency.

Without prejudice to the powers of the ICAV to invest in transferable securities, money market instruments and other financial instruments referred to in Investment Restriction 3.5.1 under the heading **Permitted Investments** above, the ICAV may not lend to, or act as guarantor on behalf of, third parties.

A Fund may acquire transferable securities, money market instruments and other financial instruments referred to in Investment Restriction 3.5.1 above which are not fully paid. The ICAV may not carry out uncovered sales of transferable securities, money market instruments and other financial instruments.

Any particular borrowing restrictions for a Fund will appear in the Supplement for the relevant Fund.

## 3.11 **Changes to Investment and Borrowing Restrictions**

It is intended that the ICAV shall have the power (subject to the prior approval of the Central Bank and, where necessary, approval on the basis of a majority of votes cast at a general meeting of the Shareholders of the relevant Fund or by way of a written resolution of all the Shareholders in the relevant Fund) to avail itself of any change in the investment and borrowing restrictions specified in the Regulations which would permit investment by the ICAV in securities or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the Regulations.

### 3.12 Efficient Portfolio Management Policy

A Fund may employ investment techniques and instruments (including, but not limited to, the use of securities lending, repurchase agreements and reverse repurchase agreements) relating to transferable securities and/or other financial instruments in which it invests for efficient portfolio management purposes in accordance with the investment strategy of the relevant Fund and subject to the conditions and limits set out in the UCITS Rulebook. The specific techniques and instruments to be utilised by each Fund (if any) are set out in the Supplement for the relevant Fund. Any such technique or instrument should be reasonably believed by the Manager and/or the relevant Investment Manager to be economically appropriate to the efficient portfolio management of the relevant Fund, such that the use of such a technique or instrument may only be undertaken for the purpose of one or more of the following:

- 3.12.1 a reduction in risk;
- 3.12.2 a reduction in cost; or
- 3.12.3 an increase in capital or income returns to a Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in the Regulations and Central Bank UCITS Regulations, as appropriate.

Direct and indirect operational costs and/or fees arising from the use of techniques and instruments for efficient portfolio management purposes on behalf of a Fund may be deducted from the revenue delivered to the relevant Fund. These costs and/or fees will be charged at normal commercial rates and will not include hidden revenue. The entities to which such costs and fees are paid will be disclosed in the annual reports and audited accounts of the ICAV (including whether such entities are related to the Manager, Investment Manager or Depositary)

Where applicable, the entities to which such direct and indirect operational costs and/or fees have been paid during the annual period to the relevant accounting year end of the Fund (including whether such entities are related to the ICAV or Depositary) will be disclosed in the annual report for such period.

The Manager shall ensure that all revenues arising from efficient portfolio management techniques and instruments, net of direct and indirect operational costs, are returned to the relevant Fund.

The **Risk Factors** section and the **Portfolio Transactions and Conflicts of Interest** section contain further detail on counterparty risk and conflicts of interest in the context of efficient portfolio management.

### 3.13 SFT Policy

Subject to the investment policies and restrictions for a Fund set out in the Supplement in respect of a Fund, a Fund may enter into repurchase, reverse repurchase and securities lending agreements in respect of any Fund solely for efficient portfolio management purposes and this fact will be set out in the relevant Supplement, where applicable. The use of such transactions or agreements is subject to the conditions and limits set out in the Central Bank UCITS Regulations and unless otherwise specified in a Supplement for a Fund, the collateral policy for the Funds is as described in this section.

The use of SFT may only be effected in accordance with normal market practice and all assets received under such transactions will be considered collateral and will comply with the criteria set out in the **Collateral Policy** section. In accordance with normal market practice, borrowers will be required to provide collateral to the ICAV of a value of at least equal to the market value of any securities loaned in accordance with the ICAV's **Collateral Policy** section.

The types of assets of a Fund that may be subject to an SFT will be determined by the ICAV in accordance with the investment policy of a Fund and may include, but shall not be limited to, debt and debt related securities, structured financial instruments, including asset backed securities, and liquid and near cash assets, such as short-term fixed income securities, instruments and obligations, bills, commercial paper and

notes, equity and equity related securities, FDI and other permitted investments of a Fund specified in the Supplement for a Fund. Such assets shall be held by the Depository.

There is no limit on the amount of assets of a Fund which may be used for SFT but the transactions must satisfy three broadly-based requirements:

- 3.13.1 They may not include speculative transactions. SFT must be economically appropriate in that they are realised in a cost effective way.
- 3.13.2 The purpose of SFT for any Fund must be to achieve one of the following in respect of a Fund:
  - (a) reduction of risk;
  - (b) reduction of cost; or
  - (c) generation of additional capital or income for the Fund with a risk level which is consistent with the risk profile of the Fund and the risk diversification rules in the Central Bank UCITS Regulations.

The relevant purpose must relate to the assets of a Fund; property (whether precisely identified or not) which is to be or proposed to be acquired for a Fund and anticipated cash receipts in respect of the Fund, if due to be received at some time and likely to be received within one month.

Each SFT must be covered globally, that is, a Fund's exposure must not exceed its Net Asset Value, taking into account the value of the underlying assets, future market movements, counterparty risk and the time available to liquidate any position. The global exposure must be calculated on at least a daily basis.

Briefly, SFT are those where one party (**Party A**) delivers securities to the other (**Party B**) in return for which it is agreed that securities of the same kind and amount should be redelivered to Party A at a later date. Party B provides Party A with collateral to cover against the risk of the future redelivery not being completed.

If SFT are entered into, counterparty risk exposures will be aggregated across (i) SFT (as appropriate) and (ii) the FDI transactions used for efficient portfolio management (referred to above).

Any SFT will only be entered into with institutions of appropriate financial standing which engage in these types of arrangements and which are acceptable to the Depository and the Manager by the ICAV's lending agent and will be on arm's length commercial terms.

Each counterparty to SFT must be an eligible counterparty for a UCITS and be subject to prudential supervision rules and specialised in this type of transaction. The ICAV, Manager and/or the relevant Investment Manager will seek to appoint regulated financial institutions as counterparties that have been subject to an approval process, subject to prudential supervision rules and specialised in this type of transaction and which have, either directly or at parent-level, an investment grade rating from at least two of the Credit Rating Agencies. The ICAV must be satisfied that the counterparty does not carry undue credit risk, will value the transactions with reasonable accuracy and on a reliable basis and will close out the transactions at any time at the request of the ICAV, Manager and/or the relevant Investment Manager. Another criterion used when selecting counterparties includes country of origin. For example, the counterparty may be a body corporate located in the EEA.

Any potential conflict of interests relating to SFT shall be dealt with in accordance with the **Portfolio Transactions and Conflicts of Interests** section. Transactions made with connected persons of the Depository or the Investment Manager must be made on arm's length commercial terms and the Depository's written consent is required.

Direct and indirect operational costs and fees incurred in performing these transactions may be deducted from any associated revenue delivered to a Fund. All such revenue, net of direct and indirect operational

costs, will be returned to the relevant Fund. Such costs and fees shall be charged at normal commercial rates and shall not include hidden revenue. The entities to which such costs and fees are paid will be disclosed in the annual report and audited accounts of the ICAV (including whether such entities are related to the ICAV or Depositary).

SFT may in some cases result in reduced performance but may nonetheless be entered into where the ICAV believes it to be in the best interests of a Fund, for example in order to manage risk.

The assets and collateral subject to SFT shall be held by the Depositary.

The Collateral Policy shall apply to any collateral received in respect of SFT. If a Fund chooses to engage in SFT, this will be detailed in the relevant Supplement.

Unless otherwise specified in the Supplement for a Fund, the proportion of assets under management subject to SFT is expected to vary between 0% and 30% of the Net Asset Value of the relevant Fund and will be subject to a maximum of 100% of the Net Asset Value of the relevant Fund. Such variations may be dependent on, but are not limited to, factors such as total Fund size, borrower demand to borrow stocks from the underlying market and seasonal trends in the underlying markets. In order to reduce its exposure to any counterparty through SFT, a Fund will adopt collateral arrangements as described under the **Collateral Policy** section in the Prospectus.

The **RISK FACTORS** section includes the risks involved in entering into SFT.

### 3.14 **Collateral Policy**

Unless otherwise specified in a Supplement for a Fund, the collateral policy for the Funds is as follows:

#### 3.14.1 **Non-Cash Collateral**

Non-cash collateral received cannot be sold, pledged or reinvested by a Fund. Permitted types of non-cash collateral will be determined in accordance with the Investment Policy of the relevant Supplement. Generally, the ICAV will accept securities issued or guaranteed by local governments, agencies, instrumentalities, authorities of OECD member states, obligations issued supranational entities, corporate debt securities including commercial paper and convertible securities issued by corporations, equities from major indices as well as cash equivalents and any other type of instrument in which an Investment Manager, acting in respect of a particular Fund, is permitted to invest pursuant to that Fund's Investment Policy. Non-cash collateral must, at all times, meet with the following requirements:

##### (a) *Liquidity*

Non-cash collateral should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations (sections 3.8.2, 3.8.3 and (d) above).

##### (b) *Valuation*

Collateral must be valued on at least a daily basis at mark-to-market value and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.

##### (c) *Issuer credit quality*

Collateral received should be of high quality, issuers being rated BBB – to AAA by Standard and Poor's or equivalent by any other recognised rating agency.

(d) *Correlation*

Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.

(e) *Diversification / Asset Concentration*

Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Net Asset Value of the relevant Fund. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.

(f) *Immediately available*

Collateral received should be capable of being fully enforced by the ICAV at any time without reference to or approval from the relevant counterparty.

(g) *Safekeeping*

Collateral secured on a title transfer basis should be held by the Depositary. For other types of collateral arrangements, the collateral may be held by a third party appointed by the Depositary.

(h) *Maturity*

There are no restrictions on maturity provided the collateral is sufficiently liquid, as determined at the discretion of the Manager or relevant Investment Manager acting in respect of a Fund.

### 3.14.2 **Cash Collateral**

(a) Reinvestment of cash collateral must be in accordance with the following requirements:

(i) cash received as collateral may only be invested in the following:

(A) deposits with a credit institution authorised in the EEA, a credit institution authorised within a signatory state, other than an EU Member State or a Member State of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand the Relevant Institutions;

(B) high quality government bonds;

(C) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the ICAV is able to recall at any time the full amount of cash on an accrued basis;

(D) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);

(b) invested cash collateral must be diversified in accordance with the requirements in the Non-Cash Collateral section above;

(c) invested cash collateral may not be placed on deposit with the counterparty or a related entity.

### 3.15 **Level of Collateral Required**

Unless otherwise specified in a Supplement for a Fund, the levels of collateral required are as follows:

Transaction	Collateral
Repurchase agreements	at least 100% of the exposure to the counterparty.
Reverse repurchase agreements	at least 100% of the exposure to the counterparty.
Lending of portfolio securities	at least 100% of the exposure to the counterparty.
OTC FDI	within the limits set out in the Regulations.

### 3.16 Haircut Policy

Unless otherwise specified in a Supplement for a Fund, the haircut policy for the Funds is as outlined in this section.

In advance of entering into OTC FDI transactions and repurchase and reverse repurchase agreements, the Manager and/or the relevant Investment Manager will determine what haircut is acceptable for each class of asset received as collateral and will be set out in the agreement with the relevant counterparty or otherwise documented at the time of entering into such agreement. Such haircut will take into account the characteristics of the asset such as the credit standing or price volatility of the assets received as collateral as well as the outcome of any stress test performance in accordance with the Central Bank's requirements. In the event that a Fund may enter into a securities lending transaction, the Manager and/or the relevant Investment Manager does not apply a haircut to the non-cash assets received as collateral but instead, in accordance with market practice, operates a policy of over-collateralisation whereby collateral is marked to market on an on-going basis. Counterparties may be required to post additional collateral from time to time.

### 3.17 Share Class Hedging Policy

A Currency Share Class may be hedged against exchange rate fluctuation risks between the denominated currency of the Currency Share Class and the Base Currency of a Fund in which that Class of Shares is issued. Alternatively, the currency exposure of the currency(ies) of a Fund's underlying assets may be hedged in order to mitigate the effect of fluctuations in the exchange rate between the currency(ies) of that Fund's underlying assets and the currency of the Share Class. Any financial instruments used to implement such strategies with respect to one or more Hedged Share Classes shall not be assets/liabilities of a Fund as a whole but will be attributable to the relevant Hedged Share Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class. Where a Share Class is to be hedged this will be disclosed in the relevant Supplement. Any currency exposure of a Hedged Share Class may not be combined with or offset against that of any other Share Class of a Fund. The currency exposure of the assets attributable to a Hedged Share Class may not be allocated to other Share Classes.

Where there is a hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the relevant Fund or the Manager. Over-hedged positions will not exceed 105% of the Net Asset Value of the relevant Share Class and under-hedged positions will not fall below 95% of the Net Asset Value of the relevant Share Class. Under-hedged positions will be kept under review to ensure that positions will not be carried forward from month to month. Hedged positions will be kept under review to ensure that positions materially in excess of 100% of the Net Asset Value will not be carried forward from month to month. To the extent that hedging is successful for a particular Hedged Share Class the performance of the Hedged Share Class is likely to move in line with the performance of the Base Currency or the underlying assets with the result that Shareholders in that Hedged Share Class will not gain if the Hedged Share Class currency falls against the Base Currency and/or the currency in which the assets of the particular Fund are denominated. A Hedged Share Class will not be leveraged as a result of such currency hedging transactions.

In the case of an Unhedged Currency Share Class a currency conversion will take place on subscriptions, repurchases, switches and distributions at prevailing exchange rates. The value of the Shares expressed in the Share Class currency will be subject to exchange rate risk in relation to the Base Currency.

The Supplement for the relevant Fund will have further details on the use of Hedged Share Classes.

### 3.18 **Cross Investment Policy**

Subject to the requirements of the Central Bank and the Prospectus, the ICAV may on behalf of a Fund (the **Investing Fund**) invest in the Shares of other Funds of the ICAV (each a **Receiving Fund**). Where the ICAV intends to do so, this will be disclosed in the relevant Supplement of the Investing Fund. The rate of the annual Manager's fee which investors in the Investing Fund are charged in respect of that portion of the Investing Funds assets invested in Receiving Funds (whether such fee is paid directly at Investing Fund level, indirectly at the level of the receiving Funds or a combination of both) shall not exceed the rate of the maximum annual Manager's fee which investors in the Investing Fund may be charged in respect of the balance of the Investing Fund's assets, such that there shall be no double charging of the annual Manager's fee to the Investing Fund as a result of its investments in the Receiving Fund. This provision is also applicable to any annual Investment Manager's fee charged by an Investment Manager where its fee is paid directly out of the assets of the Investing Fund.

An Investing Fund may not invest in a Receiving Fund where the Receiving Fund holds Shares in another Fund of the ICAV.

## 4 **DIVIDEND POLICY**

The Directors decide the dividend policy and arrangements relating to each Fund and details are set out where applicable in the relevant Supplement.

Under the Instrument of Incorporation, the Directors are entitled to declare dividends out of net income (which is income less expenses) and/or realised gains net of realised and unrealised losses and/or realised and unrealised gains net of realised and unrealised losses and/or net income and realised gains net of realised and unrealised losses and/or net income and realised and unrealised gains net of realised and unrealised losses and/or capital unless otherwise specified in the relevant Supplement.

In the event that the net distributable income attributable to the relevant Share Class during the relevant period is insufficient to pay dividends as declared, the Directors may in their discretion determine such dividends be paid from capital. Investors should note that where the payment of dividends are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount originally invested (excluding par value) or capital gains attributable to that, and may result in an immediate decrease in the value of the Shares of the relevant Class and will reduce any capital appreciation for the Shareholders of such Class. Distributions made to Shareholders during the life of a Fund must be understood as a type of capital reimbursement.

Dividends not claimed within 6 years from their due date will lapse and revert to the relevant Fund.

Dividends payable in cash to Shareholders will be paid by electronic transfer to the bank account in the name of the Shareholder at its cost and risk.

The Directors may maintain an equalisation account with a view to ensuring that the level of dividends payable by a Fund is not effected by the issue and repurchase of Distributing Shares during the relevant accounting period. The subscription price of such Distributing Shares may in such circumstances be deemed to include an equalisation payment calculated by reference to that accrued income of the relevant Fund and the first distribution in respect of any Distributing Share may include a payment of capital usually equal to the amount of such equalisation payment. The Repurchase Price of each Distributing Share will also include an equalisation payment in respect of the accrued income of the ICAV up to the date of repurchase. The Directors may adjust the manner in which equalisation is applied from time to time.

The dividend policy for each Fund is set out in the Supplement for the relevant Fund. Any change in the dividend policy for a Fund will be notified to all Shareholders in that Fund in advance and full details of such a change will be provided in an updated Supplement for that Fund.

## 5 RISK FACTORS

An investment in a Fund is a speculative investment and is not intended as a complete investment program. Such investment is designed for sophisticated persons who are able to bear a high degree of risk of an investment in the Funds. Investors may lose all or a portion of their investment. There is no assurance that the Funds will be profitable or achieve their investment objectives. Some adverse events may be more likely than others and the consequences of some adverse events may be greater than others. No attempt has been made to rank risks in the order of their likelihood or potential harm. Prior to making an investment in a Fund, prospective investors should carefully consider all the information set forth in this section, in addition to the matters set out in any Supplement and in this Prospectus generally, prior to investing in the Shares, and should evaluate the risk factors in this section which, individually or in the aggregate, could have a material adverse effect on the Funds. As a result of these risk factors, as well as other risks inherent in any investment, there can be no assurance that the Funds will meet their investment objectives or will otherwise be able to carry out their investment programs successfully or return any or all of the capital contributions made by investors to the Funds.

### 5.1 General Risk

The Funds will be investing in assets selected by the relevant Investment Manager in accordance with the respective investment policies. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, will therefore be closely linked to the performance of such investments and investors should be aware that the value can go down as well as up. Investments made by the Investment Manager may be speculative and an investment in a Fund, therefore, involves a degree of risk. There is no guarantee that the investment objective of a Fund, or its risk monitoring, will be achieved. Each Shareholder may not get back the amount they invest and may receive a return from their investment which is insufficient at the time to meet their own investment objectives. Results may vary substantially over time and all of each Shareholder's investment is at risk.

Shareholders in each Fund will share economically the investment risks in relation to that Fund on a pooled basis during the period of time that they are recorded as having Shares.

### 5.2 Liquidity of Investments Risk

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Funds may only invest in assets which are eligible assets for UCITS and because of that, investments owned by a Fund are generally capable of being sold promptly at a fair price and therefore can be described as liquid. Owing to economic or market volatility or simply where there is a shortage of buyers, a Fund may experience difficulty selling an UCITS eligible investment. In that scenario, an investment can lose value, be difficult to value accurately, incur extra costs and may experience larger price changes. This can cause fluctuations in a Fund's value.

### 5.3 Late or Non-Payment of Subscriptions Risk

Any loss incurred by the ICAV or a Fund due to late or non-payment of subscription proceeds in respect of subscription applications received shall be borne by the relevant investor or, if not practical to recover such losses from the relevant investor, by the relevant Fund.

### 5.4 Effect of Preliminary Charge and Repurchase Charge Risk

Where a Preliminary Charge or a Repurchase Charge is imposed, a Shareholder who realises his Shares after a short period may not (even in the absence of a fall in the value of the relevant investments) realise the amount originally invested. Therefore, the Shares should be viewed as a medium to long term investment.

## 5.5 **Anti-Dilution Levy Risk**

Shareholders should note that in certain circumstances an Anti-Dilution Levy may be applied on the issue or sale and/or repurchase or cancellation of Shares. Where an Anti-Dilution Levy is not applied, the Fund in question may incur dilution which may constrain capital growth.

