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# **LSV FUNDS PLC**

**(An umbrella fund constituted as an investment company with variable capital under the laws of Ireland with segregated liability between sub-funds and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

## **PROSPECTUS**

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**INVESTMENT MANAGER**

**LSV ASSET MANAGEMENT**

**DATED 29 June 2018**

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## INTRODUCTION

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If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, bank manager, solicitor, accountant or other financial adviser.

### Authorisation by the Central Bank of Ireland

The Company has been authorised by the Central Bank of Ireland (the “Central Bank”) as an “Undertaking for Collective Investment in Transferable Securities” (“UCITS”) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (“UCITS Regulations”) and has been established as an umbrella fund with segregated liability between Funds and will comply with the Central Bank’s UCITS Regulations. Authorisation by the Central Bank does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank will not be liable for the performance or default of the Company.

Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus.

This Prospectus (which term will include a reference to any Supplement hereto) provides information about the Company and a Fund. Prospective investors are required as part of the Subscription Agreement to confirm they have read and understood it. It contains information which prospective investors ought to know before investing in the Company and should be retained for future reference. Further copies may be obtained from the Company at its address set out in the “Directory”. Copies of the most recent annual report of the Company are available free of charge on request.

Shares in the Company are offered only on the basis of the information contained in this Prospectus and the documents referred to herein. Any further information or representations given or made by any dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation other than those contained in the KIID, this Prospectus, each relevant Supplement and, if given or made, such information or representation must not be relied upon as having been authorised. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any such Shares other than the Shares to which it relates or an offer to sell or the solicitation of an offer to buy such Shares by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus or the relevant Supplements nor the issue of Shares will, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Directors of LSV Funds plc (the “Company”) whose names appear in the “Directory” of the Prospectus accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit any material information likely to affect the import of such information. This Prospectus may be translated into other languages provided that such translation will be a direct translation of the English text and in the event of a dispute, the English language version will prevail. All disputes as to the terms thereof will be governed by, and construed in accordance with, the laws of Ireland.

The Company is an "umbrella fund" enabling investors to choose between one or more investment objectives by investing in one or more separate Funds offered by the Company. In accordance with Section 1405 of the Act, each Fund will have segregated liability from the other Funds and that the Company will not be liable as a whole to third parties for the liability of each Fund. However, investors should note the risk factor “Company’s Liabilities” under “Risk Considerations” below. A separate pool of assets will not be maintained

for each Class. As of the date of this Prospectus, the Company is offering Shares in the Fund described in the most recent Supplement in force at the date of this Prospectus. The Directors may from time to time decide to offer, with the prior approval of the Central Bank, additional separate Funds and, with prior notice to and clearance from the Central Bank, additional classes of Shares in existing Fund(s). In such an event, this Prospectus will be updated and amended so as to include detailed information on the new Funds and/or classes, and/or a separate Supplement or addendum with respect to such Funds and/or classes will be prepared. Such updated and amended Prospectus or new separate Supplement or addendum will not be circulated to existing Shareholders except in connection with their subscription for Shares of such Funds.

Investors may, subject to applicable law, invest in any Fund offered by the Company. Investors should choose the Fund that best suits their specific risk and return expectations as well as their diversification needs and are encouraged to seek independent advice in that regard. A separate pool of assets will be maintained for each Fund and will be invested in accordance with the investment policy applicable to the relevant Fund in seeking to achieve its investment objective. The Net Asset Value and the performance of the Shares of the different Funds and classes thereof are expected to differ. It should be remembered that the price of Shares and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated investment objective of a Fund will be achieved.

## DISTRIBUTION AND SELLING RESTRICTIONS

The distribution of this Prospectus and the offering of the Shares is restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or the person making the offer or solicitation is not qualified to do so or a person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Shares to inform himself or herself about and to observe all applicable laws and regulations of relevant jurisdictions. Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions and/or exchange control requirements that they might encounter under the laws of the countries of their citizenship, residence, or domicile and that might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of Shares of a Fund.

### United States

The Shares offered hereunder have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**1933 Act**") for offer or sale as part of their distribution and the Company has not been and will not be registered under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"). The Shares offered hereby have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC**") or by the securities regulatory authority of any U.S. state. The Company generally will not offer or sell Shares in the United States or its territories or possessions, and Shares generally will not be offered or sold to or for the benefit of a U.S. Person, as such terms are defined herein and in the Articles. The Articles provide that the Company may refuse to register any transfer of Shares to a U.S. Person. Each applicant will be required to certify to the Company that, among other things, the Shares are not being acquired and will not at any time be held for the account or benefit, directly or indirectly, of any U.S. Person. It is the responsibility of each Shareholder to verify that it is not a U.S. Person that would be prohibited from owning Shares. The offering and sale of the Shares to Non-U.S. Persons will be exempt from registration pursuant to Regulation S promulgated under the 1933 Act.

Pursuant to an exemption from the U.S. Commodity Futures Trading Commission (the "**CFTC**") in connection with pools whose participants are limited to qualified eligible persons, an offering memorandum for the Company or a Fund is not required to be, and has not been, filed with the CFTC. The CFTC does not pass upon the merits of participating in a pool or upon the adequacy or accuracy of an offering memorandum. Consequently, the CFTC has not reviewed or approved this offering or any offering memorandum for the Company or any Fund.

While a Fund may trade commodity interests, with respect to each Fund, the Investment Manager is exempt from the obligations of a U.S. Commodity Futures Trading Commission commodity pool operator ("**CPO**") pursuant to CFTC Rule 4.13(a)(3). Therefore, unlike a non-exempt CPO, the Investment Manager is not required to deliver a CFTC disclosure document to prospective Shareholders, nor is it required to provide Shareholders with certified annual reports that satisfy the requirements of CFTC rules applicable to non-exempt CPOs.

With respect to each Fund (and as a result, the Company), the Investment Manager qualifies for the exemption under CFTC rule 4.13(a)(3) on the basis that, among other things, (i) each Shareholder is a "qualified eligible person", as defined under rule 4.7(a)(2) of the U.S. Commodity Exchange Act, as amended, or an "Accredited Investor", as defined under SEC rules; (ii) the Shares are exempt from registration under the 1933 Act and are offered and sold without marketing to the public in the United States; (iii) participations in each Fund are not marketed as or in a vehicle for trading in the commodity futures or commodity options markets; and (iv) at all times that each Fund establishes a commodity interest or securities futures position, either (a) the aggregate initial margin and premiums required to establish such positions will not exceed 5% of the liquidation value of each Fund's portfolio, respectively; or (b) the aggregate net notional value of each Fund's commodity interest and security futures positions will not exceed 100% of the liquidation value of that Fund's portfolio, respectively.

Should the Investment Manager determine in the future that it will no longer rely on CFTC rule 4.13(a)(3), the Investment Manager may instead claim an exemption from certain of the CFTC's disclosure, reporting and record-keeping requirements applicable to registered CPOs pursuant to CFTC Rule 4.7.

Entities subject to the U.S. Employee Retirement Income Security Act of 1974, as amended, generally may not purchase Shares of a Fund.

Notwithstanding anything to the contrary herein, each Shareholder (and each employee, representative, or other agent of such Shareholder) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of (i) the Company and/or a Fund and (ii) any of their respective transactions, and all materials of any kind (including opinions or other tax analyses) that are provided to the Shareholder relating to such tax treatment and tax structure.

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## DIRECTORY

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### LSV Funds plc

**Registered Office**  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Directors:**

Yvonne Connolly  
Leslie Kondziela  
Joshua O'Donnell  
Kevin Phelan  
Victoria Parry

**Administrator, Registrar and Transfer Agent:**

SEI Investments - Global Fund Services Limited  
Styne House  
2nd Floor  
Upper Hatch Street  
Dublin 2

**Manager:**

Carne Global Fund Managers (Ireland) Limited  
2<sup>nd</sup> Floor, Block E  
Iveagh Court  
Harcourt Road  
Dublin 2  
Ireland

**Depository:**

Brown Brothers Harriman Trustee Services (Ireland)  
Limited  
30 Herbert Street  
Dublin 2  
Ireland

**Investment Manager:**

LSV Asset Management  
155 North Wacker Drive  
Suite 4600  
Chicago, IL 60606  
United States of America

**Legal Advisors:**

Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Auditors:**

Deloitte  
Earlsfort Terrace  
Dublin  
Ireland

**Listing Agent:**

Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Secretary:**

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland



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## DEFINITIONS

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In this Prospectus, the following words and phrases will have the meanings indicated below:

<b>“Act”</b>	means the Companies Act 2014, including all secondary legislation enacted thereunder and as may be amended, supplemented or replaced from time to time;
<b>“Additional Subscription Agreement”</b>	means the additional subscription agreement to be completed and signed by an existing Shareholder seeking to subscribe for additional Shares in such form as is approved by the Company or Investment Manager from time to time;
<b>“Administrator”</b>	means SEI Investments - Global Fund Services Limited or such other company in Ireland for the time being appointed to provide administrative services in respect of the Company, in accordance with the requirements of the Central Bank;
<b>“Administration Agreement”</b>	means the agreement dated 25 June 2014 (as novated on 29 June 2018), between the Company, the Manager and the Administrator, pursuant to which the Administrator was appointed administrator of the Company;
<b>“Articles”</b>	means the Articles of Association of the Company;
<b>“Base Currency”</b>	means the base currency of a Fund, being USD unless otherwise determined by the Directors and disclosed in a Supplement;
<b>“Benefit Plan Investor”</b>	means a “benefit plan investor” as defined in Section 3(42) of ERISA and any regulations promulgated by the US Department of Labor thereunder, being “employee benefit plans” as defined in Section 3(3) of ERISA that are subject to Title I of ERISA, “plans” that are subject to the prohibited transaction provisions of Section 4975 of the Code, and entities the assets of which are treated as “plan assets” under Section 3(42) of ERISA and any regulations promulgated thereunder;
<b>“Best Execution”</b>	means the best price available in the market and most favourable execution, taking account of circumstances such as the ability to match up natural order flow; the ability to control anonymity, timing or price limits; the quality of the back office; commission rates; use of automation; and/or the ability to provide information relating to the particular transaction or security;
<b>“Business Day”</b>	means, in relation to each Fund, such day as is defined in each Supplement;
<b>“Central Bank”</b>	means the Central Bank of Ireland;
<b>“Central Bank UCITS Regulations”</b>	The Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1) Undertakings for Collective Investment in Transferable Securities) Regulations 2015 (as may be amended or supplemented from time to time) in addition to any guidance issued by the Central Bank in respect of same;
<b>“CFTC”</b>	means the U.S. Commodity Futures Trading Commission;

<b>“Class” or “Classes”</b>	means any class or classes of Shares established by the Company in respect of any Fund;
<b>“Class Currency”</b>	means the currency in which a Share class is designated;
<b>“Class Expenses”</b>	means any expenses attributable to a specific class including legal fees, marketing expenses (including tax reporting expenses) and the expenses of registering a class in any jurisdiction or with any stock exchange, regulated market or settlement system and such other expenses arising from such registration;
<b>“Code”</b>	means the U.S. Internal Revenue Code of 1986, as amended;
<b>“Company”</b>	means LSV Funds plc, an investment company with variable capital, incorporated in Ireland pursuant to Part 24 of the Act;
<b>“Commodity Exchange Act”</b>	means the U.S. Commodity Exchange Act, as amended;
<b>“Data Protection Legislation”</b>	means (i) the Data Protection Acts 1988 and 2003 or any other legislation or regulations implementing Directive 95/46/EC, (ii) the European Communities (Electronic Communications Networks and Services) (Privacy and Electronic Communications) Regulations 2011, (iii) on and with effect from 25 May 2018, the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) and any consequential national data protection legislation and (iv) any guidance and/or codes of practice issued by the Irish Data Protection Commissioner or other relevant supervisory authority, including without limitation the European Data Protection Board;
<b>“Dealing Day”</b>	means, in relation to each Fund, such day as is defined in each Supplement;
<b>“Depositary”</b>	means Brown Brothers Harriman Trustee Services (Ireland) Limited, or such other company in Ireland as may from time to time be appointed, with the prior approval of the Central Bank, as custodian of all the assets of the Company;
<b>“Depositary Agreement”</b>	means the agreement dated 12 May 2017, effective from 00:01 am Dublin time on 15 May 2017, between the Company and the Depositary, pursuant to which the Depositary was appointed depositary of the Company;
<b>“Directors”</b>	means the directors of the Company for the time being and any duly constituted committee thereof;
<b>“Duties and Charges”</b>	means in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, foreign exchange spreads, interest, depositary or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Fund or the creation, issue, sale, conversion or redemption of Shares or the sale or purchase of investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, which, for the avoidance of doubt, includes, when calculating subscription and redemption prices, any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the NAV and the price at

which such assets were bought as a result of a subscription and sold as a result of a redemption), but will not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the NAV of Shares in the relevant Fund;