## 5.6 **Dilution Adjustment Risk**

Shareholders should note that in certain circumstances, the Directors or the Manager may determine to apply a dilution adjustment on the issue or repurchase of Shares. Where a dilution adjustment is not applied, the Fund in question may incur dilution which may constrain capital growth.

## 5.7 **Suspension of Dealings Risk**

Shareholders are reminded that in certain circumstances their right to repurchase Shares, including a repurchase by way of switching, may be suspended as outlined in the **Suspension of Calculation of Net Asset Value** section.

## 5.8 **Dividends paid out of Capital Risk**

To the extent that the net distributable income generated by the Fund is insufficient to pay a distribution which is declared, the Directors may at their discretion determine such dividends may be paid from the capital of the Fund. This would require the relevant Investment Manager to sell assets of the Fund to make such distributions as opposed to paying out net distributable income received by the Fund.

## 5.9 **Mandatory Repurchase Risk**

The ICAV may compulsorily repurchase all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified in the Supplement for the relevant Fund or otherwise notified to Shareholders.

The Instrument of Incorporation of the ICAV gives powers to the Directors to impose restrictions on the holding of Shares directly or indirectly by (and consequently to repurchase Shares held by), or the transfer of Shares to any person or entity who, in the opinion of the Directors is or will hold Shares for the benefit of a US Person (unless the Directors determine (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Fund and ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such other age as the Directors may think fit), a person or persons or an entity who breached or falsified representations on subscription documents (including as to its status under ERISA), who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person or persons or entity is not qualified to hold Shares, or if the holding of the Shares by any person or entity is unlawful or is less than the Minimum Shareholding set for that Class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or entity, and whether taken alone or in conjunction with any other persons or entities, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund of the ICAV incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage (including endeavouring to ensure that the relevant Fund's assets are not considered "plan assets" for the purpose of ERISA and the related code) or being in breach of any law or regulation which the ICAV on behalf of the relevant Fund might not otherwise have incurred, suffered or breached or might result in the ICAV being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply.

### 5.10 **Withholding Tax Risk**

Any income and gains arising from the assets of the Funds may be subject to withholding tax which may not be reclaimable in the countries where such income and gains arise. If this position changes in the future and the application of a lower rate results in a repayment to a Fund, the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment. Investors are further referred to the **Taxation** Appendix in this Prospectus.

### 5.11 **Currency Risk**

Prospective investors whose assets and liabilities are predominantly in currencies, other than the Base Currency of a Fund, should take into account the potential risk of loss arising from fluctuations in value between the currency of investment and such other currencies.

### 5.12 **Portfolio Currency Risk**

A Fund's investments and, where applicable, the investments of any collective investment scheme in which a Fund invests, may be acquired in a wide range of currencies other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency of the Fund and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The relevant Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments.

A Fund may from time to time utilise techniques and instruments to seek to protect (hedge) currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline.

A Fund may enter into currency exchange and other transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency or interest rate, they also limit any potential gain that might be realised should the value of the hedged currency or interest rate increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations. Fund performance may be strongly influenced by movements in FX rates because currency positions held by the Fund may not always correspond with the securities positions held.

### 5.13 **Share Currency Designation Risk**

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund and/or the designated currencies in which the Fund's assets are denominated. Repurchase proceeds and any distributions to Shareholders will normally be made in the currency of denomination of the relevant Class. Changes in the exchange rate between the Base Currency and such designated currency or changes in the exchange rate between the designated currencies in which a Fund's assets are denominated and the designated currency of a Class may lead to a depreciation of the value of such Shares as expressed in the designated currency. Where a Class of a Fund is designated as hedged in the relevant Supplement, the Investment Manager and/or Sub-Investment Manager will try to mitigate this risk by using financial instruments within the Fund's investments, as outlined in the **Share Class Hedging Policy** section.

#### 5.14 **Share Class Currency Risk**

A Currency Share Class will be denominated in a currency other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency and such denominated currency of a Currency Share Class may lead to a depreciation of the value of such Shares as expressed in the denominated currency. Fluctuations in the exchange rate between the currency(ies) of a Fund's underlying assets and the currency of a Share Class may lead to currency risk for the holders of Shares in the relevant Class. The Investment Manager may try but is not obliged to mitigate this risk by using financial instruments such as those described under the heading Portfolio Currency Risk, for Hedged Share Classes provided that such instruments shall in no case exceed 105% of the Net Asset Value attributable to the relevant Hedged Share Class of the Fund. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Hedged Share Class from benefiting if the denominated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Hedged Share Class of the Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall not be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class of the Fund.

Shareholders should note that generally there is no segregation of assets and liabilities between Classes in a Fund and therefore a counterparty to an FDI overlay entered into in respect of a hedged Share Class may have recourse to the assets of the relevant Fund attributable to other Classes of that Fund where there is insufficient assets attributable to the hedged Class to discharge its liabilities. While a Fund can take steps to ensure that the risk of contagion between Classes is mitigated in order to ensure that the additional risk introduced to a Fund through the use of an FDI overlay is only borne by the Shareholders in the relevant Class, this risk cannot be fully eliminated.

#### 5.15 **Interest Rate Risk**

Changes in interest rates can influence the value and returns of some of the Funds' investments. Declining interest rates may affect the return on available reinvestment opportunities. In the event of a general rise in interest rates, the value of certain investments that may be contained in the Fund's investment portfolio may fall, reducing the Net Asset Value of a Fund. Fluctuation in rates may affect interest rate spreads in a manner adverse to a Fund. Interest rates are highly sensitive to factors beyond a Fund's control, including, among others, government monetary and tax policies, and domestic and international economic and political conditions.

#### 5.16 **Reliance on the Manager and Investment Manager Risk**

The Shareholders will have no right to participate in the management of a Fund or in the control of its business. Accordingly no person should purchase any Shares unless it is willing to entrust all aspects of management of the Fund to the ICAV and, in accordance with the terms of any Investment Management and Distribution Agreement as applicable, all aspects of selection and management of the Fund's investments to the relevant Investment Manager. The Fund's performance depends on, amongst other things, the expertise and investment decisions of the Investment Manager. The Investment Manager's opinion about the intrinsic worth of a company or security may be incorrect, the Fund's investment objective may not be achieved and the market may continue to undervalue the securities held by the Fund.

Investors will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments by a Fund and accordingly, will be dependent upon the judgment and ability of the Investment Manager in investing and managing the capital of that Fund. No assurance can be given that a Fund will be successful in obtaining suitable investments or that, if the investments are made, the objectives of that Fund will be achieved.

The ICAV and the Investment Manager will not have control over the activities of any company or collective investment scheme invested in by a Fund. Managers of a collective investment scheme may take undesirable

tax positions, employ excessive leverage, or otherwise manage the collective investment schemes or allow them to be managed in a way that was not anticipated by the Investment Manager.

#### **5.17 Use of a Fund Subscription and Repurchase Account Risk**

Subscription monies received in respect of a Fund in advance of the issue of Shares will be held in an individual cash account in the name of a Fund. Subscription monies will be treated as a general asset of the relevant Fund. In addition, investors will be unsecured creditors of the relevant Fund with respect to the amount subscribed and held by the ICAV until Shares are issued on the relevant Dealing Day. As such, investors will not benefit from any appreciation in the NAV of the relevant Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the Fund or the ICAV, there is no guarantee that the Fund or ICAV will have sufficient funds to pay unsecured creditors in full.

Payment of repurchase proceeds and dividends in respect of a particular Fund is subject to receipt by the Administrator of required subscription documents, where required and compliance with all anti-money laundering procedures. Notwithstanding this, repurchasing Shareholders will cease to be Shareholders, with regard to the repurchased Shares, and will be unsecured creditors of the particular Fund, from the relevant Dealing Day. Pending repurchases and distributions, including blocked repurchases or distributions, will, pending payment to the relevant Shareholder, be held in an individual cash account in the name of a Fund. Repurchasing Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant Fund, and will not benefit from any appreciation in the NAV of a Fund or any other Shareholder rights (including further dividend entitlement), with respect to the repurchase or distribution amount held in an individual cash account. In the event of an insolvency of the relevant Fund or the ICAV, there is no guarantee that the Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Repurchasing Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

Further detail of the ICAV's individual cash accounts in the name of the Funds, are available on request from the Administrator.

#### **5.18 Political and/or Legal/Regulatory Risk**

The value of a Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of the countries to which the Fund is exposed through its investments.

#### **5.19 Umbrella ICAV and Segregated Liability Risk**

The ICAV may comprise one or more Funds. Pursuant to the Act, any liability attributable to a Fund may only be discharged out of the assets of that Fund and the assets of other Funds of the ICAV may not be used to satisfy the liability. Notwithstanding the foregoing, there is no guarantee that recourse between Funds will be restricted in every case or that such liabilities will be identified or capable of being solely attributable to the Fund. There is no guarantee that a person will not take proceedings against the ICAV claiming entitlement to the assets of one or more Funds. There is no guarantee that segregation of Funds under Irish law will be recognised in other jurisdictions as the laws which provide for segregated liability between Funds have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Fund of the ICAV may not be exposed to the liabilities of other Funds of the ICAV.

No single Investment Manager is appointed to the ICAV. As such, each Fund will have its own individual Investment Manager. The performance of each Fund relies largely upon the performance of the relevant Investment Manager. There is a risk that Funds may not perform successfully and this may generate reputational issues for the other Funds of the ICAV and their Investment Managers.

## 5.20 Concentration Risk

There are no limits on the Investment Manager's investment discretion, subject to the Investment Restrictions applicable to each Fund. While the Investment Manager will regularly monitor the concentration of each Fund's exposure to related risk, at any given time a Fund's assets may become highly concentrated within a particular region, country, company, industry, asset category, trading style or financial or economic market. In that event, the Fund's portfolio will be more susceptible to fluctuations in value resulting from adverse economic conditions affecting the performance of that particular company, industry, asset category, trading style or economic market, than a less concentrated portfolio would be. As a result, that Fund's investment portfolio could become concentrated and its aggregate return may be volatile and may be affected substantially by the performance of only one or a few holdings and, consequently, could have an adverse impact on a Fund's financial conditions and its ability to pay distributions. The Investment Manager is not obligated to hedge its positions and expects that a Fund will always be either net long or net short the market.

## 5.21 Investment in other Collective Investment Schemes Risk

Subject to the terms of the relevant Supplement, a Fund may invest in one or more collective investment schemes. As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees (excluding subscription or repurchase charges). These fees would be in addition to the fees payable to the Investment Manager and other expenses which a Fund bears directly in connection with its own operations. The details of the maximum level of management fees that may be charged by a Fund by virtue of its investment in other collective investment schemes will be outlined in the relevant Supplement.

Some of the CIS that a Fund may invest in may in turn invest in FDIs which will result in this Fund being indirectly exposed to the risks associated with such FDI.

The Funds will not have an active role in the day-to-day management of the collective investment schemes in which they invest. Moreover, Funds will generally not have the opportunity to evaluate the specific investments made by any underlying collective investment schemes before they are made. Accordingly, the returns of a Fund will primarily depend on the performance of these unrelated underlying fund managers and could be substantially adversely affected by the unfavourable performance of such underlying fund managers.

Furthermore, some of the underlying collective investment schemes may be valued by fund administrators affiliated to underlying fund managers, or by the underlying fund managers themselves, resulting in valuations which are not verified by an independent third party on a regular or timely basis. Accordingly there is a risk that the valuations of the Fund may not reflect the true value of such underlying collective investment scheme holdings at a specific Valuation Point, which could result in significant losses for the Fund.

A Fund may be subject to risks associated with any underlying collective investment schemes which may use 'side pockets' (used to separate investments which may be difficult to sell from more liquid investments). The use of side pockets by such underlying collective investment schemes may restrict the ability of a Fund or the Shareholders to fully repurchase out of the underlying collective investment scheme until such investments have been removed from the side pocket. Accordingly, the Fund may be exposed to the performance of the underlying collective investment scheme's investment for an indefinite period of time until such investment is liquidated.

## 5.22 FDI Risks

FDI, also simply known as "a derivative", is a contract between two parties. The value of the contract is based on or derived from an underlying asset, such as a stock, a market, a currency or a basket of securities and is not a direct investment in the underlying asset itself. While the prudent use of FDI can be beneficial, FDI also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments.

FDI involve special risks and costs to the extent that a Fund uses FDI it would be exposed to risks which will be set out in the Supplement for the relevant Fund.

#### **5.22.1 Counterparty/Credit and Settlement Risk**

The Funds would be exposed to a credit risk on the counterparties with which they traded in relation to non-exchange traded contracts such as futures, options, swaps, repurchase transactions and forward exchange rate contracts. Non-exchange traded contracts are not afforded the same protections as may apply to participants trading such contracts on organised exchanges, such as the performance guarantee of an exchange clearing house. Non-exchange traded contracts are agreements specifically tailored to the needs of an individual investor which enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific company or firm involved in the transaction rather than a recognised exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which a Fund trades such contracts could result in substantial losses to a Fund. If settlement never occurs the loss incurred by the Fund would be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Fund meets its settlement obligations but the counterparty fails before meeting its obligations under the relevant contract. Furthermore, if the creditworthiness of an FDI counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the portfolio. Regardless of the measures a Fund may implement to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that a Fund will not sustain losses on the transactions as a result.

#### **5.22.2 OTC Markets Risk**

Were any Fund to acquire securities on OTC markets, there is no guarantee that the Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

#### **5.22.3 Liquidity Risk**

Certain securities may be difficult or impossible to sell at the time and the price that the seller would like. The seller may have to lower the price to effect a secondary market sale, sell other securities instead or forego an investment opportunity, any of which could have a negative effect on fund management or performance.

#### **5.22.4 Correlation Risk**

Forward contracts and currency options seek to hedge against fluctuations in the relative values of a fund's portfolio positions as a result of changes in currency exchange rates and market interest rates. Hedging against a decline in the value of portfolio positions does not eliminate fluctuations in the values of portfolio positions nor does it prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the positions' value. Such hedge transactions also limit the opportunity for gain if the value of the portfolio positions should increase. Moreover, it may not be possible to hedge against any exchange rate or interest rate fluctuation which is so generally anticipated that it is not possible to enter into a hedging transaction at a price sufficient to afford protection from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

#### **5.22.5 Legal Risk**

There is a possibility that the agreements governing derivative techniques may be terminated due, for instance, to supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. There is also a risk if such agreements are not legally enforceable or if the FDI transactions are not documented correctly.

## 5.23 SFT Risks

All securities financing transactions and total return swap transactions involve an element of risk. The ICAV may use one or more separate approved counterparties to undertake such transactions on behalf of the Funds and may be required to pledge collateral paid from within the assets of the Funds to secure such transactions. There may be a risk that an approved counterparty will wholly or partially fail to honour their contractual arrangements under the transaction with regard to the return of collateral and any other payments due to the Funds and the Funds may suffer losses as a result. The counterparty will forfeit its collateral if it defaults on the transaction. However, if the collateral is in the form of securities, there is a risk that when it is sold it will realise insufficient cash to settle the counterparty's debt to the Fund or to purchase replacements for the securities that were lent to the counterparty. This may result in losses for the investors.

Where a Fund enters into securities financing transactions arrangements for efficient portfolio management purposes there are risks in the exposure to market movements if recourse has to be had to collateral, or if there is fraud or negligence on the part of the Depositary or lending agent. In addition there is an operational risk associated with marking to market daily valuations and there are the potential stability risks of providers of collateral. The principal risk in securities financing transactions is the insolvency of the borrower. In this event the ICAV could experience delays in recovering its securities and such event could possibly result in capital losses.

### 5.23.1 *Repurchase Agreements Risk*

The value of the security purchased may be more or less than the price at which the counterparty has agreed to purchase the security. If the other party to a repurchase agreement should default, the Fund might suffer a delay or loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund in connection with the repurchase agreement are less than the repurchase price. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or its failure to repurchase the securities as agreed, the Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement.

### 5.23.2 *Reverse Repurchase Agreements Risk*

Reverse repurchase transactions involve risks in that (a) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded and that (b) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet repurchase requests, security purchases or, more generally, reinvestment.

### 5.23.3 *Securities Lending / Stock Lending Risk*

Securities lending, as applicable for a Fund, involves lending for a fee portfolio securities held by a Fund for a set period of time to willing, qualified borrowers who have posted collateral. In lending its securities, a Fund is subject to the risk that the borrower may not fulfil its obligations or go bankrupt leaving the Fund holding collateral worth less than the securities it has lent, resulting in a loss to the Fund.

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. However, a Fund could experience delays and costs in recovering the securities loaned or in gaining access to the collateral. The collateral will typically be maintained at a value of at least equal to the market value of any securities loaned. However in the event of a sudden market movement there is a risk that the value of the collateral may fall below the value of the securities transferred.

For securities lending made with connected persons of the Depositary, the Investment Manager, it must be made on arm's length commercial terms and the Depositary's written consent is required as outlined in the **Portfolio Transactions and Conflicts of Interest** section.

#### 5.23.4 **Custody Risk**

Assets subject to SFTs and any collateral received are safe-kept by the Depositary or, where applicable, the sub-custodian appointed by the Depositary. This exposes a Fund using SFT to custody risk. This means that the Fund is exposed to the risk of loss of these assets as a result of insolvency, negligence or fraudulent trading by the Depositary and these third parties. The Fund is also exposed to the risk of loss of these assets as a result of fire and other natural disasters. Where the assets of the Fund as well as the assets provided to the Fund as collateral are held by the Depositary or third party depositaries and sub-custodians in emerging market jurisdictions, the Funds are exposed to greater custody risk due to the fact that emerging markets are by definition in transformation and are therefore exposed to the risk of swift political change and economic downturn.

#### 5.23.5 **Legal Risk**

Legal systems are evolving in some market jurisdictions and they may not be as developed as that of, for example, western countries. The regulatory environment may be uncertain and the issuance of regulations may not always keep pace with market developments, thereby creating ambiguities and inconsistencies. Regulations governing SFTs may not exist or may be interpreted and applied in an arbitrary or inconsistent manner. There may be a risk of conflict between the rules and regulations of the local, regional, and national governments. The independence of the courts from economic, political, or national influence may be untested and the courts and judges may not be experienced in business and corporate law. Foreign investors cannot be guaranteed redress in a court of law for a breach of local laws, regulations or contracts.

#### 5.24 **Collateral Risk**

Cash received as collateral may be invested in other eligible securities, including shares of a short term money market fund in accordance with the requirements of the Central Bank. Investing this cash subjects that investment, as well as the securities loaned, to market appreciation or depreciation and the risks associated with such investments, such as failure or default of the issuer of the relevant security.

#### 5.25 **Collateral Reinvestment Risk**

Where cash collateral received by the ICAV is re-invested, the ICAV is exposed to the risk of loss on that investment. Should such loss occur, the value of the collateral will be reduced and the ICAV will have less protection if the counterparty defaults. In order to manage this risk, the ICAV may re-invest cash collateral in accordance with the **Cash Collateral** section of the **Collateral Policy** section.

#### 5.26 **Availability of Suitable Investment Opportunities Risk**

The ICAV will compete with other potential investors to acquire assets. Certain of the ICAV's competitors may have greater financial and other resources and may have better access to suitable investment opportunities. There can be no assurance that the Investment Manager will be able to locate and complete investments which satisfy a particular Fund's rate of return objectives or that a Fund will be able to invest fully its committed capital. If no suitable investments can be made then cash will be held by such Fund and this will reduce returns to Shareholders. Whether or not suitable investment opportunities are available to a Fund, Shareholders will bear the cost of management fees and other Fund expenses.