<b>“ERISA”</b>	means the Employee Retirement Income Security Act of 1974, as amended;
<b>“EU”</b>	means the European Union;
<b>“EU Member State”</b>	means a member state of the EU;
<b>“euro” or “€”</b>	means the unit of the European single currency;
<b>“Euronext Dublin”</b>	means The Irish Stock Exchange plc trading as Euronext Dublin;
<b>“FATCA”</b>	FATCA means the provisions commonly known as the Foreign Accounts Tax Compliance Act in the enactment of the United States of America known as Hiring Incentives to Restore Employment Act 2010.
<b>“Fund” or “Funds”</b>	means a distinct portfolio of assets established by the Directors (with the prior approval of the Central Bank) constituting in each case a separate fund represented by one or more Classes of Shares with segregated liability from the other Funds and invested in accordance with the investment objective and policies applicable to such fund as specified in the relevant Supplement;
<b>“Hedged Class” or “Hedged Classes”</b>	means any Class or Classes of a Fund in respect of which currency hedging will be implemented as set out in a Supplement;
<b>“Intermediary”</b>	means a person who: <ul style="list-style-type: none"><li>(a) carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking in Ireland on behalf of other persons, or</li><li>(b) holds shares in such an investment undertaking on behalf of other persons;</li></ul>
<b>“Investment Manager”</b>	means LSV Asset Management or such other company for the time being appointed as investment manager by the Manager as successor thereto in accordance with the requirements of the Central Bank;
<b>“Investment Management Agreement”</b>	means the agreement dated 25 June 2014 (as novated on 29 June 2018) between the Company, the Manager and the Investment Manager, pursuant to which the latter acts as investment manager in relation to the assets of the Company;
<b>“Irish Resident”</b>	means, unless otherwise determined by the Directors, any company resident, or other person resident or ordinarily resident, in Ireland for the purposes of Irish tax. Please see the “Taxation” section below;
<b>“IRS”</b>	means the Internal Revenue Service, the U.S. government agency responsible for tax collection and tax law enforcement;

<b>“Irish Revenue Commissioners”</b>	means the Irish authority responsible for taxation and customs duties;
<b>“KIID”</b>	means key investor information document;
<b>“Manager”</b>	Carne Global Managers (Ireland) Limited or such other company for the time being appointed as management company to the Company, in accordance with the requirements of the Central Bank;
<b>“Memorandum and Articles of Association”</b>	the memorandum and articles of association of the Company as same may be amended from time to time in accordance with the requirements of the Central Bank;
<b>“Net Asset Value” or “NAV”</b>	means the Net Asset Value of the Company, or of a Fund, as appropriate, calculated as described herein;
<b>“Net Asset Value per Share” or “NAV per Share”</b>	means the Net Asset Value per Share of each Class of Shares of a Fund calculated as described herein;
<b>“OECD”</b>	means the Organisation for Economic Co-Operation and Development, whose members as at the date of this Prospectus are Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the U.S.;
<b>“Ordinary Resolution”</b>	means a resolution passed by a simple majority of the votes cast by Shareholders entitled to attend and vote at general meetings of the Company or on matters affecting the relevant class of Shares, as the case may be;
<b>“Privacy Statement”</b>	means the privacy statement adopted by the Company, as amended from time to time. The current version will be appended to the Subscription Agreement and available via the website <a href="http://www.lsvasset.com">www.lsvasset.com</a> from 25 May 2018 onwards;
<b>“Prospectus”</b>	means this document, any Supplement or addendum designed to be read and construed together with and to form part of this document and the Company’s most recent annual and semi-annual report and accounts (if issued);
<b>“Recognised Market”</b>	means such markets as are set out in Appendix B hereto;
<b>“Redemption Application”</b>	means an application by a Shareholder to the Company and/or the Administrator requesting that Shares of a Fund be redeemed in such form as is approved by the Company or Investment Manager from time to time;
<b>“Redemption Cut-Off Time”</b>	means, in relation to a Fund, such time as will be specified in a Supplement;
<b>“Share” or “Shares”</b>	means a share or shares of any class in the Company or a Fund, as the context so requires;
<b>“Shareholder”</b>	means a holder of Shares;
<b>“Sub-Investment Manager”</b>	means any entity appointed as sub-investment manager in relation to a Fund;

<b>“Subscription Agreement”</b>	means the subscription agreement to be completed and signed by an applicant seeking to subscribe for Shares in such form as is approved by the Company or Investment Manager from time to time;
<b>“Subscription Cut-Off Time”</b>	means, in relation to a Fund, such time as will be specified in a Supplement;
<b>“Supplement”</b>	means a document which contains specific information in relation to a particular Fund and any addenda thereto;
<b>“tranche”</b>	means the Shares issued in one or more Classes which represent a separate Fund;
<b>“UCITS”</b>	means an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;
<b>UCITS Directive</b>	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 as regards depositary functions, remunerations policies and sanctions, including its mandatory implementing regulations;
<b>“UCITS Regulations”</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended) and all applicable Central Bank regulations made or conditions imposed or derogations granted thereunder as may be amended from time to time;
<b>“U.S.” or “United States”</b>	means the United States of America (including the States and the District of Columbia), its territories, possessions and all other areas subject to its jurisdiction;
<b>“USD” or “US\$”</b>	means U.S. Dollars, the lawful currency of the U.S.;
<b>“U.S. Person”</b>	has such meaning as is set out in Appendix A hereto;
<b>“Valuation Day”</b>	means, in relation to a Fund, such day as will be specified in a Supplement; and
<b>“Valuation Point”</b>	means, in relation to a Fund, such time as will be specified in the relevant Supplement.

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## THE COMPANY

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The Company is an open-ended investment company with variable capital incorporated in Ireland on 1 May 2014 under the laws of Ireland as a public limited company under registration number 543309 and is authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The object of the Company, as set out in Clause 2 of its Memorandum and Articles of Association, is the collective investment of capital raised from the public in transferable securities and/or in other liquid financial assets in accordance with the UCITS Regulations operating on the principle of risk spreading.

The Company is organised in the form of an umbrella fund with segregated liability between Funds. The Articles provide that the Company may offer separate Funds. Each Fund will have a distinct portfolio of investments. The Company has obtained the approval of the Central Bank for the establishment of the Fund set out below. Information specific to a Fund will be set out in a separate Supplement.

<b>Funds of the Company</b>
LSV U.S. Value Equity Fund
LSV Emerging Markets Equity Fund
LSV Global Value Equity Fund

With the prior approval of the Central Bank, the Company from time to time may create an additional Fund or Funds, the investment policies and objectives for which will be outlined in a Supplement, together with details of the initial offer period, the initial subscription price for each Share and such other relevant information in relation to the additional Fund or Funds as the Directors may deem appropriate, or the Central Bank requires, to be included. Each Supplement will form part of, and should be read in conjunction with, this Prospectus. In addition, the Company may create additional Classes of Shares within a Fund to accommodate different terms, including different charges and/or fees and/or brokerage arrangements provided that the Central Bank is notified in advance, and gives prior clearance, of the creation of any such additional Class of Shares.

Under the Articles, the Directors are required to establish a separate Fund, with separate records, for each tranche of Shares in the following manner:

- (a) For each tranche of Shares the Company will keep separate books in which all transactions relating to the relevant Fund will be recorded and, in particular, the proceeds from the allotment and issue of Shares of each such tranche, the investments and liabilities and income and expenditure attributable thereto will be applied or charged to such Fund subject to the below;
- (b) Any assets derived from any other asset (whether cash or otherwise) comprised in any Fund will be applied in the books of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset will be applied to the relevant Fund;
- (c) In the event that there are any assets of the Company which the Directors do not consider are readily attributable to a particular Fund or Funds, the Directors will allocate such assets to and among any one or more of the Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors will have the power to and may at any time and from time to time vary such basis in respect of assets not previously allocated;
- (d) Each Fund will be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund and any such liabilities, expenses, costs, charges or reserves of the Company not readily attributable to any particular Fund or Funds will be allocated and charged by the Directors in such manner and on such basis as the Directors in their discretion deem fair and equitable, and the Directors will have the power to and may at any time and from time to time vary such basis;

- (e) If, as a result of a creditor proceeding against certain of the assets of the Company or otherwise, a liability, expense, cost, charge or reserve would be borne in a different manner from that in which it has been borne under paragraph (d) above, or in any similar circumstances, the Directors may, with the consent of the Depositary, transfer in the books and records of the Company any assets to and from any of the Funds;
- (f) Subject as otherwise in the Articles provided, the assets held in each Fund will be applied solely in respect of the Shares of the tranche to which such Fund appertains and will belong exclusively to the relevant Fund and will not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and will not be available for any such purpose.

Pursuant to Irish law, the Company should not be liable as a whole to third parties and there should not be the potential for cross contamination of liabilities between Funds. However, there can be no categorical assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of a Fund will be upheld.

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## INVESTMENT OBJECTIVES AND POLICES

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A Fund will invest in transferable securities and/or other liquid assets listed or traded on Recognised Markets and, to the limited extent specified in the relevant Supplement, in units/shares of other investment funds, all in accordance with the investment restrictions described in Appendix D “Investment Restrictions” below.

In addition, and to the extent only that the Investment Manager deems consistent with the investment policies of a Fund, a Fund may utilise for the purposes of efficient portfolio management, the investment techniques and instruments described in Appendix C. Such investment techniques and instruments may include financial derivative instruments. Where a Fund intends to use financial derivative instruments for investment purposes, a risk management process will, prior to same, be submitted to and cleared by the Central Bank in accordance with the Central Bank UCITS Regulations.

Although not currently expected, each Fund may invest in other collective investment schemes. Where it is appropriate to its investment objective and policies a Fund may also invest in other Funds of this Company. A Fund may only invest in another Fund of this Company if the Fund in which it is investing does not itself hold Shares in any other Fund of this Company. Any Fund that is invested in another Fund of this Company will be invested in a class of Shares for which no management or investment management fee is charged. No subscription, conversion or redemption fees will be charged on any such cross investments by a Fund.

There can be no assurance or guarantee that a Fund’s investments will be successful or its investment objective will be achieved. Please refer to the “Risk Considerations” in this Prospectus and in the Supplements for a discussion of those factors that should be considered when investing in that Fund.

The investment objective and policies of a Fund are set out in the Supplement for that Fund. The investment objective of each Fund will not at any time be altered without the approval of an Ordinary Resolution. Changes to investment policies which are material in nature may only be made with the approval of an Ordinary Resolution to which the changes relate. In the event of a change of investment objective and/or a material change in investment policy a reasonable notification period will be provided by the Company and the Company will provide facilities to enable Shareholders to redeem their Shares prior to implementation of these changes.

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## RISK CONSIDERATIONS

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There can be no assurance that the investment objective of a Fund will be achieved.

**An investment in a Fund involves a high degree of risk, including the risk that the entire amount invested may be lost.** Each Fund is primarily designed to purchase certain investments, which will introduce significant risk to the Fund, including asset performance, price volatility, administrative risk and counterparty risk. No guarantee or representation is made that any Fund's investment program will be successful, or that such Fund's returns will exhibit low correlation with an investor's traditional securities portfolio. Prospective investors should consider the following additional factors in determining whether an investment in a Fund is a suitable investment.

**Each Fund may be deemed to be a speculative investment and is not intended as a complete investment program. Investment in a Fund is suitable only for persons who can bear the economic risk of the loss of their investment and who meet the conditions set forth in this Prospectus and the Subscription Agreement. There can be no assurances that a Fund will achieve its investment objective. Prospective Shareholders should carefully consider the risks involved in an investment in a Fund, including, but not limited to, those discussed below. Various risks discussed below may apply to a Fund. The following does not intend to describe all possible risks of an investment in a Fund. In addition, different or new risks not addressed below may arise in the future. Prospective Shareholders should consult their own legal, tax and financial advisors about the risks of an investment in a Fund. Any such risk could have a material adverse effect on a Fund and its Shareholders.**

Whilst some risks will be more relevant to certain Funds, investors should ensure that they understand all the risks discussed in this Prospectus, insofar as they may relate to that Fund. In addition the relevant Supplement provides more information on the specific risks associated with individual Funds.

Investors should read all the "Risk Considerations" in this Prospectus and the relevant Supplement to determine applicability to a specific Fund in which the investor intends to invest.

The following "Risk Considerations" detail particular risks associated with an investment in a Fund, which investors are encouraged to discuss with their professional advisers. It does not purport to be a comprehensive summary of all of the risks associated with an investment in a Fund.

### ***Forward-Looking Statements***

This Prospectus contains forward-looking statements, including observations about markets and industry and regulatory trends as of the original date of this Prospectus. Forward-looking statements may be identified by, among other things, the use of words such as "intends," "expects," "anticipates" or "believes," or the negatives of these terms, and similar expressions. Forward-looking statements reflect views as of such date with respect to possible future events. Actual results could differ materially from those in the forward-looking statements as a result of factors beyond the control of the Directors or Investment Manager. Prospective investors are cautioned not to place undue reliance on such statements. Neither the Directors nor Investment Manager has any obligation to update any of the forward-looking statements in this Prospectus.

### ***General Economic and Market Conditions***

The success of a Fund's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of a Fund's investments. Volatility or illiquidity could impair a Fund's profitability or result in losses.

Where a Fund's assets are invested in narrowly-defined markets or sectors of a given economy, risk is increased by the inability to broadly diversify investments and thereby subjecting the Fund to greater exposure to potentially adverse developments within those markets or sectors.

Since 2008 world financial markets have experienced extraordinary market conditions, including, among other things, extreme volatility in securities markets and the failure of credit markets to function. When such conditions arise, decreased risk tolerance by investors and significantly tightened availability of credit may result in certain securities becoming less liquid and more difficult to value, and thus harder to dispose of. Such conditions may be exacerbated by, among other things, uncertainty regarding financial institutions and other market participants, increased aversion to risk, concerns over inflation, instability in energy costs, complex geopolitical issues, the lack of availability and higher cost of credit and declining real estate and mortgage markets. These factors, combined with variable commodity pricing, declining business and consumer confidence, increased unemployment and diminished expectations for predictable global financial markets, may lead to a global economic slowdown and fears of a global recession. Neither the duration and ultimate effect of any such market conditions, nor the degree to which such conditions may worsen can be predicted. The continuation or further deterioration of any such market conditions and continued uncertainty regarding markets generally could result in further declines in the market values of potential investments or declines in market values. Such declines could lead to losses and diminished investment opportunities for a Fund, could prevent a Fund from successfully meeting their investment objectives or could require a Fund to dispose of investments at a loss while such unfavourable market conditions prevail. While such market conditions persist, a Fund would also be subject to heightened risks associated with the potential failure of brokers, counterparties and exchanges, as well as increased systemic risks associated with the potential failure of one or more systemically important institutions. See "*Failure of Brokers, Counterparties and Exchanges*".