In the event that a Fund is terminated or the ICAV is wound up, and to the extent that the assets may be realised, any such realisation may not be at full market value and will be subject to deductions for any expenses for the termination of such Fund or the liquidation of the ICAV.

### 5.27 **Insolvency of Service Providers and Conflicts of Interest Risk**

The ICAV will rely on the Investment Manager in implementing its investment strategies for a Fund. The Directors have determined the investment policies and the Investment Manager will monitor the performance of such investments on an ongoing basis. The bankruptcy or liquidation of the Investment Manager or the Administrator, or the Depositary may have an adverse impact on the Net Asset Value. The Investment Manager and its principals will devote a portion of their business time to the ICAV's business. Furthermore any bankruptcy or liquidation of the Investment Manager or the Depositary or the Administrator (or principal broker if any is appointed) or any other entity described herein may have an adverse impact on the ability of a Fund to realise its investment objective in the manner described herein. In addition, where valuations are provided by an Investment Manager there is a possible conflict of interest where their fees are affected by the Net Asset Value of a Fund. Further detail on this is included in the **Portfolio Transactions and Conflicts of Interest** section.

### 5.28 **Limited Recourse Risk**

A Shareholder will solely be entitled to look to the assets of the relevant Fund in respect of all payments in respect of its Shares. If the realised net assets of the relevant Fund are insufficient to pay any amounts payable in respect of the Shares, the Shareholder will have no further right of payment in respect of such Shares nor any claim against or recourse to any of the assets of any other Fund or any other asset of the ICAV.

### 5.29 **Lack of Operating History Risk**

The ICAV is a newly organised entity that has not yet commenced operations as of the date of this Prospectus. Accordingly, the ICAV and the Funds have no operating history upon which prospective investors may evaluate their performance.

### 5.30 **Possible Effects of Substantial Repurchases or Withdrawals Risk**

Repurchases or withdrawals from a Fund could require that Fund to liquidate its positions more rapidly than otherwise desirable, which could adversely affect that Fund's net asset value. Illiquidity in certain securities could make it difficult for a Fund to liquidate positions on favourable terms, which may affect that Fund's net asset value. Although a Fund may suspend repurchases or withdrawals in the manner described in the **Suspension of Calculation of Net Asset Value** section in order to minimize this risk, it might not always do so, nor would use of this provision eliminate such value or liquidity risks.

The purchase or repurchase of a substantial number of shares in the Fund may require the Investment Manager to change the composition of the Fund's portfolio significantly or may force the Investment Manager to buy or sell investments at unfavourable prices, which may adversely affect the Fund's returns and its overall performance. Portfolio turnover for the Fund may also result in increased trading costs, and may adversely impact the Fund's trading expense ratio.

### 5.31 **Limitations on Liquidity Risk**

The Directors may limit (and in certain cases refuse) requests to repurchase Shares. This is outlined in the **Limitation on Repurchases** section and in the relevant Supplement. In addition, in certain circumstances the ICAV may decline to effect a repurchase request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Class of Shares of that Fund. Any repurchase request having such an effect may be treated by the ICAV as a request to repurchase the Shareholder's entire holding of that Class of Shares.

### 5.32 **Regulatory Restrictions Risk**

The investment strategies pursued by a Fund may be affected by national and federal laws governing the beneficial ownership of securities in a public company which may inhibit that Fund's ability to freely acquire

and dispose of certain securities. Should a Fund be affected by such rules and regulations, it may not be able to transact in ways that would realise value for that Fund. In addition, any changes to government regulations could make some or all forms of corporate governance strategies unlawful or impractical. Accordingly, such changes, if any, could have an adverse effect on the ability of a Fund to achieve its investment objective.

#### 5.33 **Portfolio Valuation Risk**

Because of overall size, concentration in particular markets and maturities of positions held by the Fund, the value at which its investments can be liquidated may differ, sometimes significantly, from the interim valuations arrived at using the methodology described in the **Net Asset Value** section. In addition, the timing of liquidations may also affect the values obtained on liquidation. Securities to be held by the Fund may routinely trade with bid-ask spreads that may be significant. At times, third-party pricing information may not be available for certain positions held by the Fund. In addition, the Fund may hold securities for which no public market exists. The Administrator is entitled to rely, without independent investigation, upon pricing information and valuations furnished to the Investment Manager by third parties, including pricing services.

#### 5.34 **Accuracy of Public Information Risk**

The Investment Manager selects investments for the relevant Fund, in part, on the basis of information and data filed by issuers with various government regulators or made directly available to the Investment Manager by the issuers or through sources other than the issuers. Although the Investment Manager evaluates all such information and data and ordinarily seeks independent corroboration when it considers it is appropriate, the Investment Manager may not be in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information is not available.

#### 5.35 **Material, Non-Public Information Risk**

By reason of their responsibilities in connection with a Fund and other activities, personnel of the Investment Manager may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. In such circumstances the Investment Manager will not be free to act upon any such information. Due to these restrictions, a Fund may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

#### 5.36 **Availability of Information Risk**

Accounting standards in certain emerging market countries generally do not correspond to international accounting standards, and in some countries national accounting, auditing and financial reporting standards may not yet be in place. The financial information appearing on the financial statements of the companies in those foreign countries may not reflect the financial position or results of operations in the way they would be reflected if the financial statements had been prepared in accordance with generally accepted international accounting principles. Investors in such companies generally have access to less reliable information than investors in more economically sophisticated countries. In addition, the scope and nature of the Investment Manager's due diligence activities in connection with portfolio investments in certain countries will be more limited than due diligence reviews conducted in countries with more developed economies because reliable information is often unavailable or prohibitively costly to obtain. The lower standard of due diligence and financial controls in investments in certain countries increases the likelihood of material losses on such investments.

#### 5.37 **Specialisation Risk**

Some Funds may specialise in a particular industry, or in a single country or region of the world. This allows them to focus on the potential of that industry or geographic area, but it also means they may be more volatile than more broadly diversified funds because prices of securities in the same industry or region may tend to move up and down together. These Funds must continue to invest in a particular industry or geographic area, even if it is performing poorly.

### 5.38 **Brexit Risk**

The United Kingdom's referendum held on 23 June 2016 resulted in a majority voting in favour of the United Kingdom (UK) leaving the EU. As of now, the UK is still a part of the EU notwithstanding that vote. The UK parliament decided to formally start the process to leave the EU on 29 March 2017 and this process is likely to take at least two years. There is no certainty as to when this exit process will formally commence. The UK will continue to be a member of the EU until the end of this exit process.

Ireland will remain a member of the EU and the Fund(s) remain EU regulated UCITS that can avail of passporting rights under the Regulations to market and sell shares in the Fund(s) in the EU, subject to complying with the terms of the Regulations.

However, the Fund(s) may be negatively impacted by changes in law and tax treatment resulting from the UK's departure from the EU particularly as regards any UK situate investments held by the Fund in question and the fact that the Company may no longer have a right to market and sell shares in the Fund(s) in the UK, following the UK's exit from the EU. In addition, UK domiciled investors in the Fund(s) may be impacted by changes in law, particularly as regards UK taxation of their investment in a Fund, resulting from the UK's departure from the EU. This will all be dependent on the terms of the UK's exit, which are to be negotiated by the UK and the rest of the EU, and UK law following such an exit. There is likely to be a degree of continued market uncertainty regarding this exit process which may also negatively impact the value of investments held by the Fund(s).

No assurance can be given that such matters will not adversely affect the Fund and/or the Investment Manager's or the relevant sub-investment adviser's ability to achieve the Fund's investment objectives.

### 5.39 **Fraud Risk**

None of the ICAV, the Manager, the Investment Manager(s), the Administrator or the Depositary or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of or acting upon instructions from Shareholders, including but not limited to requests for repurchases of Shares, reasonably believed to be genuine, and shall not in any event be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorized or fraudulent instructions. Although, the Administrator shall employ reasonable procedures to seek to establish that instructions are genuine and that the subscription, repurchase and switching procedures of the ICAV are adhered to, as appropriate. In the event that a Fund suffers a loss due to the payment of repurchase monies to, for example, a fraudster who has successfully repurchased a Shareholder's holding or part thereof, the Net Asset Value of that Fund shall be reduced accordingly and in the absence of any negligence, fraud, recklessness or willful default on the part of the Manager and the Administrator or the absence of any negligence, fraud, recklessness or willful default on the part of any Investment Manager and Depositary, the ICAV will not be compensated for any such loss which will therefore be absorbed by the Shareholders equally.

### 5.40 **Cyber Security Risk**

The ICAV and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorized access to digital systems (for example, through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (which are efforts to make services unavailable to intended users). Cyber security incidents affecting the ICAV, the Manager, Investment Manager(s), Administrator or Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with a ICAV's ability to calculate its NAV; impediments to trading for a Fund's portfolio; the inability of Shareholders to transact business with a Fund; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional

compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which the ICAV engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

#### 5.41 **Emerging Market Risks**

In the case of certain Funds there may be exposure to emerging markets and investors should be aware of risks attached to investing in such markets which could have an impact on the performance of such relevant Funds. In particular, the following risks should be noted:

##### 5.41.1 ***Political Risk***

The performance of a Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. A Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.

##### 5.41.2 ***Settlement, Credit and Liquidity Risk***

The trading and settlement practices of some of the stock exchanges or markets on which a relevant Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by a Fund. Those exchanges and markets may also have substantially less volume and generally be less liquid than those in more developed markets. In addition, a Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. Shareholders should be aware that this may result in a loss to the relevant Fund. The Depositary will be liable to the relevant Fund or to the Shareholders for such a loss where it had acted negligently or intentionally failed to fulfil its obligations including those pursuant to Regulation 34A (4) (a) of the Regulations.

##### 5.41.3 ***Currency Risk***

Foreign investments in equity and debt securities will typically produce returns in the local currency. As a result, investors in local investments will have to convert this local currency back into their domestic currency. Therefore, currency fluctuations can impact the total return of the investment. If, for example, the local value of a held stock in an emerging market increased but the currency value depreciated, an investor (such as a Fund) could experience a net loss in terms of total returns when selling and converting back to their preferred/base currency.

##### 5.41.4 ***Regulatory Risks and Accounting Standards Risk***

Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a ICAV and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.

#### 5.41.5 **Custody Risk**

Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such emerging markets. In certain circumstances, a Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging market countries evidence of title to shares is maintained in book-entry form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of a Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in organised securities markets. The Supplement for the relevant Fund will identify the relevant markets where this custodial/registration risk arises.

#### 5.42 **Investment Grade Assets Risk**

Investment Grade Assets are required to exhibit minimum ratings. Their credit ratings may vary over time and range widely. In particular, where such credit ratings are at the lower end of the range, the obligors of such assets may face uncertainties and exposure to adverse business, financial or economic conditions. This could lead to them being unable to meet their financial commitments despite being regarded as issuers of Investment Grade Assets.

In addition, it is possible that Investment Grade Assets such as bonds may be subordinated or junior in the relevant capital structure, meaning that they would have a lesser priority than that of an additional debt claim on the same asset. In the event of default, holders of subordinated debt would be paid after the holders of the more senior debt.

#### 5.43 **Sub-Investment Grade Assets Risk**

Sub-Investment Grade Assets will carry greater credit risk and generally greater liquidity risk than Investment Grade Assets. The market value of the assets will generally fluctuate with, among other things, general economic conditions, the condition of certain financial markets, international political events, developments or trends in any particular industry and the financial condition of the issuers of the loans or payers of receivables.

Additional risk factors (if any) in respect of each fund are set out in the supplement for the relevant Fund.

### 6 **MANAGEMENT OF THE ICAV**

#### 6.1 **The ICAV**

The Directors control the affairs of the ICAV and have delegated certain of their duties to the Manager, which, in turn, has delegated certain of its duties to the Administrator, the relevant Investment Manager and any Distributors. The Depositary has also been appointed to hold the assets of each Fund. Consequently, all Directors of the ICAV in relation to the ICAV are non-executive.

The ICAV has in place appropriate procedures for the reporting of infringements internally through a specific, independent and autonomous channel, in compliance with the Regulations.

The Directors delegate UCITS management functions to the Manager. The Central Bank UCITS Regulations refer to the "responsible person", being the party responsible for compliance with the relevant requirements of the Central Bank on behalf of an Irish authorised UCITS. The Manager assumes the role of the responsible person for the ICAV.

## 6.2 The Directors of the ICAV

The Directors of the ICAV, all of whom are non-executive directors, are described in this section.

### **Tom Coghlan, resident in Ireland.**

Mr Coghlan is a certified investment fund director with the Institute of Banking and is a non-executive director of a number of UCITS and AIF entities. He has in-depth knowledge of the investment fund sector along with governance, oversight and control expertise. A Fellow of the Institute of Chartered Accountants in Ireland, Mr. Coghlan qualified from PricewaterhouseCoopers in 1998. He was a director of Citi Global Markets from 2004 to 2013 with responsibility for a diverse client base, including 'long only' institutions, hedge funds, thematic funds and structured product providers. From 2000 to 2004, he was a Senior Portfolio Manager in the wealth management division of NCB Stockbrokers. Mr. Coghlan holds a Bachelor of Arts from University College Dublin in Pure Economics and became a registered stockbroker of the Irish Stock Exchange (now known as Euronext Dublin) in 2000.

### **Paul Nunan, resident in Ireland.**

Mr Nunan's biography is at section 6.4. He is a director of the Manager and the Administrator as well as the ICAV.

### **Patrick M Wall, resident in Ireland**

Mr. Wall is a retired PwC senior partner and is a non-executive director of a number of UCITS, AIF and MIFID entities. He specialises in international taxation with a particular focus on investment management and international funds distribution. Formerly, an Inspector of Taxes, he joined PwC in 1981 and retired from the firm in 2015. He chaired PwC's Irish Governance Board and he served in various senior management roles including tax and financial services leader. He was a member of the PwC European and Global Investment Management Leadership teams.

He was a member of the IFSC Clearing House Group for over 20 years during which time he chaired and participated in various working groups including the Asset Management Working Group, the Pan-European Pensions Task Force and the non-Bank Finance Task Force. He has worked closely with government agencies in the design of Irish tax policy to meet the demands of competitiveness and compliance with EU and OECD standards. He was a member of the OECD/BIAC business advisory group focused on the BEPS agenda and tax issues pertaining to cross border portfolio investing. He co-authored the OECD Report on tax treaty access for Funds. He participated in the joint industry/Government groups which designed the International FATCA and CRS regimes. He was a member of the EU tax business advisory group focused on perfecting the single market withholding tax systems and the exchange of investor information. He is former chair of the American Ireland Chamber of Commerce Tax Committee. He is a graduate of UCD (BA, economics and geography) and holds a Diploma in Company Direction from the Institute of Directors.

## 6.3 The Manager

The ICAV has appointed Link Fund Manager Solutions (Ireland) Limited as its manager pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the ICAV's affairs and distribution of the Shares, subject to the overall supervision and control of the Directors. Pursuant to the provisions of the Management Agreement the Manager may delegate one or more of its functions subject to the overall supervision and control of the ICAV.

The Manager is a private limited company, incorporated in Ireland on 22 February, 2006 under registration number 415879 and is ultimately owned by Link Group. The Manager is authorised and regulated by the Central Bank. The Manager currently acts as manager to a number of Irish UCITS and alternative investment fund manager to other collective investment schemes. As at 6 November 2017, Link Group's funds under management and administration in collective investment schemes and managed accounts total

approximately £85 billion. The Manager meets its capital adequacy requirements by means of retained reserves, a capital contribution and subordinated loan, approved by the Central Bank, from its parent group.

The Manager's company secretary is Link Fund Administrators (Ireland) Limited.

The Manager is subject to remuneration policies, procedures and practices (together, the **Remuneration Policy**). The Remuneration Policy complies with the Regulations regarding remuneration and is designed to ensure that the Manager's remuneration practices, for those staff in scope of the applicable rules: (i) are consistent with and promote sound and effective risk management; (ii) do not encourage risk taking and are consistent with the risk profiles, prospectus or articles of association of the ICAV and its Funds; (iii) do not impair the Manager's compliance with its duty to act in the best interests of those Funds; and (iv) include fixed components of remuneration. When applying the Remuneration Policy, the Manager will comply with the Regulations in a way, and to the extent, that is appropriate to the size, internal organisation and the nature, scope and complexity of the Manager's activities.

Where the Manager delegates certain portfolio management and risk management functions in respect of the Fund, which it does to the Investment Manager, it may in its discretion decide the extent to which it will delegate portfolio management and risk management and accordingly the individual delegates may be afforded differing levels of responsibilities and remuneration. The Manager will use best efforts to ensure that:

- (a) the entities to which portfolio or risk management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the relevant guidelines issued by ESMA; or
- (b) appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the relevant ESMA guidelines.

The details of the Manager's Remuneration Policy (including a description of how remuneration and benefits are calculated, the identities of persons responsible for awarding the remuneration and benefits and the composition of the remuneration committee, where such a committee exists) are available on the link and a copy will be made available free of charge on request.

<https://www.linkassetsservices.com/what-we-do/funds-solutions/irish-management-company>

The Manager is also the promoter of the ICAV.

#### 6.4 **The Directors of the Manager**

**Chris Addenbrooke** has over 30 years of experience in the financial services industry. Prior to his appointment as Chief Executive of Link Fund Solutions in 2007, he was CEO of the registrar business. Chris was technical director of BWD Rensburg (now part of Franklin Templeton) from 1987 to 2001. In 1988 Chris formed both Northern Registrars and Northern Administration and was managing director until 2003.

Chris has been a leading figure in the settlements industry and has been involved with CREST since its inception. He represents Link Fund Solutions on a number of industry committees including the UK Markets Advisory Group and the TA Forum Group.

**Michael Greaney** is Financial Director of the Manager having joined the company in July 2006. Prior to this, Michael spent seven years with ABN Amro in various roles. He was seconded to ABN Dublin in 2005 to act as Deputy CFO, having previously headed up their Shared Services operation in Manchester. Prior to this, he worked in various senior roles in ABN's London operation. He has over twenty years' experience working in financial services having previously worked in West Landesbank and Lloyds TSB. He is also a Qualified ACA, having qualified while working for an audit firm in July '96. He is also a Director of the Administrator.

**Raymond O'Neill** has worked in various roles since 1987 in the asset management industry. He currently acts as a non-executive director of several companies including regulated entities, investment funds, service providers and technology companies. His industry experience includes working for entrepreneurial start-ups and large global organisations, having held senior positions while working in London, Dublin, Boston and Bermuda. Raymond was previously CEO and founding member of Kinetic Partners, the boutique global professional services firm. He has also gained experience working for global fund administrators, custodians and a family office. Raymond is a fellow of the Chartered Association of Certified Accountants, a Chartered Financial Analyst and has a diploma from the Institute of Directors on Company Direction.

**Paul Nunan** is Managing Director of the Manager having joined the Company in March 2006. Prior to this, Mr. Nunan held senior positions in other fund administration companies and has over twenty years' experience working in the funds industry. Mr. Nunan is a qualified accountant. Mr. Nunan is also Managing Director of the Administrator. From April 2003 to January 2006, Mr. Nunan held the position of group manager on the Project Implementation and Conversion Team at BISYS Hedge Fund Services. Prior to joining BISYS, Mr. Nunan held various roles in fund accounting and compliance.

## 6.5 The Depositary

The ICAV has appointed BNY Mellon Trust Company (Ireland) Limited to act as depositary of all of the assets of the ICAV under the terms of the Depositary Agreement. The Depositary is a private limited liability company incorporated in Ireland on 13th October 1994. The principal activity of the Depositary is to act as the depositary of the assets of collective investment schemes. The Depositary is authorised by the Central Bank under the Investment Intermediaries Act, 1995 (as amended).