In reaction to these events since 2008, regulators and lawmakers in the United States and several other countries have taken unprecedented regulatory actions and enacted programs to stabilize the financial markets. Some of the programs enacted during this period have terminated; however, the U.S. government and regulators in many other jurisdictions continue to consider and implement measures to stabilize U.S. and global financial markets. Despite these efforts and the efforts of regulators of other jurisdictions, global financial markets remain extremely volatile. It is uncertain whether regulatory actions will be able to prevent losses and volatility in securities markets, or to stimulate the credit markets.

Unpredictable or unstable market conditions may result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realize value from a Fund's existing investments.

The economies of non-U.S. countries may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain non-U.S. economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

### **Costs**

The identification of attractive investment opportunities is difficult and involves a high degree of uncertainty. A Fund may incur significant expenses in connection with identifying investment opportunities and investigating other potential investments which are ultimately not consummated, including expenses relating to due diligence, transportation, legal expenses and the fees of other third party advisors.

### **Restricted Securities**

A Fund may invest in securities that are not registered under the 1933 Act or under the laws of any non-U.S. jurisdiction pursuant to an exemption thereunder ("**Restricted Securities**"). Restricted Securities may be sold in private placement transactions between issuers and their purchasers and may be neither listed on an exchange nor traded in other established markets. In many cases, privately placed securities may not be freely transferable under the laws of the applicable jurisdiction or due to contractual restrictions on resale. As a result of the absence of a public trading market, privately placed securities may be less liquid and more difficult to value than publicly traded securities. To the extent that privately placed securities may be resold in privately negotiated transactions, the prices

realized from the sales, due to illiquidity, could be less than those originally paid by the Fund or less than their fair market value. In addition, issuers whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements that may be applicable if their securities were publicly traded. If any privately placed securities held by a Fund are required to be registered under the securities laws of one or more jurisdictions before being resold, a Fund may be required to bear the expenses of registration. A Fund's investments in private placements may consist of direct investments and may include investments in smaller, less seasoned issuers, which may involve greater risks. These issuers may have limited product lines, markets or financial resources or they may be dependent on a limited management group. In making investments in such securities, a Fund may obtain access to material non-public information, which may restrict a Fund's ability to conduct portfolio transactions in such securities.

### ***Purchases of Securities and Other Obligations of Financially Distressed Companies***

A Fund may directly or indirectly purchase securities and other obligations of issuers that are experiencing significant financial or business distress (“**Distressed Companies**”), including issuers involved in bankruptcy or other reorganization and liquidation proceedings. These investments are considered speculative. Although such purchases may result in significant returns, they involve a substantial degree of risk and may not show any return for a considerable period of time, if ever. In fact, many of these instruments ordinarily remain unpaid unless and until the issuer reorganizes and/or emerges from bankruptcy proceedings, and as a result may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in issuers experiencing significant business and financial distress is unusually high. There is no assurance that a Fund will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action. In any reorganization or liquidation proceeding relating to an issuer, a Fund may lose its entire investment or may be required to accept cash or securities with a value less than its original investment.

### ***Public Securities***

In the event that a Fund acquires fixed income securities and/or equity securities that are publicly traded, the Fund will be subject to the risks inherent in investing in public securities. In addition, in such circumstances the Fund may be unable to obtain financial covenants or other contractual rights that it might otherwise be able to obtain in making privately-negotiated debt investments. Moreover, a Fund may not have the same access to information in connection with investments in public securities, either when investigating a potential investment or after making an investment, as compared to a privately-negotiated investment. Furthermore, a Fund may be limited in its ability to make investments, and to sell existing investments, in public securities if the Investment Manager or an affiliate has material, non-public information regarding the issuers of those securities. The inability to sell securities in these circumstances could materially adversely affect the investment results of a Fund.

### ***Depository Receipts***

A Fund may invest in American Depository Receipts (“ADRs”) and Global Depository Receipts (“GDRs”) or other similar securities representing ownership of foreign securities (collectively, “**Depository Receipts**”) if issues of these Depository Receipts are available that are consistent with the Fund's investment objective. Depository Receipts generally evidence an ownership interest in a corresponding foreign security on deposit with a financial institution. Transactions in Depository Receipts usually do not settle in the same currency in which the underlying securities are denominated or traded. Generally, ADRs, in registered form, are designed for use in the U.S. securities markets. GDRs generally are traded in one or more non-U.S. public or private securities markets and represent securities held by foreign institutions.

A Fund may invest in Depository Receipts through “sponsored” or “unsponsored” facilities if issues of such Depository Receipts are available and are consistent with the Fund's investment objective. A sponsored facility is established jointly by the issuer of the underlying security and a depository, whereas a depository may establish an unsponsored facility without participation by the issuer of the deposited security. Holders of unsponsored Depository Receipts generally bear all the costs of such facilities and the depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through voting rights to the holders of such receipts in respect of the deposited securities. In addition, local

practices in non-U.S. markets (such as a requirement to be physically present in order to vote, a need for foreign language translation of voting materials or complex share registration procedures) may make exercising voting rights more difficult for holders of Depository Receipts.

### ***Derivative Instruments Generally***

A Fund may make use of derivatives in its investment policy. Derivatives are financial instruments that derive their performance, at least in part, from the performance of an underlying asset, index, or interest rate.

A Fund's use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities or more traditional investments, depending upon the characteristics of the particular derivative and the overall portfolio of the Fund as a whole. Derivatives permit an investor to increase or decrease the level of risk of its portfolio, or change the character of the risk to which its portfolio is exposed, in much the same way as an investor can increase or decrease the level of risk, or change the character of the risk, of its portfolio by making investments in specific securities.

Derivatives may entail investment exposures that are greater than their cost would suggest, meaning that a small investment in derivatives could have a large potential impact on a Fund's performance. If a Fund invests in derivatives at inopportune times or judges market conditions incorrectly, such investments may lower the Fund's return or result in a loss, which could be significant. Derivatives are also subject to various other types of risk, including market risk, liquidity risk, structuring risk, counterparty financial soundness, credit worthiness and performance risk, legal risk and operations risk. In addition, a Fund could experience losses if derivatives are poorly correlated with its other investments, or if the Fund is unable to liquidate its position because of an illiquid secondary market. The market for many derivatives is, or suddenly can become, illiquid. Changes in liquidity may result in significant, rapid, and unpredictable changes in the prices for derivatives.

Engaging in derivative transactions involves a risk of loss to a Fund that could materially adversely affect the Fund's NAV. No assurance can be given that a liquid market will exist for any particular contract at any particular time.