The Depositary provides safe custody of the ICAV's assets which are held under the control of the Depositary and to provide oversight and cash monitoring duties on behalf of the ICAV. The main activity of the Depositary is to act as trustee and depositary of collective investment schemes such as the ICAV.

The Depositary is responsible for the safe-keeping of all of the assets of the ICAV within its custody network. The Depositary must exercise due care and diligence in the discharge of its duties and will be liable to the ICAV, and the Shareholders for any loss suffered by them as a result of the Depositary's unjustifiable failure to perform its obligations or its improper performance of them. In order to discharge its responsibility under the Regulations and UCITS Rulebook, the Depositary must exercise care and diligence in choosing and appointing a third party as a safe-keeping agent so as to ensure that the third party has and maintains the expertise, competence and standing appropriate to discharge the responsibilities concerned. The Depositary must maintain an appropriate level of supervision over the safe-keeping agent and make appropriate enquiries from time to time to confirm that the obligations of the agent continue to be competently discharged.

The Depositary shall be responsible for the segregation of the assets of each of the Funds.

The Depositary is obliged to ensure inter alia that:

- 6.5.1 the issue, repurchase, transfer, switching and cancellation of Shares are carried out in accordance with the Regulations and the Instrument of Incorporation;
- 6.5.2 the value of Shares is calculated in accordance with the Instrument of Incorporation;
- 6.5.3 in transactions involving the assets of the ICAV any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction;
- 6.5.4 it carries out the instructions of the ICAV unless such instructions conflict with the Instrument of Incorporation and the Regulations;
- 6.5.5 the income of the ICAV is applied in accordance with the Instrument of Incorporation and the Regulations;

- 6.5.6 it has enquired into the conduct of the ICAV in each Accounting Period and reported thereon to the Shareholders. The Depositary's report shall be delivered to the ICAV in good time to enable the Directors to include a copy of the report in the annual report of the ICAV. The Depositary's report shall state whether in the Depositary's opinion each Fund has been managed in that period:
- (a) in accordance with the limitations imposed on the investment and borrowing powers of each Fund by the Instrument of Incorporation and by the Central Bank under the powers granted to the Central Bank under the Regulations; and
  - (b) otherwise in accordance with the provisions of the Instrument of Incorporation and the Regulations.

If the Directors have not complied (a) or (b) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation. The duties provided for in sections 6.5.1 to 6.5.6 may not be delegated by the Depositary to a third party.

The Depositary is a wholly-owned indirect subsidiary of The Bank of New York Mellon Corporation. BNY Mellon is a global financial services company focused on helping clients manage and service their financial assets, operating in 35 countries and serving more than 100 markets. BNY Mellon is a leading provider of financial services for institutions, corporations and high-net-worth individuals, providing superior asset management and wealth management, asset servicing, issuer services, clearing services and treasury services through a worldwide client-focused team. As at 31 March 2018, it had US\$33.5 trillion in assets under custody and administration and US\$1.9 trillion in assets under management.

## 6.6 The Administrator

The Manager has appointed the Administrator and it is responsible for performing the day to day administration of the ICAV including the registrar and transfer agency function and for providing fund accounting for the ICAV, including the calculation of the Net Asset Value of the Fund and the Net Asset Value per Share.

The Administrator is a private limited company. It was incorporated in Ireland on 22 February 2006 and is ultimately owned by Link Group. The authorised share capital of the Administrator is €150,000 with a paid up share capital of €2.00. The Administrator is authorised and regulated by the Central Bank. The main activities of the Administrator are to provide administration, registrar and transfer agency services to other collective investment schemes.

The Administrator is engaged in the business of, inter alia, providing fund administration services to collective investment undertakings. The Administrator has responsibility for the administration of the ICAV's affairs including the calculation of the Net Asset Value and preparation of the accounts of the ICAV, subject to the overall supervision of the Directors.

The Administrator's duties shall include (i) calculating the ICAV's and each Fund's Net Asset Value, and the calculation of income and expense accruals, (ii) keeping all accounting records and preparation of annual and (where necessary) semi-annual accounts as well as undertaking detailed reconciliations and generally keeping the books and records of the ICAV and each Fund, (iii) maintenance of the Shareholder's register for the ICAV, (iv) correspondence with the ICAV's Shareholders and (v) keeping of all back up documentation relating to the ICAV so that it can be audited and inspected by the Central Bank.

## 6.7 Local Agents and Representatives

Local laws or regulations in EEA Member States may require the appointment of paying agents, representatives, Distributors, sub-distributors and correspondent banks and maintenance of accounts by such agents through which subscription and repurchase monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or repurchase monies or dividends via an intermediate entity rather than directly to the Depositary (such as a paying agent in a local

jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the account of the ICAV or the relevant Fund and (b) repurchase monies payable by such intermediate entity to the relevant Shareholder.

The ICAV may, in accordance with the requirements of the Central Bank, appoint paying agents, representatives, Distributors, sub-distributors and correspondent banks in one or more countries. Where so appointed in a particular country, the ICAV will maintain facilities whereby Shareholders who are resident in the relevant country can obtain payment of dividends and repurchase proceeds, examine and receive copies of the Instrument of Incorporation and periodic reports and notices of the ICAV and make complaints if and when appropriate which shall be forwarded to the ICAV's registered office for consideration.

## 6.8 Portfolio Transactions and Conflicts of Interest

Subject to the provisions of this section, the Manager, the Investment Manager, the Administrator, the Depositary, any Shareholder and any of their respective subsidiaries, affiliates, associates, agents or delegates (each a **Connected Person**) may contract or enter into any financial, banking or other transaction with one another or with the ICAV. This includes, without limitation, investment by the ICAV in securities of any Connected Person or investment by any Connected Persons in any company or bodies any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In addition, any Connected Person may invest in and deal in Shares relating to any Fund or any property of the kind included in the property of any Fund for their respective individual accounts or for the account of someone else. In the event of a conflict arising, each Connected Person shall ensure that the conflict will be resolved fairly.

Each Connected person is or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the ICAV and/or their respective roles with respect to the ICAV. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services, valuation of securities (in circumstances in which fees may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the ICAV may invest.

In particular, the Manager and/or the Investment Manager may be involved in advising or managing other investment funds which have similar or overlapping investment objectives to or with the ICAV or Funds. Each Connected person will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders. The Investment Manager will endeavour to ensure a fair allocation of investments among each of its clients.

Any cash of the ICAV may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2014, with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

Any Connected Person may also deal as agent or principal in the sale or purchase of securities and other investments to or from the ICAV. There will be no obligation on the part of any Connected Person to account to the relevant Fund or to Shareholders for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if negotiated at arm's length, are in the best interests of the Shareholders of that Fund and:

- 6.8.1 a certified valuation of such transaction by a person approved by the Depositary (or in the case of any such transaction entered into by the Depositary, the Directors) as independent and competent has been obtained; or
- 6.8.2 the relevant transaction is executed on best terms on organised investment exchanges under their rules; or

6.8.3 where 6.8.1 and 6.8.2 are not practical, such transaction has been executed on terms which the Depositary is (or in the case of any such transaction entered into by the Depositary, the Directors are) satisfied conform with the principle that such transactions be carried out as if negotiated at arm's length in the best interests of Shareholders.

The Depositary or ICAV, in the case of transactions entered into by the Depositary, will document how it complied with sections 6.8.1, 6.8.2 and 6.8.3 and where transactions are carried out in accordance with section 6.8.3, the Depositary or ICAV, in the case of transactions entered into by the Depositary, will document its rationale for being satisfied that the transaction conformed to the principles outlined.

A Connected Person may also, in the course of its business, have potential conflicts of interest with the ICAV in circumstances other than those referred to above. A Connected Person will have regard, in such event, to its obligations under its agreement with the ICAV and in particular to its obligation to act in the best interests of the Funds. The Connected Person must also have regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise. It will ensure that such conflicts are resolved fairly as between the ICAV, the relevant Fund and other clients. The Investment Manager will ensure that investment opportunities are allocated on a fair and equitable basis between the Funds and the Investment Manager's other clients. In the event that a conflict of interest does arise the directors of the relevant Investment Manager will endeavour to ensure that such conflicts are resolved fairly.

As the fees of the Administrator and the Investment Manager are based on the Net Asset Value of a Fund, if the Net Asset Value of the Fund increases so too do the fees payable to the Administrator, the Investment Manager and accordingly there is a conflict of interest for the Administrator, the Investment Manager or any related parties in cases where the Administrator, the Investment Manager or any related parties are responsible for determining the valuation price of a Fund's investments.

## 6.9 **Soft Commissions**

It is not intended, unless disclosed in the relevant Supplement, that any soft commission arrangements will be entered into in relation to any Fund created in respect of the ICAV. In the event that an Investment Manager enters into soft commission arrangement(s) it shall ensure that such arrangement(s) shall (i) be consistent with best execution standards (ii) assist in the provision of investment services to the relevant Fund and (iii) brokerage rates will not be in excess of customary institutional full-service brokerage rates. Details of any such arrangement will be contained in the next following report of the Fund. In the event that this is the unaudited semi-annual report, details shall also be included in the following annual report.

## 7 **SUBSCRIPTION FOR SHARES**

### 7.1 **Purchase Process**

Issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. The Directors may at their sole discretion, nominate additional Dealing Days and Shareholders will be notified in advance.

Shares will be issued at Net Asset Value per Share plus duties, charges and any Anti-Dilution Levy.

An initial application for Shares may only be made by completion and submission of a signed Application Form and required anti money laundering documentation by post, fax, or email (including any other electronic means approved by the Directors) to the Administrator. Subsequent applications may be made to the Administrator by fax or email (and any other electronic means approved by the Directors).

Failure to provide the Application Form and required documentation shall result in applicants being unable to repurchase Shares on request until the Administrator has received the signed Application Form, the required anti-money laundering documentation and all of the necessary anti-money laundering checks have been completed. Any change to a Shareholder's registration details or payment instructions must be received and will only be made on receipt of the required documentation, where required. Applications received after

the Dealing Deadline for the relevant Dealing Day shall, unless the Directors shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day and in exceptional circumstances only, be deemed to have been received by the next Dealing Deadline.

The Minimum Initial Investment Amount for Shares of each Fund that may be subscribed for by each applicant on initial application and the Minimum Shareholding for Shares of each Fund is set out in the Supplement for the relevant Fund.

Fractions of up to four decimal places of a Share may be issued. Subscription moneys representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund.

If an application is rejected, the Administrator, at the cost and risk of the applicant, will, subject to any applicable laws, return application monies or the balance thereof, without interest, by electronic transfer to the account from which it was paid as soon as practicable.

Each Supplement may state a minimum viable size with a related period for the relevant Fund. Where this is disclosed in a Supplement, the ICAV may return application monies if the Net Asset Value of the relevant Fund does not reach a minimum viable size within the relevant period.

## 7.2 Issue Price

During the Initial Offer Period for each Fund, the Initial Issue Price for Shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund.

The issue price at which Shares of any Fund will be issued on a Dealing Day after the Initial Offer Period is calculated by ascertaining the Net Asset Value per Share of the relevant Share Class on the relevant Dealing Day.

A Preliminary Charge of up to 5% of the subscription amount may be charged as provided for in the relevant Supplement.

## 7.3 Payment for Shares

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by electronic transfer in cleared funds in the currency of the relevant Share Class of the relevant Fund. Cheques are not accepted. If payment in full has not been received by the Settlement Date, or in the event of non-clearance of funds, all or part of any allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled, or, alternatively, the Administrator on the instruction of the Directors or their delegates may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of un-cleared funds. In such cases the ICAV may charge the applicant for any resulting loss incurred by the relevant Fund. The Directors reserve the right to charge interest at a reasonable commercial rate on subscriptions which are settled late.

## 7.4 In kind Issues

The Instrument of Incorporation provides that the Directors may in their absolute discretion provided that they are satisfied that no material prejudice would result to any existing Shareholder and subject to the provisions of legislation applicable to it, allot Shares in any Fund against the vesting in the Depositary on behalf of the ICAV of investments of a type consistent with the investment objective, policies and restrictions of the relevant Fund which would form part of the assets of the relevant Fund. The number of Shares to be issued in this way shall be the number which would on the day the investments are vested in the Depositary on behalf of the ICAV have been issued for cash (together with the relevant Preliminary Charge) against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described under the **Net Asset Value** section.

## 7.5 Anti-Money Laundering Provisions

Measures provided for in the AML Rules which are aimed towards the prevention of money laundering, require detailed verification of each applicant's identity, address and, where applicable, source of funds. Documents required to verify identify for this purpose are outlined in the Application Form which may be updated from time to time.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and return all subscription monies at the cost and risk of the applicant.

The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant. Where the Administrator requires further proof of the identity of any applicant, it will contact the applicant on receipt of an Application Form. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may, on the instruction of the Directors, the Manager, or their delegates, refuse to accept the application and return all subscription monies at the cost and risk of the applicant or compulsorily repurchase such Shareholder's Shares and/or payment of repurchase proceeds may be delayed. None of the ICAV, the Directors, the Manager, the Investment Manager, the Depositary or the Administrator shall be liable to the applicant or Shareholder where an application for Shares is not processed or Shares are compulsorily repurchased in such circumstances. If an application is rejected, the Administrator will return application monies or the balance thereof by electronic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay repurchase proceeds where the requisite information for verification purposes has not been produced by a Shareholder.

## 7.6 Limitations on Purchases

Shares may not be issued or sold by the ICAV during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described in the **Suspension of Calculation of Net Asset Value** section. Applicants for Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for the benefit of US Persons (unless the ICAV determines (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Fund and ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares).

The ICAV further reserves the right to reject at its absolute discretion any application for Shares in a Fund, including without limitation in circumstances where, in the opinion of the Directors, there are insufficient appropriate assets available in which such Fund can readily invest.

## 7.7 Anti-Dilution Levy

In calculating the subscription or Repurchase Price for the shares in a Fund the Directors may (subject to the approval of the Depositary) on any Dealing Day when there are net subscriptions/repurchases add or deduct an Anti-Dilution Levy to the subscription and repurchase amounts to cover dealing costs and to preserve the value of the underlying assets of the Fund.

As the costs of dealing can vary with market conditions, the level of the Anti-Dilution Levy may also vary.

Other limits on subscriptions may be set out in the Supplement for a Fund.

## 8 REPURCHASE OF SHARES

### 8.1 Repurchase Process

Requests for the repurchase of Shares should be made to the Administrator (on behalf of the ICAV) and may be made by post, fax or email (including any other electronic means approved by the Directors) to the Administrator. Requests for the repurchase of Shares will not be capable of withdrawal after acceptance by the Administrator without the consent of the Directors. Repurchases are also subject to the completion and submission of a signed Application Form and all necessary anti-money laundering checks being completed before any repurchase proceeds will be paid out. Repurchase orders will be processed on receipt of valid instructions only where payment is made to the account of record. Requests received on or prior to the relevant Dealing Deadline will, as mentioned in this section, normally be dealt with on the relevant Dealing Day. Repurchase requests received after the Dealing Deadline shall, unless the Directors shall otherwise agree and provided they are received before the relevant Valuation Point and in exceptional circumstances only, be treated as having been received by the following Dealing Deadline.

Shares will be repurchased at Net Asset Value per Share plus duties and charges and any Anti-Dilution Levy, if applicable.

If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Depositary and advance notification to all of the Shareholders, agree to designate additional Dealing Days and Valuation Points for the repurchase of Shares relating to any Fund.

The ICAV may decline to effect a repurchase request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding for that Class of Shares of that Fund. Any repurchase request having such an effect may be treated by the ICAV as a request to repurchase the Shareholder's entire holding of that Class of Shares.

The Administrator will not accept repurchase requests, which are incomplete, until all the necessary information is obtained.

### 8.2 Repurchase Price

The price at which Shares will be repurchased on a Dealing Day is also calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any Class of Shares in a Fund is described in the **Net Asset Value** section.

A Repurchase Charge of up to 3% of the repurchase amount may be charged by the ICAV for payment to the Fund on the repurchase of Shares but it is the intention of the Directors that such charge (if any) shall not, until further notice, exceed such amount as is set out in the Supplement for the relevant Fund.

When a repurchase request has been submitted by a Shareholder who is or is deemed to be a Taxable Irish Person or is acting on behalf of a Taxable Irish Person, the ICAV shall deduct from the repurchase proceeds an amount which is equal to the tax payable by the ICAV to the Irish Revenue Commissioners in respect of the relevant transaction.

### 8.3 Payment of Repurchase Proceeds

The amount due on repurchase of Shares less any Repurchase Charge will be paid by electronic transfer to an account in the name of the Shareholder in the currency of the relevant Share Class by the Settlement Date. Repurchase proceeds will not be paid out to third parties and will only be paid into an account in the name of the Shareholder or the joint registered Shareholders, as appropriate. The proceeds of the repurchase of the Shares will only be paid on receipt by the Administrator of the repurchase application form and all required anti-money laundering documentation. Amendments to a Shareholder's registration details and payment instructions will only be effected on receipt of required documentation by post, fax or email

(including any other electronic means approved by the Directors). As outlined in section 8.1, repurchase orders will be processed on receipt of valid instructions only where payment is made to the account of record.

The Supplement for a Fund may provide that the repurchase proceeds will be satisfied by an in kind transfer of assets with the consent of the Shareholders. This is without limitation to the rights of the ICAV set out in the **Limitations on Repurchases** section.

#### 8.4 **Limitations on Repurchases**

The ICAV may not repurchase Shares of any Fund during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under the **Suspension of Calculation of Net Asset Value** section. Applicants for repurchases of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Unless otherwise provided in the relevant Supplement, the Directors are entitled to limit the number of Shares of any Fund repurchased on any Dealing Day to Shares representing 10% cent of the total Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply pro rata so that all Shareholders wishing to have Shares of that Fund repurchased on that Dealing Day realise the same proportion of such Shares. Shares not repurchased, but which would otherwise have been repurchased, will be carried forward for repurchase on the next Dealing Day. If requests for repurchase are so carried forward, the Administrator will inform the Shareholders affected.

The Instrument of Incorporation contains special provisions where a repurchase request received from a Shareholder would result in Shares representing more than 5% of the Net Asset Value of any Fund being repurchased by the ICAV on any Dealing Day. In such a case, the ICAV may satisfy the repurchase request by a distribution of investments of the relevant Fund in kind provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund, and the asset allocation is approved by the Depositary. Where the Shareholder requesting such repurchase receives notice of the ICAV's intention to elect to satisfy the repurchase request by such a distribution of assets that Shareholder may require the ICAV instead of transferring those assets to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale. The Fund shall not be liable for the shortfall (if any) between the Net Asset Value of the repurchase in question and the proceeds realised from the sale of the relevant assets. The ICAV and a Shareholder may agree on an in kind transfer of assets for any repurchase subject to the allocation of assets being approved by the Depositary.

#### 8.5 **Mandatory Repurchases**

The ICAV may compulsorily repurchase all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified in the Supplement for the relevant Fund or otherwise notified to Shareholders.

The ICAV reserves the right to repurchase any Shares which are or become owned, directly or indirectly, by or for the benefit of a US Person (unless the ICAV determines (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Fund and ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), by any individual under the age of 18 (or such other age as the Directors may think fit), by any person or entity who breached or falsified representations on subscription documents (including as to its status under ERISA), who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person or entity is not qualified to hold Shares or if the holding of the Shares by any person is unlawful or is less than the Minimum Shareholding set for that Class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or persons or entity, and whether taken alone or in conjunction with any other persons or entities, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund of the ICAV incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other

pecuniary legal or material administrative disadvantage (including endeavouring to ensure that the relevant Fund's assets are not considered "plan assets" for the purpose of ERISA) or being in breach of any law or regulation which the Fund might not otherwise have incurred, suffered or breached or might result in the Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Instrument of Incorporation as described herein.