### ***Currency Transactions***

A Fund may engage in a variety of currency transactions. In this regard, spot and forward contracts are subject to the risk that counterparties will default on their obligations. Since a spot or forward contract is not guaranteed by an exchange or clearing house, a default on the contract would deprive a Fund of unrealised profits, transaction costs and the hedging benefits of the contract or force a Fund to cover its purchase or sale commitments, if any, at the current market price. To the extent that a Fund is fully invested in securities while also maintaining currency positions, it may be exposed to greater combined risk. The use of currency transactions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary Fund securities transactions. If the Investment Manager is incorrect in its forecasts of market values and currency exchange rates, the investment performance of a Fund would be less favourable than it would have been if this investment technique were not used.

A Fund may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to a Fund at one rate, while offering a lesser rate of exchange should the Fund sell to the dealer.

### ***Forward Contracts***

A Fund may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on daily price moves of forward contracts. Banks and other dealers with whom a Fund may maintain accounts may require the Fund to deposit margin with respect to such trading, although margin requirements are often minimal or non-existent. A Fund's counterparties are not required to continue to make markets in such contracts and these contracts can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the difference between the price at which the

counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of a Fund. In addition, disruptions can occur in any market traded by a Fund due to unusually high trading volume, political intervention or other factors. Market illiquidity or disruption could result in major losses to a Fund. In addition, a Fund may be exposed to credit risks with regard to counterparties with whom it trades as well as risks relating to settlement default. Such risks could result in substantial losses to such Fund.

### **Swap Agreements**

A Fund may enter into swap agreements. Swap agreements are derivative products in which two parties agree to exchange payment streams that may be calculated in relation to a rate, index, instrument, or certain securities and a particular "notional amount" and which may embed an agreed fee or rate of return for the counterparty. Swaps may be subject to various types of risks, including market risk, liquidity risk, structuring risk, tax risk, and the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty. Swaps may be structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swaps may increase or decrease a Fund's exposure to equity or debt securities, long-term or short-term interest rates (in the United States or abroad), foreign currency values, corporate borrowing rates, or other factors such as security prices, baskets of securities, or inflation rates and may increase or decrease the overall volatility of the Fund's portfolio. Swap agreements can take many different forms and are known by a variety of names. A Fund is not limited to any particular form of swap agreement if the Investment Manager determines that other forms are consistent with the Fund's investment objective and policies.

The most significant factor in the performance of swaps is the change in individual equity values, specific interest rate, currency or other factors that determine the amounts of payments due to and from the counterparties. If a swap calls for payments by a Fund, the Fund must have sufficient cash available to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of a swap agreement would be likely to decline, potentially resulting in losses to the Fund.

Swaps may be individually negotiated transactions in the over-the-counter market in which a Fund assumes the credit risk of the other counterparty to the swap and is exposed to the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of the swap counterparty. Such over-the-counter swap transactions may be highly illiquid and may increase or decrease the volatility of a Fund's portfolio. If there is a default by a counterparty, a Fund under most normal circumstances will have contractual remedies pursuant to the swap agreement; however, exercising such contractual rights may involve delays or costs which could result in the net asset value of the Fund being less than if the Fund had not entered into the transaction. Furthermore, there is a risk that a swap counterparty could become insolvent and/or the subject of insolvency proceedings, in which event the recovery of the collateral posted by the Fund with such counterparty or the payment of claims under the swap agreement may be significantly delayed and the Fund may recover substantially less than the full value of the collateral entrusted to such counterparty or of the Fund's claims.

A Fund will also bear the risk of loss if it breaches the swap agreement or if it fails to post or maintain required collateral. Recent changes in law and regulation require certain types of swap agreements to be transacted on exchanges and/or cleared through a clearinghouse, and will in the future require additional types of swap agreements to be transacted on exchanges and/or cleared through a clearinghouse.

Most swaps entered into by a Fund would require the calculation of the obligations of the parties to the agreements on a "net basis". Consequently, a Fund's current obligations (or rights) under a swap generally will be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement (the "net amount"). The risk of loss with respect to swaps is limited to the net amount of payments that the Fund is contractually obligated to make. If the other party to a swap defaults, a Fund's risk of loss consists of any margin or the net amount of payments that the Fund is contractually entitled to receive if uncollateralised.

### ***Investment in Collective Investment Schemes***

Each Fund will bear its proportionate share of any fees and expenses paid by collective investment schemes in which the Fund may invest (including funds affiliated with the Investment Manager, other than a Fund of the Company), in addition to all fees and expenses payable by each Fund. Investments in funds affiliated with the Investment Manager will be subject to the Investment Manager's fiduciary obligations to a Fund and will be made on an arm's length basis. Where a Fund invests in units of a collective investment scheme managed by the Investment Manager or its affiliates, and the Investment Manager or its affiliate, as the case may be, is entitled to receive a preliminary charge for its own account in respect of an investment in such fund, the Investment Manager or the affiliate, as appropriate, will waive the preliminary charge. Where the Investment Manager receives any commission by virtue of investing in a fund advised or managed by the Investment Manager, such commission will be paid into the assets of the relevant Fund.

### ***Equity and Equity-Related Securities and Instruments***

A Fund may, directly or indirectly, purchase equity-related securities and instruments, such as convertible securities and warrants. The value of equity securities varies in response to many factors. Factors specific to an issuer, such as certain decisions by management, lower demand for its products or services, or even loss of a key executive, could result in a decrease in the value of the issuer's securities. Factors specific to the industry in which the issuer participates, such as increased competition or costs of production or consumer or investor perception, can have a similar effect. The value of an issuer's stock can also be adversely affected by changes in financial markets generally, such as an increase in interest rates or a decrease in consumer confidence, that are unrelated to the issuer itself or its industry. In addition, certain equity-related instruments may be subject to additional risks, including liquidity risk, counterparty credit risk, legal risk and operations risk, and may involve significant economic leverage and, in some cases, be subject to significant risks of loss. These factors and others can cause significant fluctuations in the prices of the securities in which a Fund invests and can result in significant losses.

### ***Preferred Stock, Convertible Securities and Warrants***

A Fund may invest directly or indirectly in preferred stock, convertible securities and warrants. The value of preferred stocks, convertible securities and warrants will vary with the movements in the equity market and the performance of the underlying common stock, in particular. Their value is also affected by adverse issuer or market information. Thus, for example, as the value of the underlying common stock of an issuer fluctuates, the value of the preferred stock of such issuer would also be expected to fluctuate. With respect to warrants, their value may decrease or may be zero and thus not be exercised if the market price of the underlying securities remains lower than the specified price at which holders of warrants are entitled to buy such securities, resulting in a loss to the Fund of the purchase price of the warrant (or the embedded warrant price in the case of securities issued with warrants attached).

With respect to convertible securities, as with all fixed income securities, the market value of such securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. However, when the market price of the common stock underlying a convertible security exceeds the conversion price, the convertible security tends to reflect the market price of the underlying common stock. As the market price of the underlying common stock declines, the convertible security tends to trade increasingly on a yield basis and thus, may not decline in price to the same extent as the underlying common stock. Convertible securities rank senior to common stock in an issuer's capital structure and consequently entail less risk than the issuer's common stock. In evaluating a convertible security, the Investment Manager will give primary emphasis to the attractiveness of the underlying common stock. If a convertible security held by a Fund is called for redemption, the Fund will be required to permit the issuer to redeem the security, convert it into the underlying stock or sell it to a third party. Any of these actions could have an adverse effect on a Fund's ability to achieve its investment objective.