Where Taxable Irish Persons acquire and hold Shares, the ICAV shall, where necessary for the collection of Irish Tax, repurchase and cancel Shares held by a person who is or is deemed to be a Taxable Irish Person or is acting on behalf of a Taxable Irish Person on the occurrence of a chargeable event for taxation purposes and to pay the proceeds thereof to the Irish Revenue Commissioners.

## **8.6 Mandatory Repurchases on Termination of a Fund**

The ICAV or any Fund may be terminated and/or the Shares (or any Class) of a Fund may be repurchased by the Directors, in their sole and absolute discretion, by notice in writing to the Depositary in any of the below events.

- 8.6.1 If at any time the Net Asset Value (or its currency equivalent) of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund.
- 8.6.2 By not less than 30 days' nor more than 60 days' notice to Shareholders if, within 90 days from the date of the Depositary serving notice of termination of the Depositary Agreement, another Depositary, acceptable to both the ICAV and the Central Bank, has not been appointed to act as Depositary. In this scenario, the appointment of the Depositary will continue until a replacement Depositary has been appointed or until the authorisation of the ICAV has been withdrawn.
- 8.6.3 If the ICAV or any Fund shall cease to be authorised or otherwise officially approved by the Central Bank.
- 8.6.4 If a special resolution is passed by the Shareholders of a Fund and/or the ICAV.
- 8.6.5 If any law shall be passed which renders it illegal or in the opinion of the Directors, impracticable or inadvisable to continue the ICAV or any Fund.
- 8.6.6 If there is any material change in the tax status of the ICAV or any Fund in Ireland or in any other jurisdiction (including any adverse tax ruling by the relevant authorities in Ireland or any jurisdiction affecting the ICAV or any Fund) which the Directors consider would result in material adverse consequences on the Shareholders and/or the investments of the Fund(s).
- 8.6.7 If the assets held in respect of a Fund are terminated or repurchased and the Directors determine that it is not commercially practical to reinvest the realisation proceeds of such assets in replacement assets on terms that will enable the relevant Fund achieve its investment objective and/or to comply with its investment policy.
- 8.6.8 In respect of a Fund which is established as a feeder UCITS in accordance with and within the meaning of Part 9 of the Regulations, where the relevant master UCITS is terminated, the relevant Fund must also be terminated unless such Fund has obtained approval from the Central Bank to invest as a feeder UCITS into another master UCITS or convert to a non-feeder UCITS.
- 8.6.9 In respect of a Fund which is established as a feeder UCITS in accordance with and within the meaning of Part 9 of the Regulations, where the relevant master UCITS merges with another UCITS, or the master UCITS is divided into two or more UCITS, the relevant Fund must be terminated unless such Fund has obtained approval from the Central Bank to continue as a feeder UCITS of the master UCITS or another UCITS resulting from such a merger, invest as a feeder UCITS into another master UCITS or convert to a non-feeder UCITS.

- 8.6.10 If the Directors consider that it is in the best interests of the Shareholders of the Fund or the ICAV.
- 8.6.11 If the Net Asset Value of the relevant Fund is less than the Minimum Fund Size.
- 8.6.12 If there is a change in material aspects of the business or in the economic or political situation relating to a Fund and/or the ICAV which the Directors consider would have material adverse consequences on the Shareholders and/or the investments of the Fund and/or the ICAV.
- 8.6.13 If such termination is provided for in the relevant Supplement.
- 8.6.14 Additional termination provisions specific to a Fund may be set out in the Supplement for that Fund and the ICAV will have the right to repurchase Shares in such a Fund in such circumstances, in addition to the foregoing.

## 9 EXCHANGE OF SHARES

### 9.1 Procedure for Exchange of Shares

Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class in any Fund (in this section, the **Original Class**) for Shares in another Class (in this section, the **New Class**) (such Class being in the same Fund or in a separate Fund) provided that all the criteria for applying for Shares in the New Class have been met and by giving notice to the Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The Directors may however at their discretion agree to accept requests for exchange received after the relevant Dealing Deadline provided they are received prior to the relevant Valuation Point. The general provisions and procedures and such discretion relating to the issue and repurchase of Shares will apply equally to exchanges save in relation to charges payable details of which are set out below and in the relevant Supplement.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to or exceeds the Minimum Initial Investment Amount for the relevant New Class specified in the Supplement for the relevant Fund. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Shareholding for the Original Class.

The number of Shares of the New Class to be issued will be calculated in accordance with the following formula:

$$S = \frac{R \times (RP \times ER) - F}{SP}$$

where:

**S** = the number of Shares of the New Class to be issued;

**R** = the number of Shares of the Original Class to be exchanged;

**RP** = Repurchase Price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;

**ER** = in the case of an exchange of Shares designated in the same Base Currency is 1. In any other case, it is the currency conversion factor determined by the Administrator at the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;

**F** = the Exchange Charge (if any) payable on the exchange of Shares; and

**SP** = issue price per Share of the New Class as at the Valuation Point for the applicable Dealing Day.

Where there is an exchange of Shares, Shares of the New Class will be allotted and issued in respect of and in proportion to the Shares of the Original Class in the proportion S to R.

The Directors may deduct a charge on an exchange of Shares which the Investment Manager considers represents an appropriate figure to cover, inter alia, dealing costs, stamp duties, market impact and to preserve the value of the underlying assets of the Fund when there are net subscriptions and repurchases. Any such charge will be retained for the benefit of the relevant Fund the Directors reserve the right to waive such charge at any time.

The Directors may impose an exchange charge of up to 1.0% of the repurchase proceeds of the Shares being exchanged payable as the Directors, in their discretion determine.

## 9.2 Limitations on Exchanges

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under the **Suspension of Calculation of Net Asset Value** section. Applicants for exchange of Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

## 10 TRANSFER OF SHARES

Shares in each Fund will be transferable by instrument in writing in common form or in any other form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor and the transferee. Transferees will also be required to complete an Application Form and provide any other documentation reasonably required by the ICAV or the Administrator. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the ICAV as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to any person or entity as described in the **Mandatory Repurchases** section of the Prospectus, or who is or will hold such Shares for the benefit of a US Person (unless the Directors determine (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Fund and ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such other age as the Directors may think fit), a person or entity who breached or falsified representations on subscription documents (including as to its status under ERISA), who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person or entity is not qualified to hold Shares, or if the holding of the Shares by any person is unlawful or is less than the Minimum Shareholding set for that Class of Shares by the Directors, or in circumstances which (whether directly or indirectly affecting such person or persons or entity, and whether taken alone or in conjunction with any other persons or entities, connected or not, or any other circumstances appearing to the Directors to be relevant), in the opinion of the Directors, might result in the relevant Fund of the ICAV incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage (including that the relevant Fund's assets are not considered "plan assets" for the purpose of ERISA) or being in breach of any law or regulation which the Fund might not otherwise have incurred or suffered or might result in the Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Instrument of Incorporation as described herein. Registration of any transfer may be refused by the Directors if, following the transfer, either transferor or transferee would hold Shares having a value less than the Minimum Shareholding for that Class of Shares specified in the Supplement for the relevant Fund.

If the transferor is or is deemed to be or is acting on behalf of a Taxable Irish Person, the ICAV is entitled to repurchase and cancel a sufficient portion of the transferor's Shares as will enable the ICAV to pay the tax payable in respect of the transfer to the Irish Revenue Commissioners.

The ICAV may hold some or all of the following types of Personal Data in relation to investors and prospective investors (and their officers, employees and beneficial owners): name; address/other contact details (telephone, email address); date/place of birth; gender; tax number; bank details, photographic ID, proofs of address (usually utility bills) as furnished by such investors when completing the Application Form or to keep that information up to date. The ICAV may also obtain further Personal Data on such investors by way of Politically Exposed Person checks, sanctions checks, negative news checks and screening checks. The ICAV is obliged to verify the Personal Data and carry out ongoing monitoring. Where investors and prospective investors have furnished Personal Data in respect of their officers, employees and beneficial owners to the ICAV, those investors must provide the information in this section of the Prospectus on data protection to those individuals.

In the course of business, the ICAV will collect, record, store, adapt, transfer and otherwise process Personal Data. The ICAV is a data controller within the meaning of Data Protection Legislation and will hold any Personal Data provided by or in respect of investors in accordance with Data Protection Legislation.

The ICAV and/or any of its delegates or service providers, including the Administrator, Depositary, Manager and Investment Manager, may process prospective investors' and investors' Personal Data for any one or more of the following purposes and on the legal bases outlined below:

- To operate the Funds including managing and administering a Shareholder's investment in the relevant Fund on an on-going basis which enables the ICAV to satisfy its contractual duties and obligations to the Shareholder and any processing necessary for the preparation of the contract with the Shareholder.
- To comply with any applicable legal, tax or regulatory obligations on the ICAV, for example, under the Act, anti-money laundering and counter-terrorism, tax legislation and fraud prevention.
- For any other legitimate business interests of the ICAV or a third party to whom Personal Data is disclosed, where such interests are not overridden by the interests of the investor, including for statistical analysis, market research purposes and to perform financial and/or regulatory reporting. Each Shareholder has a right to object to the processing of their Personal Data where that processing is carried out for the ICAV's legitimate interests.
- For any other specific purposes where investors have given their specific consent and where processing of Personal Data is based on consent, the investors will have the right to withdraw it at any time.

The ICAV and/or any of its delegates or service providers may disclose or transfer Personal Data, whether in Ireland or elsewhere (including entities situated in countries outside of the EEA), to other delegates, duly appointed agents and service providers of the ICAV (and any of their respective related, associated or affiliated companies or sub-delegates) and to third parties including advisers, regulatory bodies, taxation authorities, auditors, technology providers for the purposes specified above.

The ICAV will not keep Personal Data for longer than is necessary for the purpose(s) for which it was collected. In determining appropriate retention periods, the ICAV shall have regard to the Statute of Limitations Act 1957, as amended, and any statutory obligations to retain information, including anti-money laundering, counter-terrorism, tax legislation. The ICAV will take all reasonable steps to destroy or erase the data from its systems when they are no longer required.

Where specific processing is based on an investor's consent, that investor has the right to withdraw it at any time. Investors have the right to request access to their Personal Data kept by ICAV, the right to rectification or erasure of their data, to restrict or object to processing of their data, and to data portability, subject to any restrictions imposed by Data Protection Legislation and any statutory obligations to retain information including anti-money laundering, counter-terrorism, tax legislation

The ICAV and/or any of its delegates and service providers will not transfer Personal Data to a country outside of the EEA unless that country ensures an adequate level of data protection or appropriate safeguards are in place. The European Commission has prepared a list of countries that are deemed to provide an adequate level of data protection which, to date, includes Switzerland, Guernsey, Argentina, the Isle of Man, Faroe Islands, Jersey, Andorra, Israel, New Zealand and Uruguay. Further countries may be added to this list by the European Commission at any time. The US is also deemed to provide an adequate level of protection where the US recipient of the data is privacy shield-certified. If a third country does not provide an adequate level of data protection, then the ICAV and/or any of its delegates and service providers will ensure it puts in place appropriate safeguards such as the model clauses (which are standardised contractual clauses, approved by the European Commission) or binding corporate rules, or relies on one of the derogations provided for in Data Protection Legislation.

Where processing is carried out on behalf of the ICAV, the ICAV shall engage a data processor, within the meaning of Data Protection Legislation, which implements appropriate technical and organisational security measures in a manner that such processing meets the requirements of Data Protection Legislation, and ensures the protection of the rights of investors. The ICAV will enter into a written contract with the data processor which will set out the data processor's specific mandatory obligations laid down in Data Protection Legislation, including to process Personal Data only in accordance with the documented instructions from the ICAV.

As part of the ICAV's business and ongoing monitoring, the ICAV may from time to time carry out automated decision-making in relation to investors, including, for example, profiling of investors in the context of anti-money laundering reviews, and this may result in an investor being identified to the revenue authorities, law enforcement authorities and to other entities where required by law, and the ICAV terminating its relationship with the investor.

Investors are required to provide their Personal Data for statutory and contractual purposes. Failure to provide the required Personal Data will result in the ICAV being unable to permit, process, or release the investor's investment in the Funds and this may result in the ICAV terminating its relationship with the investor. Investors have a right to lodge a complaint with the Data Protection Authority if they are unhappy with how the ICAV is handling their Personal Data.

Any questions about the operation of the ICAV's data protection policy should be referred in the first instance to the ICAV's registered office.

## 12 **NET ASSET VALUE**

### 12.1 **Calculation of Net Asset Value**

The Net Asset Value of a Fund shall be expressed in the currency in which the Shares are designated or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case, and shall be calculated by ascertaining the value of the assets of the Fund and deducting from such value the liabilities of the Fund (excluding Shareholders equity) as at the Valuation Point for such Dealing Day. Dealing is carried out on a forward pricing basis such that the Net Asset Value is calculated after receipt of subscription or repurchase requests. In that way the Dealing Deadline is always before the Valuation Point.

The Net Asset Value per Share of a Fund will be calculated by dividing the Net Asset Value of the Fund by the number of Shares in the Fund then in issue or deemed to be in issue as at the Valuation Point for such Dealing Day and rounding the result mathematically to four decimal places or such other number of decimal places as may be determined by the Directors from time to time.

In the event the Shares of any Fund are further divided into Classes, the Net Asset Value per Share of the relevant Class shall be determined by notionally allocating the Net Asset Value of the Fund amongst the relevant Classes making such adjustments for subscriptions, repurchases, fees, dividends, accumulation or distribution of income and the expenses, liabilities or assets attributable to each such relevant Class

(including the gains/losses on and costs of financial instruments employed for currency hedging between the currencies in which the assets of the Fund are designated and the designated currency of the relevant Class, which gains/losses and costs shall accrue solely to that relevant class) and any other factor differentiating the relevant classes as appropriate. The Net Asset Value of the Fund, as allocated between each Class, shall be divided by the number of Shares of the relevant Class which are in issue or deemed to be in issue and rounding the result to four decimal places as determined by the Directors or such other number of decimal places as may be determined by the Directors from time to time.

## 12.2 Notification of Prices

The Net Asset Value per Share of each Class of Shares in each Fund will be available from the office of the Administrator and on such other website as disclosed in the relevant Supplement and such other place as the Directors may decide from time to time and notified to the Shareholders. Such prices will be the prices applicable to the previous Dealing Day's trades and are therefore only indicative after the relevant Dealing Day. This will be published as soon as possible after the prices applicable to the previous Dealing Day's trade become available and will be kept up to date. The frequency of publication of the Net Asset Value per Share may differ between Funds as it is dependent upon a Fund's dealing frequency. For daily dealing Funds, the Net Asset Value per Share will be published on each Business Day.

Where any Shares are listed, the Net Asset Value of those Shares will be notified to Euronext Dublin immediately upon calculation.

## 12.3 Dilution Adjustment

The Funds of the ICAV may operate either dilution adjustment or dilution levy. The relevant Supplement will state if a Fund operates a dilution adjustment or a dilution levy (if any).

The actual cost of purchasing or selling investments for a Fund may deviate from the closing or last known market price used in calculating the price of Shares in the Fund, due to dealing charges, taxes, and any spread between the buying and selling prices of the investments. These costs have an adverse effect on the value of a Fund, known as dilution. The Central Bank allows the cost of dilution to be met directly from the Fund's assets or to be recovered from investors on the purchase or repurchase of Shares in the Fund by the imposition of a dilution levy or to be dealt with by means of a dilution adjustment. To mitigate the effects of dilution, the Directors therefore have the discretion to make a dilution adjustment in the calculation of the dealing price and thereby swing the dealing price of Shares in the Fund.

The need to make a dilution adjustment will depend on the volume of purchases or repurchases of Shares. Where a Fund may utilise a dilution adjustment, the Directors or the Manager on their behalf may make a discretionary dilution adjustment if in its opinion the existing Shareholders (for net purchases) or remaining Shareholders (for net repurchases) might otherwise be adversely affected. In particular, the Directors reserve the right to impose a dilution adjustment in the following circumstances:

- 12.3.1 if the Fund is experiencing steady decline (net outflow of investment);
- 12.3.2 if the Fund is experiencing steady growth (net inflow of investment);
- 12.3.3 if the Fund is experiencing large levels of net purchases or net repurchases relative to its size;
- 12.3.4 where the Fund experiences net purchases on any day equivalent to 3% of the total Fund Net Asset Value;
- 12.3.5 where the Fund experiences net repurchases on any day equivalent to 3% of the Fund Net Asset Value; or
- 12.3.6 in any other circumstances where the Directors believe it will be in the interests of Shareholders to make a dilution adjustment.

This policy to swing the dealing price will be subject to regular review and may change. The Directors' or Manager's decision on whether or not to make a dilution adjustment and at what level this adjustment might be made (in particular circumstances or generally) will not prevent the Directors or the Manger from making a different decision in similar circumstances in the future. On the occasions when no dilution adjustment is made there may be an adverse impact on the total assets of the relevant Fund.

As dilution is directly related to the inflows and outflows of monies from a Fund, it is not possible to predict accurately whether dilution will occur at any future point in time. Consequently it is also not possible to predict accurately how frequently the Directors or the Manager will need to make such a dilution adjustment.

The dilution adjustment can vary over time and vary depending on the assets held by the relevant Fund. Under normal market conditions, the dilution adjustment will be up to approximately 1.5% on purchases and up to approximately 1.5% on repurchases of Shares, but in times of extreme volatility it can be greater. The dilution adjustment shall make such reasonable allowances as the Directors or the Manager deem necessary for the market spread of the value of the assets of the Fund and the related costs of acquisition or disposal of those assets.

Once adopted by the Directors, the valuation policies set out in this section will be applied on a consistent basis for the duration of this ICAV and will be applied consistently across the various categories of assets.

## 12.4 Valuation Methodologies

The Instrument of Incorporation provides for the method of valuation of the assets and liabilities of each Fund and of the Net Asset Value of each Fund. The ICAV has delegated the calculation of the Net Asset Value to the Administrator. The assets and liabilities of a Fund will generally be valued as described below as at the relevant Valuation Point.

12.4.1 Assets quoted, listed or dealt in on a Regulated Market shall be valued at the closing or last known market price available to the Manager as at the Valuation Point for the relevant Dealing Day. The closing or last known market price available shall be, unless otherwise specified in the relevant supplement, the last traded price.

The value of any asset listed or dealt on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant Regulated Market may be valued taking into account the level of premium or discount as at the Valuation Point. Such premiums or discounts shall be determined by the Manager and approved by the Depositary. The Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.

12.4.2 If assets are not quoted, listed or dealt on a Regulated Market or if the closing or last known market price for specific assets is not, in the opinion of the Manager, representative or is not available, the value shall be the probable realisation value which shall be estimated with care and in good faith. The security shall either be valued by Manager, or by a competent person<sup>1</sup> appointed by the Manager and approved by the Depositary for such purpose which shall include any Investment Manager, or by any other means provided the value is approved by the Depositary.

12.4.3 Where an investment is quoted, listed or traded on or under the rules of more than one Regulated Market, the relevant market shall be the one which constitutes the main Regulated Market for such investment in the opinion of the Manager.

12.4.4 Cash in hand or on deposit and other liquid assets together with prepaid expenses, cash dividends, interest declared or accrued but not yet received and tax reclaims filed but not yet received to the

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<sup>1</sup> Note: where the "competent person" is a related party to the ICAV, the Prospectus or Supplement will disclose the possible conflict of interests which may arise, for example, a valuation provided by an Investment Manager; the Investment Manager's fee will increase as the value of the Fund increases.

relevant Valuation Point will be valued at face or nominal value plus accrued interest. Where the Manager is of the opinion that the same is unlikely to be paid or received in full, the value shall be arrived at after making such discount as Manager may consider appropriate in such case to reflect the true value thereof as at the relevant Valuation Point.

- 12.4.5 Demand notes, promissory notes and accounts receivable shall be deemed to be the face value or full amount thereof after making such discount as the Manager may consider appropriate to reflect the true current value as at any Valuation Point.
- 12.4.6 Certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments shall each be valued at the last traded price on the Regulated Market on which these assets are traded or admitted for trading (being the Regulated Market which is the sole Regulated Market or in the opinion of the Manager, the principal Regulated Market on which the assets in question are quoted or dealt) plus any interest accrued thereon from the date on which same were acquired.
- 12.4.7 Exchange traded derivative instruments, share price index, future contracts, options contracts and other derivative instruments will be valued at the settlement price for such instruments on such Regulated Market where the exchange traded future/option contract is traded as at the Valuation Point for the relevant Dealing Day; if such settlement price is not available or where it is not practice for the Regulated Market to quote a settlement price, such exchange traded future/option contract may be valued as per unlisted securities and securities which are listed/traded on a Regulated Market where the price is unrepresentative or not available.
- 12.4.8 Forward foreign exchange contracts and interest rate swaps shall be valued as at the valuation point for the relevant dealing day by reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken.
- 12.4.9 The value of over the OTC and off exchange FDI will be the quotation from the counterparty to such contracts at the Valuation Point and shall be valued daily. The valuation will be approved or verified weekly by a party independent of the counterparty who has been approved, for such purpose, by the Depositary. Alternatively, the value of any OTC FDI may be the quotation from an independent pricing vendor or that calculated by the Fund itself and shall be valued daily. Where an alternative valuation is used by the Fund, the Fund will follow international best practice and adhere to specific principles on such valuation by bodies such as IOSCO (which is the International Organisation of Securities Commissions) and AIMA (which is the Alternative Investment Management Association). Any such alternative valuation must be provided by a competent person appointed by the Manager and approved for the purpose by the Depositary, or a valuation by any other means provided that such value is approved by the Depositary. Any such alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise they must be promptly investigated and explained.
- 12.4.10 The value of units or shares in any collective investment schemes which provides for the units or shares to be repurchased at the option of the holder out of the assets of that undertaking, shall be in accordance with (i) the last available net asset value per unit or share as published by the relevant collective investment scheme after deduction of any repurchase charge as at the relevant Valuation Point or (ii) if bid and offer prices are published, the latest available bid price published by the relevant collective investment scheme. The value of units or shares in any collective investment scheme may be valued at mid-price or offer price if consistent with the above valuation policy where the Manager in accordance with the valuation of listed securities set out in section 12.4.1 undertake a valuation based on market prices where the investment fund in which the investment is made is listed on a Regulated Market
- 12.4.11 Notwithstanding the provisions of sections 12.4.1 to 12.4.10 above:

- (a) The assets of any Fund may be valued at their amortised cost. Where an amortised cost valuation method is utilised, the asset is valued at its cost of acquisition adjusted for amortisation of premium or accretions of discount rather than at current Regulated Market value. The amortised cost valuation method may only be used for Funds in accordance with the UCITS Regulations as amended from time to time. The Manager requires that any material discrepancy between the market value and the amortised cost value of a money market instrument is brought to their attention by the relevant Investment Manager of the Fund.
  - (b) In the case of a Fund which is a short term money market fund in accordance with the UCITS Rulebook (in this section, a **Short Term Money Market Fund**), the Manager may value any Asset through the use of amortised cost. The amortised cost method of valuation may only be used in relation to Funds which comply with the Central Bank's requirements for Short Term Money Market Funds and where a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's requirements.
  - (c) Where a Fund which is not a Short Term Money Market Fund invests in money market instruments, in a money-market fund, or in a non-money market fund, such instruments may be valued by the Manager at their amortised cost if the money market instrument has a residual maturity of less than 3 months and does not have any specific sensitivity to market parameters, including credit risk.
- 12.4.12 If in any case a particular value is not ascertainable as provided above or if the Manager shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Manager, or a competent person appointed by Manager and approved for such purposes by the Depositary shall determine, with such method of valuation to be approved by the Depositary.
- 12.4.13 Notwithstanding the generality of the foregoing, the Manager may adjust the value of any such security if having regard to currency, applicable rate of interest, anticipated rate of dividend, maturity, marketability, liquidity, dealing costs and/or such other considerations as they may deem relevant, they consider that such adjustment is required to reflect the fair value thereof as at the relevant Valuation Point.
- 12.4.14 Any value expressed otherwise than in the Base Currency of the relevant Fund (whether of an investment or cash) and any non-base currency borrowing shall be converted into the Base Currency at the official rate which the administrator deems appropriate in the circumstances.
- 12.4.15 Notwithstanding the foregoing, where at any Valuation Point any asset of a Fund has been realised or contracted to be realised there shall be included in the assets of the ICAV in place of such asset, the net amount receivable by the Fund in respect thereof, provided that if such amount is not then known exactly then its value shall be the net amount estimated by the Manager as receivable by the Fund. If the net amount receivable is not payable until some future time after the relevant Valuation Point, the Directors shall make such allowance as they consider appropriate to reflect the true current value thereof as at the relevant Valuation Point. In the event that a Fund has contracted to purchase an asset but settlement has yet to occur, the asset (rather than the cash to be used to settle the trade) will be included in the assets of the Fund.
- 12.4.16 A particular asset valuation may be carried out using an alternative method of valuation (such rationale and methodology having been clearly documented) if the Directors, in their absolute discretion, deem it necessary and such alternative method of valuation to be approved by the Depositary.
- 12.4.17 Where the price of an asset is quoted ex any dividend (including stock dividend), interest or other rights to which the relevant Fund is entitled but such dividend, interest or the property to which such rights relate has not been received and is not taken into account under any other provisions

of this **Valuation Methodologies** section, the amount of such dividend, interest, property or cash shall be treated as an Asset of the relevant Fund.

12.4.18 For the purposes of ascertaining or obtaining any price, quotation, rate or other value referred to in this **Valuation Methodologies** section for use in determining the value of any asset, the Manager shall be entitled to use the services of any recognised information or pricing service. An Investment Manager may be appointed as a competent person by the Directors, subject to the approval of the Depositary.

## 12.5 **Suspension of Calculation of Net Asset Value**

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the issue, repurchase and exchange of Shares and the payment of repurchase proceeds during:

12.5.1 any period when dealing in the units/shares of any collective investment scheme in which a Fund may be invested are restricted or suspended; or

12.5.2 any period when any of the markets or stock exchanges on which a substantial portion of the investments of the relevant Fund from time to time are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or

12.5.3 any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or

12.5.4 any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Fund or when for any other reason the current prices on any market or stock exchange of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or

12.5.5 any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or

12.5.6 any period when the ICAV is unable to repatriate funds required for the purpose of making payments due on the repurchase of Shares in the relevant Fund; or

12.5.7 any period when the Directors consider it to be in the best interest of the relevant Fund; or

12.5.8 following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the ICAV or terminate the relevant Fund is to be considered; or

12.5.9 when any other reason makes it impracticable to determine the value of a meaningful portion of the Investments of the ICAV or any Fund; or

12.5.10 any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Fund or of the ICAV; or

12.5.11 it becomes where it is or becomes impossible or impractical to enter into, continue with or maintain FDIs relating to an index for the relevant Fund or to invest in stocks comprised within the particular index; or

12.5.12 where such suspension is required by the Central Bank in accordance with the Regulations.

Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Shareholders who have requested issue or repurchase of Shares of any Class or exchanges of Shares of one Class to another will be notified of any such suspension in such manner as may be directed by the Directors and, unless withdrawn but subject to the limitations referred to above, and in the relevant Supplements, their requests will be dealt with on the first relevant Dealing Day after the suspension is lifted. Any such suspension will be notified immediately on the same Business Day to the Central Bank and to Euronext Dublin (where the Shares or the Fund in question is listed) and will be communicated without delay to the competent authorities in any country in which the Shares are marketed to the public.

The Directors may postpone any Dealing Day for a Fund to the next Business Day if in the opinion of the Directors, a substantial portion of the investments of the relevant Fund cannot be valued on an equitable basis and such difficulty is expected to be overcome within one Business Day.

The determination of the Net Asset Value of a Fund shall also be suspended where such suspension is required by the Central Bank in accordance with the Regulations.

## **13 FEES AND EXPENSES**

### **13.1 Operating Expenses**

Particulars of the fees and expenses (including performance fees, if any) payable out of the assets of each Fund to the Manager, Investment Manager, the Administrator, the Depositary and any other service provider particular to that Fund are set out in the relevant Supplement.

Unless otherwise disclosed in the relevant Supplement, the ICAV will pay out of the assets of each Fund the fees and expenses payable to the Manager, the Depositary, the Administrator, the Investment Manager(s) and any investment adviser, the fees and expenses of any other service provider, the fees and expenses of sub-custodian and any facilities agent (which will be at normal commercial rates), the fees and expenses of the Directors (as referred to below), any fees in respect of circulating details of the Net Asset Value, company secretarial fees, stamp duties, taxes, including any value added tax, any costs incurred in respect of meetings of Shareholders, marketing and distribution costs, investment transaction charges, costs incurred in respect of the distribution of income to Shareholders, the fees and out of pocket expenses of any paying agent, representative, Distributor, sub-distributor or correspondent bank appointed in compliance with the requirements of another jurisdiction (and at normal commercial rates), any amount payable under indemnity provisions contained in the Instrument of Incorporation or any agreement with any appointee of the ICAV, all sums payable in respect of directors' and officers' liability insurance cover, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, tax and legal advisers and fees connected with any listing the Shares on the Euronext Dublin and registering the ICAV for sale in other jurisdictions and any regulatory fees. In cases where investments of the Fund are held through wholly owned subsidiaries, the operating costs including audit and administration fees and expenses may be charged as an expense of the Fund. Unless otherwise disclosed in the relevant Supplement, the costs of printing and distributing this Prospectus, reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) will also be paid by the ICAV out of the assets of the relevant Fund(s).

Such fees, duties and charges will be charged to the Fund in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund, the expense will be allocated by the Directors in such manner and on such basis as the Directors in their discretion deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

## 13.2 Establishment Expenses

The fees and expenses relating to the establishment and organisation of the ICAV and the first Fund including the fees of the ICAV's professional advisers (including legal, accounting and taxation advisers) were borne by the Manager.

## 13.3 Directors' Fees

The Directors who are connected to the Manager will not receive remuneration for their services as Directors to the ICAV.

The Directors who are not connected with the Manager will be entitled to remuneration for their services as directors. The remuneration of each Director in respect of any twelve month Accounting Period shall be €7,500 for each of the first three Funds approved (plus VAT if applicable) and €5,000 for each additional Fund approved by the Central Bank thereafter. For example, each such Director will receive €15,000 in respect of any twelve month Accounting Period where only two Funds have obtained approval. Where the ICAV has four Funds approved by the Central Bank, this amount would increase to €27,500 and so on. Such amounts will be paid pro rata by the Funds. The Manager or an Investment Manager may discharge a Fund's pro-rata share of Directors' fees and where this is the case it will be disclosed in the relevant Supplement.

Directors' remuneration will be apportioned depending on the date of such approvals or withdrawals of approvals within the relevant Accounting Period.

All Directors will be entitled to receive their reasonable costs and expenses incurred in discharge of their duties.

Any change in the remuneration of Directors as outlined is subject to approval by the board.

## 13.4 Manager's Fees

Details of the fees payable to the Manager by each Fund will be set out in the relevant Supplement. The Manager shall also be entitled to be reimbursed for its reasonable out-of-pocket expenses, payable out of the assets of the Fund (excluding any VAT, if any).

## 13.5 Investment Manager's Fees

Details of the fees payable to each Investment Manager will be set out in the relevant Supplement.

## 14 GENERAL INFORMATION

### 14.1 Registration and Authorisation

The ICAV was registered in Ireland under the ICAV Act as an umbrella Irish collective asset-management vehicle with segregated liability between Funds on 21 June 2018 with registered number C181083. The ICAV was authorised as a UCITS on 24 January 2019.

### 14.2 Reports and Accounts

Audited accounts prepared in accordance with International Financial Reporting Standards and a report in relation to each Fund will be sent to Shareholders of the relevant Fund within four months after the conclusion of each Accounting Period. The ICAV will also prepare a semi-annual report and unaudited accounts which will be made available to Shareholders within two months after the first six months of each Accounting Period. Such accounts and reports will contain a statement of the value of the net assets of each Fund and of the investments comprised therein as at the reporting date and such other information as is required by the Regulations. The audited information required to be available to Shareholders will be sent, on request, to any Shareholder or prospective Shareholder.

### 14.3 Share Capital

The authorised share capital of the ICAV is 2 subscriber shares of €1 each and 1,000,000,000,000,000 Shares of no Par Value initially designated as unclassified shares. The subscriber shares are beneficially owned by the Manager.

The unclassified shares are available for issue as Shares. There are no rights of pre-emption attaching to the Shares in the ICAV.

### 14.4 Preferential Treatment for Subscriptions

No commissions, discounts, brokerages or other special terms have been paid or granted or are payable for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or loan capital of the ICAV.

### 14.5 Annual General Meetings

Pursuant to Section 89(4) of the Act, the Directors have resolved to dispense with the holding of an annual general meeting.

## 15 INSTRUMENT OF INCORPORATION

The Instrument of Incorporation is the constitutional document for the ICAV and set out in this section are material provisions from it relating to Shareholder voting rights and the distribution provisions on the termination or winding up of a Fund or the ICAV which affect Shareholders. Information on how to obtain a copy of the Instrument of Incorporation is set out in the **Documents Available for Inspection** section.

### 15.1 Determination of Resolutions

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded. Unless a poll is so demanded a declaration by the chairperson that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the minutes of the meeting shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution. The demand for a poll may be withdrawn before the poll is taken but only with the consent of the chairman, and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.

### 15.2 Entitlement to Demand Poll

A poll may be demanded:

15.2.1 by the chairperson of the meeting;

15.2.2 by at least two Holders present (in person or by proxy) having the right to vote at the meeting; or

15.2.3 by any Holder or Holders present (in person or by proxy) representing not less than one-tenth of the total voting rights of all the Holders having the right to vote at the meeting.

### 15.3 Taking of a Poll

15.3.1 Save as provided in the Instrument, a poll shall be taken in such manner as the chairperson directs and he or she may appoint scrutineers (who need not be Holders) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.

- 15.3.2 A poll demanded on the election of a chairperson or on a question of adjournment shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time (not being more than thirty days after the poll is demanded) and place as the chairperson of the meeting may direct. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made.
- 15.3.3 No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven Clear Days' notice shall be given specifying the time and place at which the poll is to be taken.

#### 15.4 **Votes of Holders**

When the Shares in question carry voting rights in respect of a particular matter, votes may be given either personally or by proxy. Subject to any rights or restrictions for the time being attached to any class or classes of Shares:

- 15.4.1 on a show of hands every Holder, who is present in person or by proxy, shall have one vote and the Holder(s) of Subscriber Shares present in person or by proxy shall have one vote in respect of all the Subscriber Shares in issue;
- 15.4.2 on a poll every Holder present in person or by proxy shall have one vote for every Share of which he or she is the Holder and every Holder of a Subscriber Share present in person or by proxy shall have one vote in respect of his or her holding of Subscriber Shares;
- 15.4.3 on a poll of all the Holders of Shares in a Fund, where there is more than one class of Shares in existence in that Fund, the voting rights of such Holders may at the discretion of the Directors be adjusted in such manner, determined by the Directors, so as to reflect the most recently calculated price at which the shares of each of the classes in question may be repurchased by the ICAV; and
- 15.4.4 a Holder or Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share.

#### 15.5 **Written Resolutions**

A resolution in writing executed, whether In manuscript, electronic or other form, by or on behalf of such percentage of Holders as may be specified in the notice to Holders of such resolution who would have been entitled to vote upon it if it had been proposed at a meeting at which he or she was present shall be as effective as if it had been passed at a general meeting duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Holders. In the case of a corporation a resolution in writing may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative.

#### 15.6 **Distribution on Winding Up**

Subject to the provisions of the Act, if the ICAV shall be wound up the liquidator shall apply the Assets of each Fund in such manner and order as he or she thinks fit in satisfaction of creditors' claims relating to that Fund. The Assets available for distribution amongst the Holders shall be applied as follows:

- 15.6.1 those assets in a Fund attributable to each class (or series of a class) of Share shall be distributed to the Holders of Shares in the relevant class (or series of a class) in the proportion that the number of Shares held by each Holder bears to the total number of Shares relating to each such class (or series of a class) of Shares in issue as at the date of commencement to wind up; and

15.6.2 any balance then remaining and not attributable to any of the classes (or series of classes) of Shares shall be apportioned pro-rata as between the classes (or series of classes) of Shares based on the Net Asset Value of each class (or series of a class) of Shares as at the date of commencement to wind up and the amount so apportioned to a class (or series of a class) shall be distributed to Holders pro-rata to the number of Shares in that class (or series of a class) of Shares held by them.

A Fund may be wound up pursuant to section 37 of the Act and in such event the provisions of clauses 103 and 104 of the Instrument shall apply mutatis mutandis in respect of that Fund.

## 15.7 Distribution in Specie

If the ICAV shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of an ordinary resolution of the relevant Holders or with the prior written approval of all of the relevant Holders and any other sanction required by the Act, divide among the Holders of Shares of any class or classes (or series of a class) within a Fund in specie the whole or any part of the assets of the ICAV relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he or she deems fair upon any one or more class (or series of a class) or classes of property, and may determine how such division shall be carried out as between the Holders of Shares or the Holders of different classes (or series of a class) of Shares in a Fund as the case may be. The liquidator may, with the like authority, vest any part of the Assets in trustees upon such trusts for the benefit of Holders as the liquidator, with the like authority, shall think fit, and the liquidation of the ICAV may be closed and the ICAV dissolved, but so that no Holder shall be compelled to accept any Assets in respect of which there is a liability. A Holder may require the liquidator instead of transferring any assets in specie to it, to arrange for a sale of the assets and for payment to the Holder of the net proceeds of same.

## 16 MATERIAL CONTRACTS

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the ICAV and are or may be material. Where there are material contracts pertinent to a Fund, in particular in relation to the appointment of an Investment Manager to that Fund, these contracts will be disclosed in the relevant Supplement.

### 16.1 Depositary Agreement

Pursuant to the Depositary Agreement, the Depositary will be liable for loss of financial instruments held in custody or in the custody of any sub-custodian, unless it can prove that loss has arisen as a result of an external event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall also be liable for all other losses suffered as a result of the Depositary's negligent or intentional failure to fulfil its obligations under the Regulations.

Under the Depositary Agreement, the Depositary has power to delegate the whole or any part of its safekeeping functions, however, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The list of sub delegates appointed by the Depositary is set out in Appendix 2. The use of particular sub delegates will depend on the markets in which the ICAV invests.

Potential conflicts of interest affecting the Depositary and its delegates may arise from time to time, including, without limitation, where the Depositary or a delegate has an interest in the outcome of a service or an activity provided to the ICAV, or a transaction carried out on behalf of the ICAV, which is distinct from the ICAV's interest, or where the Depositary or a delegate has an interest in the outcome of a service or activity provided to another client or group of clients which is in conflict with the ICAV's interests. From time to time conflicts may also arise between the Depositary and its delegates or affiliates, such as where an appointed delegate is an affiliated group company and is providing a product or service to the ICAV and has a financial or business interest in such product or service. The Depositary maintains a conflict of interest policy to address such conflicts.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the ICAV, applicable law, and its conflicts of interest policy. Up-to-date information regarding the duties of the Depositary, any conflicts of interest that may arise and the Depositary's delegation arrangements will be made available to investors by the ICAV on request.