### ***Insolvency Considerations With Respect to Issuers of Securities***

Various laws enacted for the protection of creditors may apply to the securities held by a Fund. Insolvency considerations will differ with respect to issuers located in different jurisdictions. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of an issuer of a loan and/or bond, such as a trustee in bankruptcy, were to find that the issuer did not receive fair consideration or reasonably equivalent value for incurring the

indebtedness constituting such loan or bond and, after giving effect to such indebtedness, the issuer (i) was insolvent, (ii) was engaged in a business for which the remaining assets of such issuer constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of the issuer or to recover amounts previously paid by the issuer in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, an issuer would be considered insolvent at a particular time if the sum of its debts were then greater than all of its property at a fair valuation or if the present fair salable value of its assets were then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether the issuer was "insolvent" after giving effect to the incurrence of the indebtedness constituting the securities or that, regardless of the method of valuation, a court would not determine that the issuer was "insolvent" upon giving effect to such incurrence. In addition, in the event of the insolvency of an issuer of a loan or bond, payments made on such loan or bond could be subject to avoidance as a "preference" if made within a certain period of time before insolvency.

In general, if payments on securities may be avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient (such as a Fund) or from subsequent transferees of such payments (such as the Shareholders). To the extent that any such payments are recaptured from a Fund, the resulting loss will be borne by the Shareholders of a Fund at that time pro rata. However, a court in a bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a Shareholder only to the extent that such court has jurisdiction over such holder or its assets. Moreover, it is likely that avoidable payments could not be recaptured directly from a Shareholder that has given value in exchange for its Shares, in good faith and without knowledge that the payments were avoidable.

Many of the events within a bankruptcy case are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of a Fund.

Generally, the duration of a bankruptcy case can only be roughly estimated. The reorganization of a company usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to the Company and the Fund; it is subject to unpredictable and lengthy delays; and during the process, the company's competitive position may erode, key management may depart and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest during reorganization and may be adversely affected by an erosion of the issuer's fundamental values. Such investments can result in a total loss of principal.

U.S. bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims in a reorganization for purpose of voting on a plan of reorganization. Because the standard for classification is vague, there exists a significant risk that a Fund's influence with respect to a class of securities can be lost by the inflation of the number and the amount of claims in, or other gerrymandering of, the class. In addition, certain administrative costs and claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may be quite high.

Furthermore, there are instances where creditors and equity holders lose their ranking and priority such as when they take over management and functional operating control of a debtor. In those cases where a Fund, by virtue of such action, is found to exercise "domination and control" over a debtor, a Fund may lose its priority if the debtor can demonstrate that its business was adversely impacted or other creditors and equity holders were harmed by a Fund.

A Fund may invest in companies based in the OECD countries and other non-U.S. countries. Investment in the debt of financially distressed companies domiciled outside the United States involves additional risks. Bankruptcy law and process may differ substantially from that in the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of

claims. In certain developing countries, although bankruptcy laws have been enacted, the process for reorganization remains highly uncertain.

The Investment Manager, on behalf of a Fund, may elect to serve on creditors' committees, equity holders' committees or other groups to ensure preservation or enhancement of a Fund's positions as a creditor or equity holder. A member of any such committee or group may owe certain obligations generally to all parties similarly situated that the committee represents. If the Investment Manager concludes that its obligations owed to the other parties as a committee or group member conflict with its duties owed to a Fund, it may resign from that committee or group, and in such case a Fund may not realize the benefits, if any, of participation on the committee or group. In addition and also as discussed above, if a Fund is represented on a committee or group, it may be restricted or prohibited under applicable law from disposing of or increasing its investments in such company while it continues to be represented on such committee or group.

A Fund may purchase creditor claims subsequent to the commencement of a bankruptcy case. Under judicial decisions, it is possible that such purchase may be disallowed by the bankruptcy court if the court determines that the purchaser has taken unfair advantage of an unsophisticated seller, which may result in the rescission of the transaction (presumably at the original purchase price) or forfeiture by the purchaser.

Reorganizations can be contentious and adversarial. It is by no means unusual for participants to use the threat of, as well as actual, litigation as a negotiating technique. It is possible that a Company, a Fund, or Investment Manager could be named as defendants in civil proceedings. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would generally be borne by the Fund and would reduce net assets.

### ***Investments which are not Liquid***

Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market or in limited volume, or may not have an active trading market. Illiquid securities may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. It may be difficult for a Fund to value illiquid securities accurately. Also, a Fund may not be able to dispose of illiquid securities or execute or close out a derivatives transaction readily at a favorable time or price or at prices approximating those at which the Fund currently values them. Illiquid securities also may entail registration expenses and other transaction costs that are higher than those for liquid securities. Any use of the efficient portfolio management techniques described in Appendix C, may also adversely affect the liquidity of a Fund's portfolio and will be considered by the Investment Manager in managing the Fund's liquidity risk.

From time to time, the counterparties with which a Fund effects transactions might cease making markets or quoting prices in certain of the instruments in which a Fund has invested. In such instances, a Fund might be unable to enter into a desired transaction or to enter into any offsetting transaction with respect to an open position, which might adversely affect its performance.

### ***Risks of Spread Transactions***

Where a Fund enters into spread transactions, it is subject to the risk that the prices of the currencies underlying the positions comprising such spreads will not fluctuate in the same direction or to the same extent during the period in which the spread position is maintained. Under such circumstances, the Fund could sustain losses on one or both legs of the spread position.

### ***EU Benchmark Regulation***

On 30 June 2016, the European Parliament and the Council of the EU adopted a regulation that came into force on 1 January 2018 requiring further transparency on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds (the "**EU Benchmark Regulation**"). In accordance with the EU Benchmark Regulation, the Company will maintain an index contingency plan (the "**Index Contingency Plan**") setting out the actions to be taken in the event that a benchmark changes materially or ceases to be provided. Actions taken by the Manager or the Company on the foot of the Index Contingency Plan may result in changes to

the investment objectives or investment policies of a Fund, which may have an adverse impact on the value of an investment in the Fund. Any such changes will be implemented in accordance with the requirements of the Central Bank and the terms of this Prospectus.

The Company is working with the applicable benchmark administrators for the benchmark indices to confirm that the benchmark administrators are, or intend to have themselves, included in the register maintained by the European Securities and Markets Authority (“**ESMA**”) under the EU Benchmark Regulation.

### ***Country Risks***

Investments in securities of issuers of different nations and denominated in currencies other than the Base Currency present particular risks. Such risks include changes in relative currency exchange rates; political, economic, legal and regulatory developments; taxation; the imposition of exchange controls; confiscation and other governmental restrictions (including those related to foreign investment currency repatriation) or changes in policy. Investment in securities of issuers from different countries offers potential benefits not available from investments solely in securities of issuers from a single country, but also involves certain significant risks that are not typically associated with investing in the securities of issuers located in a single country.