The Depositary Agreement may be terminated by either party on 90 days prior written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach of the Depositary Agreement after notice in writing by either party to the other.

The Depositary Agreement contains various indemnity provisions in respect of the Depositary and the ICAV.

Further detail on the Depositary is included at section 6.5, **The Depositary**.

## 16.2 Administration Agreement

The Administration Agreement provides that the appointment of the Administrator may be terminated by the ICAV or the Administrator by giving notice to the other of its non-renewal with at least ninety days prior written notice. In certain circumstances, the Administration Agreement may be terminated immediately by either party.

The Administration Agreement provides that in the absence of negligence, bad faith, fraud or wilful default in the performance of the services described in the Administration Agreement, the Administrator shall not be liable for any error of judgment or mistake of law or for any loss arising out of any investment or for any act or omission in carrying out its duties and shall not in any circumstances be liable for any indirect, special, punitive or consequential damages.

Under the Administration Agreement, the ICAV shall indemnify the Administrator out of the assets of the relevant Fund from and against all actions, suits and claims, losses, damages, costs, charges, reasonable counsel fees and disbursements, payments, expenses and liabilities arising directly or indirectly out of any act or omission of the Administrator in the performance or non-performance of its duties or as a result of the Administrator's reliance upon any instructions, notice or instrument that the Administrator reasonably believes is genuine and signed or presented by an authorised person or any loss, delay, misdelivery or error in transmission of any cable, telegraphic or electronic communication; provided that this indemnification shall not apply if any such loss, damage or expense is caused by or arises from the Administrator's bad faith, fraud, negligence or wilful default in the performance its duties.

Further detail on the Administrator is included at section 6.6, **The Administrator**.

## 16.3 Management Agreement

Pursuant to the Management Agreement, the Manager shall exercise the due care of a professional UCITS manager in the performance of its duties, including with regard to the selection, appointment and monitoring of any delegates and shall use its best endeavours, skill and judgment and all due care in performing its duties and obligations and exercising its rights and authorities under the Management Agreement provided that for the avoidance of any doubt, the Manager shall not be liable for any decline in the value of the investments of the ICAV or any Fund or any part thereof to the extent that such decline results from any investment decision made by the Manager or any delegate in good faith, unless such decision was made negligently, fraudulently, in bad faith, recklessly or with wilful default.

Neither the Manager nor any of its directors, officers, employees or agents shall be liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Manager of its obligations and duties under the Management Agreement unless such loss or damage arose out of or in connection with the negligence, wilful default, fraud, recklessness or bad faith of or by the Manager or any delegate in the performance of its duties under the Management Agreement.

The ICAV shall be liable and shall indemnify and hold harmless the Manager (and each of its directors, officers, employees, delegates and agents) from and against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses (including reasonable legal and professional fees and expenses arising) which may be made or brought against or suffered or incurred by the Manager (or any of its directors, officers, employees, delegates or agents) arising out of or in connection with the performance of its obligations and duties under the

Management Agreement in the absence of any negligence, wilful default, fraud, recklessness or bad faith of or by the Manager or any delegate in the performance of its duties under the Management Agreement or as otherwise may be required by law.

The Manager may perform any of its duties, obligations and responsibilities under the Management Agreement by or through its directors, officers, servants or agents and shall be entitled to delegate or sub-contract all or any of its functions, powers, discretions, duties and obligations as the Manager under the Management Agreement to any person approved by the Directors and the Central Bank on such terms and conditions as agreed between the ICAV and the Manager, provided that any such delegation or sub-contract shall terminate automatically on the termination of the Management Agreement and provided further that the Manager shall remain responsible and liable for any acts or omissions of any such delegate or sub-contractor as if such acts or omissions were those of the Manager.

The Management Agreement may be terminated by either party on 90 days prior written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach of the Management Agreement after notice in writing by either party to the other.

Further detail on the Manager is included at section 6.3, **The Manager**.

## **17 DOCUMENTS / INFORMATION AVAILABLE FOR INSPECTION**

The following documents/information may be obtained from the ICAV and inspected at the registered office of the ICAV during usual business hours on weekdays, except Irish public holidays:

- 17.1 the Prospectus (as amended and supplemented) and the Supplements;
- 17.2 the Instrument of Incorporation;
- 17.3 the Regulations;
- 17.4 the periodic reports most recently prepared and published by the ICAV for the relevant Fund;
- 17.5 the UCITS Rulebook;
- 17.6 the material contracts referred to above;
- 17.7 when available, the latest audited financial statements of the ICAV; and
- 17.8 the most up to date information regarding the identity of the Depositary, a description of the Depositary's duties, a description of conflicts of interest that may arise for the Depositary, a description of any safekeeping functions delegated by the Depositary, the list of delegates and sub-delegates and any conflicts of interest that might arise from such delegation.

Copies of the Instrument of Incorporation of the ICAV and, after their publication, the periodic reports and accounts may be obtained from the Administrator free of charge.

## **18 LISTING REQUIREMENTS**

The listing particulars, including all information required to be disclosed by Euronext Dublin's listing requirements comprises listing particulars for the purpose of the listing of such shares on the Euronext Dublin.

Neither the admission of Shares of the ICAV to the Official List and trading on the Global Exchange Market and/or the Main Securities Market of Euronext Dublin nor the approval of the listing particulars pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of service providers to or any other party connected with the ICAV, the adequacy of information contained in the listing particulars or the suitability of the ICAV for investment purposes.

No Director has:

- had any unspent convictions in relation to indictable offences; or
- been a director of any company or partnership which, while he was a director with an executive function or partner at the time of or within the 12 months preceding such events, been declared bankrupt, went into receivership, liquidation, administration or voluntary arrangements; or
- been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies); or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of affairs of any company.

For the purposes of this Prospectus, the address of all of the Directors is the registered office of the ICAV.

At the date of this Prospectus, neither the Directors nor any Person Closely Associated have any beneficial interest in the share capital of the ICAV or any options in respect of such capital.

## APPENDIX 1 THE REGULATED MARKETS

1 With the exception of permitted investments in unlisted securities, OTC FDI or in units of open-ended collective investment schemes, the ICAV will only invest in securities listed or traded on the following stock exchanges and regulated markets which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) as defined in the Central Bank UCITS Regulations and the Central Bank does not issue a list of approved markets:

1.1 Any stock exchange which is located in any Member State of the European Union, in any Member State of the EEA or in any of the following countries:

Australia

Canada

Japan

Hong Kong

New Zealand

Switzerland

United States of America

1.2 any of the following stock exchanges or markets:

Argentina - Bolsa de Comercio de Buenos Aires

Argentina - Bolsa de Comercio de Cordoba

Argentina - Bolsa de Comercio de Rosario

Bahrain - Bahrain Stock Exchange

Bangladesh - Dhaka Stock Exchange

Bangladesh - Chittagong Stock Exchange

Botswana - Botswana Stock Exchange

Brazil - Bolsa de Valores do Rio de Janeiro

Brazil - Bolsa de Valores de Sao Paulo

Chile - Bolsa de Comercio de Santiago

Chile - Bolsa Electronica de Chile

Chile - Bolsa de Valparaiso

Peoples' Rep. of China - Shanghai Securities Exchange

Peoples' Rep. of China - Shenzhen Stock Exchange

Colombia - Bolsa de Bogota

Colombia	-	Bolsa de Medellin
Colombia	-	Bolsa de Occidente
Egypt	-	Alexandria Stock Exchange
Egypt	-	Cairo Stock Exchange
Ghana	-	Ghana Stock Exchange
India	-	Bangalore Stock Exchange
India	-	Delhi Stock Exchange
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange of India
Indonesia	-	Jakarta Stock Exchange
Indonesia	-	Surabaya Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Jordan	-	Amman Financial Market
Kazakhstan (Rep. Of)	-	Central Asian Stock Exchange
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Kuwait	-	Kuwait Stock Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Kuala Lumpur Stock Exchange
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Mexico	-	Mercado Mexicano de Derivados
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
New Zealand	-	New Zealand Stock Exchange
Nigeria	-	Nigerian Stock Exchange
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima

Philippines	-	Philippine Stock Exchange
Russia	-	Moscow Exchange MICEX-RTS
Russia	-	Moscow Interbank Currency Exchange
Singapore	-	Singapore Stock Exchange
South Africa	-	Johannesburg Stock Exchange
South Africa	-	South African Futures Exchange
South Africa	-	Bond Exchange of South Africa
South Korea	-	Korea Stock Exchange/KOSDAQ Market
Sri Lanka	-	Colombo Stock Exchange
Taiwan (Republic of China)	-	Taiwan Stock Exchange Corporation
Taiwan (Republic of China)	-	Gre Tai Securities Market
Taiwan (Republic of China)	-	Taiwan Futures Exchange
Thailand	-	Stock Exchange of Thailand
Thailand	-	Market for Alternative Investments
Thailand	-	Bond Electronic Exchange
Thailand	-	Thailand Futures Exchange
Tunisia	-	Bourse des Valeurs Mobilieres de Tunis
Turkey	-	Istanbul Stock Exchange
Turkey	-	Turkish Derivatives Exchange
UAE	-	Abu Dhabi Securities Exchange
UAE	-	Dubai Financial market
UAE	-	NASDAQ Dubai
Ukraine	-	Ukrainian Stock Exchange
Uruguay	-	Bolsa de Valores de Montevideo
Uruguay	-	Bolsa Electronica de Valores del Uruguay SA
Vietnam	-	Hanoi Stock Exchange
Vietnam	-	Ho Chi Minh Stock Exchange
Zambia	-	Lusaka Stock Exchange

1.3 Any of the following markets:

- 1.3.1 Moscow Exchange MICEX-RTS (equity securities that are traded on level 1 or level 2 only).
- 1.3.2 The market organised by the International Capital Market Association.
- 1.3.3 The market conducted by the listed money market institutions, as described in the Financial Conduct Authority publication The Investment Business Interim Prudential Sourcebook which replaces the Grey Paper as amended from time to time.
- 1.3.4 AIM, the Alternative Investment Market in the UK, regulated and operated by the London Stock Exchange.
- 1.3.5 The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan.
- 1.3.6 NASDAQ in the United States.
- 1.3.7 The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York.
- 1.3.8 The over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);
- 1.3.9 The French market for Titres de Créances Négociables (over-the-counter market in negotiable debt instruments).
- 1.3.10 NASDAQ Europe (is a recently formed market and the general level of liquidity may not compare favourably to that found on more established exchanges).
- 1.3.11 The over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.
- 1.3.12 SESDAQ (the second tier of the Singapore Stock Exchange).

2 All derivatives exchanges on which permitted FDIs may be listed or traded in:

- 2.1 A Member State;
- 2.2 A Member State in the European Economic Area to include European Union, Norway and Iceland;
- 2.3 The United States of America on the:
  - Chicago Board of Trade;
  - Chicago Board Options Exchange;
  - Chicago Mercantile Exchange;
  - Eurex US;
  - New York Futures Exchange;
  - New York Board of Trade;
  - New York Mercantile Exchange.

- 2.4 China on the Shanghai Futures Exchange;
- 2.5 Hong Kong on the Hong Kong Futures Exchange;
- 2.6 Japan, on the:
  - Osaka Securities Exchange;
  - Tokyo International Financial Futures Exchange;
  - Tokyo Stock Exchange.
- 2.7 New Zealand, on the New Zealand Futures and Options Exchange;
- 2.8 Singapore, on the
  - Singapore International Monetary Exchange;
  - Singapore Commodity Exchange.

These exchanges and markets are listed in accordance with the requirements of the Central Bank which does not issue a list of approved exchanges and markets.

## APPENDIX 2 DEPOSITARY DELEGATES

The Depositary has appointed the following entities as delegates and sub-delegates.

Argentina	-	Citibank N.A., Argentina <sup>2</sup>
Australia	-	National Australia Bank Limited;
Australia	-	Citigroup Pty Limited
Austria	-	Citibank N.A. Milan
Austria	-	Unicredit Bank Austria A.G.
Bahrain	-	HSBC Bank Middle East Limited
Bangladesh	-	The Hongkong and Shanghai Banking Corporation Limited
Belgium	-	Citibank International Limited
Bermuda	-	HSBC Bank Bermuda Limited
Botswana	-	Stanbic Bank Botswana Limited
Brazil	-	Citibank N.A., Brazil
Brazil	-	Itau Unibanco S.A.
Bulgaria	-	Citibank Europe plc, Bulgaria Branch
Canada	-	CIBC Mellon Trust Company (CIBC Mellon)
Cayman Islands	-	The Bank of New York Mellon
Chile	-	Banco de Chile
Chile	-	Itaú Corpbanca S.A.
China	-	HSBC Bank (China) Company Limited
Colombia	-	Cititrust Colombia S.A. Sociedad Fiduciaria
Costa Rica	-	Banco Nacional de Costa Rica
Croatia	-	Privredna banka Zagreb d.d.
Cyprus	-	BNP Paribas Securities Services S.C.A., Athens
Czech Republic	-	Citibank Europe plc, organizacni slozka
Denmark	-	Skandinaviska Enskilda Banken AB (Publ)

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<sup>2</sup> On March 27, 2015, the Comisión Nacional de Valores ('CNV: 'National Securities Commission') appointed the central securities depository Caja de Valores S.A. to replace the branch of Citibank N.A. Argentina for those activities performed within the capital markets and in its role as custodian.

Egypt	-	HSBC Bank Egypt S.A.E.
Estonia	-	SEB Pank AS
Finland	-	Finland Skandinaviska Enskilda Banken AB (Publ)
France	-	BNP Paribas Securities Services S.C.A.
France	-	Citibank International Limited (cash deposited with Citibank NA)
Germany am Main	-	The Bank of New York Mellon SA/NV Asset Servicing Niederlassung Frankfurt
Ghana	-	Stanbic Bank Ghana Limited
Greece	-	BNP Paribas Securities Services S.C.A., Athens
Hong Kong	-	The Hongkong and Shanghai Banking Corporation Limited
Hong Kong	-	Deutsche Bank AG
Hungary	-	Citibank Europe plc. Hungarian Branch Office
Iceland	-	Landsbankinn hf
India	-	Deutsche Bank AG
India	-	HSBC Ltd
Indonesia	-	Deutsche Bank AG
Ireland	-	The Bank of New York Mellon
Israel	-	Bank Hapoalim B.M.
Italy	-	Citibank N.A. Milan
Italy	-	Intesa Sanpaolo S.p.A.
Japan	-	Mizuho Bank, Ltd.
Japan	-	The Bank of Tokyo-Mitsubishi UFJ, Ltd
Jordan	-	Standard Chartered Bank
Kazakhstan	-	Joint-Stock Company Citibank Kazakhstan
Kenya	-	Stanbic Bank Kenya Limited
Kuwait	-	HSBC Bank Middle East Limited, Kuwait
Latvia	-	AS SEB banka
Lebanon	-	HSBC Bank Middle East Limited – Beirut Branch
Lithuania	-	AB SEB bankas
Luxembourg	-	Euroclear Bank

Malaysia	-	Deutsche Bank (Malaysia) Berhad
Malaysia	-	HSBC Bank Malaysia Berhad
Malta am Main	-	The Bank of New York Mellon SA/NV Asset Servicing Niederlassung Frankfurt
Mauritius	-	The Hongkong and Shanghai Banking Corporation Limited
Mexico	-	Citibanamex
Morocco	-	Citibank Maghreb
Namibia	-	Standard Bank Namibia Limited
Netherlands	-	The Bank of New York Mellon SA/NV
New Zealand	-	National Australia Bank Limited
Nigeria	-	Stanbic IBTC Bank Plc
Norway	-	Skandinaviska Enskilda Banken AB (Publ)
Oman	-	HSBC Bank Oman S.A.O.G.
Pakistan	-	Deutsche Bank AG
Peru	-	Citibank del Peru S.A.
Philippines	-	Deutsche Bank AG
Poland	-	Bank Polska Kasa Opieki S.A.
Portugal	-	Citibank International Limited, Sucursal em Portugal
Qatar	-	HSBC Bank Middle East Limited, Doha
Romania	-	Citibank Europe plc, Romania Branch
Russia	-	Deutsche Bank Ltd
Russia	-	AO Citibank
Saudi Arabia	-	HSBC Saudi Arabia Limited
Serbia	-	UniCredit Bank Serbia JSC
Singapore	-	DBS Bank Ltd
Singapore	-	United Overseas Bank Ltd
Slovak Republic	-	Citibank Europe plc, pobočka zahraničnej banky
Slovenia	-	UniCredit Banka Slovenia d.d
South Africa	-	The Standard Bank of South Africa Limited
South Korea	-	The Hongkong and Shanghai Banking Corporation Limited

South Korea	-	Deutsche Bank AG
Spain	-	Banco Bilbao Vizcaya Argentaria, S.A.
Spain	-	Santander Securities Services S.A.U.
Sri Lanka	-	The Hongkong and Shanghai Banking Corporation Limited
Swaziland	-	Standard Bank Swaziland Limited
Sweden	-	Skandinaviska Enskilda Banken AB (Publ)
Switzerland	-	Credit Suisse AG
Switzerland	-	UBS Switzerland AG
Taiwan	-	HSBC Bank (Taiwan) Limited
Taiwan	-	Standard Chartered Bank (Taiwan) Ltd
Tanzania	-	Stanbic Bank Tanzania Limited
Thailand	-	The Hongkong and Shanghai Banking Corporation Limited
Tunisia	-	Banque Internationale Arabe de Tunisie
Turkey	-	Deutsche Bank A.S.
Uganda	-	Stanbic Bank Uganda Limited
Ukraine	-	Public Joint Stock Company "Citibank"
U.A.E.	-	HSBC Bank Middle East Limited, Dubai
U.K.	-	Depository and Clearing Centre
U.K.	-	Deutsche Bank AG, London Branch
U.K.	-	The Bank of New York Mellon
USA	-	The Bank of New York Mellon
Uruguay	-	Banco Itaú Uruguay S.A.
Vietnam	-	HSBC Bank (Vietnam) Ltd
Zambia	-	Stanbic Bank Zambia Limited
Zimbabwe	-	Stanbic Bank Zimbabwe Limited

## APPENDIX 3 TAXATION

### 1 General

**The following statements are by way of a general guide to potential investors and shareholders only and do not constitute legal or tax advice. Shareholders and potential investors are therefore advised to consult their professional advisers concerning the income and other possible taxation consequences of purchasing, holding, selling or otherwise disposing of the Shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile.**

Shareholders and potential investors should note that the following statements on taxation are based on laws and practice in force in the relevant jurisdiction in January 2019 and proposed regulations and legislation in draft form. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely.

### 2 Ireland

The ICAV will be operated such that its central management and control will be in the Republic of Ireland, and this summary assumes that the ICAV will at all relevant times be a resident of the Republic of Ireland for the purposes of Irish Taxation.

### 3 Irish Taxation

On the basis that the ICAV is authorised as a UCITS it is outside the scope of the IREF withholding tax regime (Part 2: Chapter 1B of the TCA dealing with Irish real estate funds).

The ICAV will only be subject to tax on chargeable events in respect of Shareholders who are Taxable Irish Persons (generally persons who are resident or ordinarily resident in Ireland for tax purposes - see Certain Tax Definitions section for more details).

A chargeable event occurs for example on:

- 3.1.1 a payment of any kind to a Shareholder by the ICAV;
- 3.1.2 a transfer of Shares; and
- 3.1.3 on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary

but does not include any transaction in relation to Shares held in a clearing system recognised by the Irish Revenue Commissioners, certain transfers arising as a result of an amalgamation or reconstruction of fund vehicles and certain transfers between spouses or former spouses.

If a Shareholder is not a Taxable Irish Person at the time a chargeable event arises no Irish tax will be payable on that chargeable event in respect of that Shareholder.

Where tax is payable on a chargeable event, subject to the comments below, it is a liability of the ICAV which is recoverable by deduction or, in the case of a transfer and on the eight year rolling chargeable event by cancellation or appropriation of Shares from the relevant Shareholders. In certain circumstances, and only after notification by the ICAV to a Shareholder, the tax payable on the eight year rolling chargeable event can at the election of the ICAV become a liability of the Shareholder rather than the ICAV. In such circumstances the Shareholder must file an Irish tax return and pay the appropriate tax (at the rate set out below) to the Irish Revenue Commissioners.

In the absence of the appropriate declaration being received by the ICAV that a Shareholder is not a Taxable Irish Person or if the ICAV has information that would reasonably suggest that a declaration is incorrect, and

in the absence of written notice of approval from the Irish Revenue Commissioners to the effect that the requirement to have been provided with such declaration is deemed to have been complied with (or following the withdrawal of, or failure to meet any conditions attaching to such approval), the ICAV will be obliged to pay tax on the occasion of a chargeable event (even if, in fact, the Shareholder is neither resident nor ordinarily resident in Ireland). Where the chargeable event is an income distribution tax will be deducted at the rate of 41%, or at the rate of 25% where the Shareholder is a company and the appropriate declaration has been made, on the amount of the distribution. Where the chargeable event occurs on any other payment to a Shareholder, not being a company which has made the appropriate declaration, on a transfer of Shares and on the eight year rolling chargeable event, tax will be deducted at the rate of 41% on the increase in value of the shares since their acquisition. Tax will be deducted at the rate of 25% on such transfers where the Shareholder is a company and the appropriate declaration has been made. In respect of the eight year rolling chargeable event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

An anti-avoidance provision increases the 41% rate of tax to 60% (80% where the details of the payment/disposal are not correctly included in the individual's tax return) if, under the terms of an investment in a fund, the investor or certain persons associated with the investor have an ability to influence the selection of the assets of the fund.

Other than in the instances described above, the ICAV will have no liability to Irish taxation on income or chargeable gains.

#### 4 Shareholders

Shareholders who are neither resident nor ordinarily resident in Ireland in respect of whom the appropriate declarations have been made (or in respect of whom written notice of approval from the Irish Revenue Commissioners has been obtained by the ICAV to the effect that the requirement to have been provided with such declaration from that Shareholder or class of Shareholders to which the Shareholder belongs is deemed to have been complied with) will not be subject to tax on any distributions from the ICAV or any gain arising on the repurchase or transfer of their shares provided the shares are not held through a branch or agency in Ireland. No tax will be deducted from any payments made by the ICAV to those Shareholders who are not Taxable Irish Persons.

Shareholders who are Irish resident or ordinarily resident or who hold their shares through a branch or agency in Ireland may have a liability under the self-assessment system to pay tax, or further tax, on any distribution or gain arising from their holdings of Shares. In particular where the ICAV has elected to not deduct tax at the occasion of the eight year rolling chargeable event a Shareholder will have an obligation to file a self-assessment tax return and pay the appropriate amount of tax to the Irish Revenue Commissioners.

Refunds of tax where a relevant declaration could be made but was not in place at the time of a chargeable event are generally not available except in the case of certain corporate Shareholders within the charge to Irish corporation tax.

#### 5 Stamp duty

No Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares provided that no application for Shares or repurchase of Shares is satisfied by an in specie transfer of any Irish situated property.

#### 6 Capital acquisitions tax

No Irish gift tax or inheritance tax (capital acquisitions tax) liability will arise on a gift or inheritance of Shares provided that:

6.1.1 at the date of the disposition the transferor is neither domiciled nor ordinarily resident in Ireland and at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and

6.1.2 the Shares are comprised in the disposition at the date of the gift or inheritance and the valuation date.

## 7 Automatic exchange of information

Irish reporting financial institutions, which may include the ICAV have reporting obligations in respect of certain investors under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

## 8 FATCA

With effect from 1 July 2014 the ICAV is obliged to report certain information in respect of US investors in the ICAV and the Funds to the Irish Revenue Commissioners who will the share that information with the US tax authorities.

The Foreign Account Tax Compliance provisions of the US Hiring Incentives to Restore Employment Act of 2010 (**FATCA**), impose a 30% US withholding tax on certain 'withholdable payments' made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the US Internal Revenue Service (**IRS**) to collect and provide to the IRS substantial information regarding direct and indirect owners and account holders.

On 21 December 2012 Ireland signed an Intergovernmental Agreement (**IGA**) with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and US tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain US persons in a broad category of Irish financial institutions and vice versa.

Under the IGA and the Financial Accounts Reporting (United States of America) Regulations 2014 (as amended) (in this Appendix, the **Irish Regulations**) implementing the information disclosure obligations Irish financial institutions such as the ICAV are required to report certain information with respect to US account holders to the Irish Revenue Commissioners. The Irish Revenue Commissioners will automatically provide that information annually to the IRS. The ICAV (and/or the Administrator or Investment Manager on behalf of the ICAV) must obtain the necessary information from investors required to satisfy the reporting requirements whether under the IGA, the Irish Regulations or any other applicable legislation published in connection with FATCA and such information is being sought as part of the application process for Shares in the ICAV. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Irish Revenue Commissioners regardless as to whether the ICAV holds any US assets or has any US investors.

While the IGA and Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the ICAV in respect of its assets, no assurance can be given in this regard. As such Shareholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

## 9 Common Reporting Standard

The Common Reporting Standard (**CRS**) framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the **Standard**) was published, involving the use of two main elements, the Competent Authority Agreement (**CAA**) and the CRS.

The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (**FIs**) relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while Sections 891F and 891G of the TCA contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (in this Appendix, the **CRS Regulations**), gave effect to the CRS from 1 January 2016.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation (**DAC II**) implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis. Section 891G of the TCA contained measures necessary to implement the DAC II. Regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (in this Appendix, together with the CRS Regulations, the **Regulations**), gave effect to DAC II from 1 January 2016.

Under the Regulations reporting FIs, are required to collect certain information on accountholders and on certain Controlling Persons in the case of the accountholder(s) being an Entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions.

Further information in relation to CRS and DAC II can be found on the Automatic Exchange of Information webpage on [www.revenue.ie](http://www.revenue.ie).

## 10 Other tax matters

The income and/or gains of a Fund from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. The ICAV may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to the relevant Fund, the Net Asset Value will not be restated and the benefit will be allocated to the existing Shareholders of the relevant Fund rateably at the time of repayment.

## 11 Certain Tax Definitions

### *Residence - Company*

Prior to Finance Act 2014, company residence was determined with regard to the long-established common law rules based on central management and control. These rules were significantly revised in Finance Act 2014 to provide that a company incorporated in the State will be regarded as resident for tax purposes in the State, unless it is treated as resident in a treaty partner country by virtue of a double taxation treaty. While the common law rule based on central management and control remains in place, it is subject to the statutory rule for determining company residence based on incorporation in the State set out in the revised section 23A TCA 1997.

The new incorporation rule for determining the tax residence of a company incorporated in the State will apply to companies incorporated on or after 1 January 2015. For companies incorporated in the State before this date, a transition period will apply until 31 December 2020. The changes are relatively complex and we

would recommend that any Irish incorporated company that considers it is not Irish tax resident seeks professional advice before asserting this in any tax declaration given to the ICAV.

#### *Residence - Individual*

An individual will be regarded as being resident in Ireland for a tax year if s/he:

- (a) spends 183 or more days in the state in that tax year; or
- (b) has a combined presence of 280 days in the state, taking into account the number of days spent in the state in that tax year together with the number of days spent in the state in the preceding year.

Presence in a tax year by an individual of not more than 30 days in the State will not be reckoned for the purpose of applying the two year test. Up to 31 December, 2008, presence in the State for a day means the personal presence of an individual at the end of the day (midnight). **From 1 January 2009, presence in the State for a day means the personal presence of an individual at any time during the day.**

#### 11.2 *Ordinary Residence - Individual*

The term "ordinary residence" as distinct from "residence", relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity.

An individual who has been resident in the State for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year.

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2014 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2017.

#### 11.3 *Intermediary*

Intermediary means a person who:

- (a) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking resident in Ireland on behalf of other persons; or
- (b) holds units in an investment undertaking on behalf of other persons.

#### 12 United Kingdom Taxation

The following is a summary of various aspects of the United Kingdom taxation regime which may apply to UK resident persons acquiring Shares in the Classes of a Fund, and where such persons are individuals, only to those domiciled in the UK. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. There can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in a Fund is made will endure indefinitely. Such law and practice may be subject to change, and the below summary is not exhaustive. Furthermore, it will apply only to those UK Shareholders holding Shares as an investment rather than those which hold Shares as part of a financial trade, profession or vocation, or as a dealer; and does not cover UK Shareholders which are tax exempt or subject to special taxation regimes, or investors who have, or are deemed to have, acquired their shares by reason of their employment.

This summary should not be taken to constitute legal or tax advice and any prospective investor should consult their own professional advisers as to the UK tax treatment of returns from the holding of Shares in a Fund.

Prospective investors should familiarise themselves with and, where appropriate, take advice on the laws and regulations (such as those relating to taxation and exchange controls) applicable to the subscription for, and the holding, purchasing, switching or disposing of Shares in the place of their citizenship, residence and domicile.

### 13 The ICAV

The affairs of the ICAV with respect to a Fund are intended to be conducted in such a manner that it should not become resident in the UK for taxation purposes. Therefore, on the condition that the ICAV with respect to a Fund does not carry on a trade in the UK through a permanent establishment, branch or agency located there, then the ICAV will not be subject to UK corporation tax on income or chargeable gains arising to it, other than on certain UK source income (or income with a comparable connection to the UK) from which income tax may be deducted.

Further comfort in this regard can be obtained from the provisions of s363A Taxation (International and Other Provisions) Act 2010 which provide that, where a corporate fund is authorised as a UCITS in an EU Member State other than the UK and provided it is not an excluded entity, then the corporate fund should not be resident for UK income tax, corporation tax or capital gains tax purposes even if it would be so viewed under general UK tax principles.

Income and gains received by the ICAV with respect to a Fund may be subject to withholding or similar taxes imposed by the country in which such returns arise.

### 14 Shareholders

Shareholdings in a Fund are likely to constitute interests in an "offshore fund", as defined for the purposes of Part 8 of the Taxation (International and Other Provisions) Act 2010 (**TIOPA 2010**), with each Share Class of a Fund treated as a separate 'offshore fund' for these purposes.

Subject to their specific tax position, Shareholders resident in the UK for taxation purposes will normally be liable to UK income tax or corporation tax in respect of dividends or other distributions of a Fund (including any dividends funded out of realized capital profits of a Fund), whether or not reinvested. In addition, UK resident Shareholders holding Shares at the end of each "reporting period" (as defined for UK tax purposes) will potentially be liable to UK income or corporation tax on their share of a Class's "reportable income", to the extent that this amount exceeds dividends received. Further details on the reporting regime and its implication for Shareholders are discussed in more detail below. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest, as described below.

Individual Shareholders resident in the UK may benefit from a non-refundable tax credit in respect of dividends received from a Fund or reported income deemed to be received from the Fund. However, where the Share Class invests at any point in an accounting period more than 60% of its assets in interest-bearing (or economically similar) assets, distributions or reported income will be treated and taxed as interest in the hands of the individual, with no tax credit.

Under Part 9A of the Corporation Tax Act 2009, dividend distributions from an offshore fund made to companies resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax. In addition, distributions to non-UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax on dividends to the extent that the shares held by that fund are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

Under TIOPA 2010, any gain arising on the sale, disposal or repurchase of shares in an offshore fund (or on conversion from one fund to another within an umbrella fund) held by persons who are resident in the United Kingdom for tax purposes will be taxed at the time of such sale, disposal, repurchase or conversion as income

and not as a capital gain. This does not apply, however, where a fund is approved as a "reporting fund" under the UK Reporting Fund Regime, throughout the entire period during which the shares have been held.

## 15 UK Reporting Fund Regime

The Offshore Funds (Tax) Regulations 2009 (S.I. 2009/3001) (in this Appendix, the **Tax Regulations**) provide that if an investor resident in the UK for taxation purposes holds an interest in an offshore fund and that offshore fund is a 'non-reporting fund', any gain accruing to that investor upon the sale or other disposal of that interest will be charged to UK tax as income and not as a capital gain.

Alternatively, where an investor resident in the UK holds an interest in an offshore fund that has been a 'reporting fund' for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to UK income tax or corporation tax on income (even where such profits are exempt from UK corporation tax).

Where an offshore fund has been a non-reporting fund for part of the time during which the UK Shareholder held their interest and a reporting fund for the remainder of that time, there are elections which can potentially be made by the Investor to ensure that the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits in which they can be made. Shareholders should refer to their tax advisors for further information.

An application is to be made to HMRC for each Class to be treated as a 'reporting fund'. In broad terms, a 'reporting fund' under these regulations is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Shareholders. The Directors intend to manage the affairs of the ICAV with respect to a Fund so that these upfront and annual duties are met and continue to be met on an ongoing basis for all Share Classes within a Fund, which have been accepted into the UK reporting fund regime. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for UK tax purposes) on a per-Share basis to all relevant investors (as defined for these purposes).

If reporting fund status is obtained from HM Revenue & Customs for any Class, it will remain in place in relation to that Class permanently so long as the relevant annual requirements are undertaken. Shareholders should refer to their tax advisors in relation to the implications of the funds obtaining such status.

If a Class obtains UK reporting fund status, UK Shareholders holding Shares in that Class at the end of each reporting period (as defined for UK tax purposes) will potentially be subject to UK income tax or corporation tax on their share of the Class's reported income. The reported income will be deemed to arise to UK Shareholders on the date six months following the end of the reporting period. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest under the Bond Fund legislation.

## 16 General

The attention of individuals resident in the UK for taxation purposes is drawn to the provisions of Chapter 2 of Part 13 of the UK Income Tax Act 2007 (transfer of assets abroad). These provisions are aimed at preventing the avoidance of income tax by individuals through the transfer of assets or income to persons (including companies) resident or domiciled outside the UK. These provisions may render them liable to taxation in respect of undistributed amounts which would be treated as UK taxable income and profits of the ICAV (including, if the ICAV or any Fund thereof were treated as carrying on a financial trade, profits on the disposition of securities and financial profits) on an annual basis. We would not expect these provisions to apply to income relating to a Share Class which has been certified by HMRC as a reporting fund. Where a Share Class has not been certified as a reporting fund, the provisions could apply but there are potential exemptions available where the transactions are genuine commercial transactions and avoidance of tax was not the purpose or one of the purposes for which the transactions were effected.

Corporate Shareholders resident in the UK should note the provisions of Part 9A of TIOPA 2010 which may have the effect in certain circumstances of subjecting a company resident in the UK to UK corporation tax on the profits of a company resident outside the UK. A charge to tax cannot however arise unless the non-resident company is under the control of persons resident in the UK and, on apportionment of the non-resident's "chargeable profits" more than 25% would be attributed to the UK resident and persons connected with them on a "just and reasonable basis".

The attention of UK resident corporate Shareholders is drawn to Chapter 3 of Part 6 of the Corporation Tax Act 2009, whereby interests of UK companies in offshore funds may be deemed to constitute a loan relationship; with the consequence that all profits and losses on such relevant interests are chargeable to UK corporation tax in accordance with a fair value basis of accounting. These provisions apply where the market value of relevant underlying interest bearing securities and other qualifying investments of the offshore fund (broadly investments which yield a return directly or indirectly in the form of interest) are at any time more than 60% of the value of all the investments of the offshore fund.

The attention of Shareholders resident in the UK (and who, if individuals, are also domiciled in the UK for those purposes) is drawn to the provisions of Section 13 of Taxation of Chargeable Gains Act 1992. Under these provisions, where a chargeable gain accrues to a company that is not resident in the UK, but which would be a close company if it were resident in the UK, a person may be treated as though a proportional part of that chargeable gain, calculated by reference to their interest in the company, has accrued to them. No liability under Section 13 will be incurred by such a Shareholder, however, where the proportionate interest of the Shareholder in the ICAV, together with their associates, means that 25% or less of the chargeable gain is apportioned to them under the Section 13 rules.

The attention of Shareholders is drawn to anti-avoidance legislation in Chapter 1, Part 13 of the Income Tax Act 2007 and Part 15 of the Corporation Tax Act 2010 (Transactions in Securities) that could apply if Shareholders are seeking to obtain tax advantages in prescribed conditions.

#### 17 Stamp Duty and Stamp Duty Reserve Tax

Liability to UK Stamp Duty will not arise provided that any instrument in writing, transferring Shares in a Fund, or shares acquired by a Fund, is executed and retained at all times outside the UK. Because the ICAV is not incorporated in the UK and the register of Shareholders will be kept outside the UK, no liability to stamp duty reserve tax will arise by the reason of the transfer, subscription for and or repurchase of Shares except as stated above.

Shareholders should note that other aspects of United Kingdom taxation legislation may also be relevant to their investment in a Fund.

#### 18 Other Jurisdictions

As Shareholders are no doubt aware, the tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. Therefore the Directors strongly recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in a Fund and any investment returns from those Shares. It is the Directors' intention to manage the affairs of the ICAV and each Fund so that it does not become resident outside of Ireland for tax purposes. The Investment Manager of a Fund may take positions or make decisions without considering the tax consequences to certain Shareholders.

#### APPENDIX 4 FUNDS

New Funds may be created from time to time by the Directors with the prior approval of the Central Bank in which case further Supplements incorporating provisions relating to those Funds will be issued by the ICAV. The Funds currently approved by the Central Bank are listed in the table.

Fund	Approved
KW Enhanced Cash Fund	24 January 2019

## APPENDIX 5 DIRECTORY

- 1 **REGISTERED OFFICE**  
ELEVATION UCITS FUNDS (IRELAND) ICAV  
FIRST FLOOR, 2 GRAND CANAL SQUARE  
GRAND CANAL HARBOUR  
DUBLIN 2  
D02 A342
- 2 **DIRECTORS**  
TOM COGHLAN  
PAUL NUNAN  
PATRICK M. WALL
- 3 **MANAGER**  
LINK FUND MANAGER SOLUTIONS (IRELAND) LIMITED  
FIRST FLOOR, 2 GRAND CANAL SQUARE  
GRAND CANAL HARBOUR  
DUBLIN 2  
D02 A342
- 4 **DEPOSITARY**  
BNY MELLON TRUST COMPANY (IRELAND) LIMITED  
ONE DOCKLAND CENTRAL  
GUILD STREET  
INTERNATIONAL FINANCIAL SERVICES CENTRE  
DUBLIN 1  
D01 E4X0
- 5 **ADMINISTRATOR**  
LINK FUND ADMINISTRATORS (IRELAND) LIMITED  
FIRST FLOOR, 2 GRAND CANAL SQUARE  
GRAND CANAL HARBOUR  
DUBLIN 2  
D02 A342
- 6 **AUDITORS**  
DELOITTE  
29 EARLSFORT TERRACE  
DUBLIN 2  
D02 AY28
- 7 **LEGAL ADVISERS**  
A&L GOODBODY  
INTERNATIONAL FINANCIAL SERVICES CENTRE  
NORTH WALL QUAY  
DUBLIN 1  
D01 H104
- 8 **SECRETARY**  
GOODBODY SECRETARIAL LIMITED  
25/28 NORTH WALL QUAY  
DUBLIN 1  
D01 H104