Issuers of foreign investments are generally subject to different accounting, auditing and financial reporting standards, practices and requirements in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of securities may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit a Fund’s ability to invest in securities of certain issuers located in those countries.

Different markets also have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of a Fund is uninvested and no or limited return is earned thereon. The inability of a Fund to make intended investment purchases due to settlement problems could cause a Fund to miss attractive investment opportunities. The inability of a Fund to dispose of its investments due to a failed trade settlement could result in losses to a Fund due to subsequent declines in the value of its investments or, if the Fund has entered into a contract to sell the investments, in a possible liability to the purchaser. There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by, or to be transferred to, the Fund.

With respect to certain countries, there is a possibility of expropriation, confiscatory taxation, limitations on the removal of funds or other assets of a Fund, political or social instability or diplomatic developments that could affect investments in those countries. An issuer of securities may be domiciled in a country other than the country in whose currency such securities are denominated. Furthermore, the ability to collect or enforce obligations may vary depending on the laws and regulations of the issuer/borrower’s jurisdiction.

Investments may be adversely affected by the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments or other income, limitations on the removal of funds or other assets of a Fund, political or social instability or diplomatic developments. An issuer of securities or obligations may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

As a Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of a Fund which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of sub-custodians is necessary, may be exposed to risk in circumstances where the Depositary will have no liability. Please see also “Depositary and Sub-Custodians” below.

### ***Currency Risks***

As a result of investment in obligations involving currencies of various countries, the value of the assets of a Fund as measured in a Fund's Base Currency will be affected by changes in currency exchange rates, which may affect a Fund's performance independent of the performance of its securities investments. A Fund may or may not seek to hedge all or any portion of its foreign currency exposure. However, even if a Fund attempts such hedging techniques, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-Base Currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations.

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Fund's Net Asset Value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also can be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of a Fund's total assets, adjusted to reflect a Fund's net position after giving effect to currency transactions, is denominated in the currencies of particular countries, the Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

### ***Government Investment Restrictions***

Government regulations and restrictions may limit the amount and types of securities that may be purchased or sold by a Fund. The ability of a Fund to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger portions of a Fund's assets may be invested in those countries where such limitations do not exist. Such restrictions may also affect the market price, liquidity and rights of securities and may increase Fund expenses. In addition, policies established by the governments of certain countries may adversely affect each Fund's investments and the ability of a Fund to achieve its investment objective.

In addition, the repatriation of both investment income and capital is often subject to restrictions such as the need for certain governmental consents, and even where there is no outright restriction, the mechanics of repatriation may affect certain aspects of the operation of a Fund.

### ***Position Limits***

"Position limits" imposed by various regulators and/or counterparties may also limit a Fund's ability to effect desired trades. Position limits are the maximum amounts of net long or net short positions that any one person or entity may own or control in a particular financial instrument. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if a Fund does not intend to exceed applicable position limits, it is possible that different accounts managed by the Investment Manager and its affiliates may be aggregated. If at any time positions managed by the Investment Manager were to exceed applicable position limits, the Investment Manager would be required to liquidate positions, which might include positions of a Fund, to the extent necessary to come within those limits. Further, to avoid exceeding the position limits, a Fund might have to forego or modify certain of its contemplated trades.

### ***Use of Leverage***

A Fund may borrow to avoid settlement failure and may be leveraged through the use of derivatives, including entering into swap agreements and derivative contracts, and may also enter into securities lending agreements. These transactions may expose a Fund to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had a Fund not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the relevant Fund's cost of borrowing such funds (including interest, transaction costs and other costs of borrowing). Forward contracts, swaps, securities lending agreements and other derivative instruments contain inherent leverage in that they provide more market exposure than the money paid or deposited when the transaction is entered into; consequently, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose a Fund to the

possibility of a loss exceeding the original amount invested or deposited. In addition, many of these products are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions. A Fund may attempt to mitigate this risk by maintaining cash and cash equivalents at least equal to the value of the obligations created by its net mark-to-market swap positions and the obligations created by its securities lending agreements.

### ***Hedging Transactions***

Hedging techniques used by the Investment Manager may involve a variety of derivative transactions, including forward foreign currency contracts and various interest rate transactions (collectively, "**Hedging Instruments**"). Hedging techniques involve unique risks. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the possibility that losses on the hedge may be greater than gains in the value of a Fund's positions. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets a Fund may not be able to close out transactions in certain of these instruments without recurring losses substantially greater than the initial deposit. Although the contemplated use of these instruments should tend to minimize the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in the value of such position. The ability of a Fund to hedge successfully will depend on the Investment Manager's ability to predict pertinent market movements, which cannot be assured. A Fund is not required to hedge and there can be no assurance that hedging transactions may be available or, even if undertaken, will be effective. In addition it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Furthermore, over-hedged or under-hedged positions may arise due to factors beyond the control of the Fund.

### ***Quantitative Investment Risk***

The Investment Manager will make investment decisions on behalf of a Fund using its proprietary quantitative investment models. The primary components of the investment models are: (i) indicators of fundamental undervaluation, such as high dividend yield, low price-to-cash flow ratio or low price-to-earnings ratio, (ii) indicators of past negative market sentiment, such as poor past stock price performance, (iii) indicators of recent momentum, such as high recent stock price performance, and (iv) control of incremental risk relative to a benchmark. A Fund may incur substantial losses during periods when markets are dominated by factors that are not reflected in the data analyzed by the Investment Manager's models.

The Investment Manager does not make any determination independent of its quantitative investment models as to the advisability of investing in a particular country or company. The Investment Manager's quantitative investment models do not take into account the economic conditions, such as inflation rates and trade balances, regulatory or currency controls, accounting standards, or political or social conditions of any country in which a Fund will invest. The Investment Manager's reason for making any investment, including whether or not to invest in any country or company, is whether it has received a buy signal from its proprietary quantitative investment models.

### ***Concentration Risk***

A Fund will generally seek to diversify portfolio investments on behalf of the Fund; however, a significant percentage of the Fund's assets may be invested from time to time in groups of issuers deriving significant revenues from the same market, region or industry. To the extent a Fund makes such investments, the exposure to credit and market risks associated with such market, region or industry will be increased.

### ***Correlation of Performance Across Investments and Strategies***

The Investment Manager may invest in securities in a manner which is intended to provide some degree of portfolio diversification. However, there can be no assurance that the performance of its investments will not be correlated. For example, in periods of illiquidity such as those experienced in 2008, assets in certain market sectors which historically did not show a high degree of correlation became correlated due to the sharp decrease in liquidity available to investors and the loss of systemically important institutions that affected all such investments. Similarly,

there can be no assurance that the strategy employed by the Investment Manager will be uncorrelated with other investment strategies in the future.

### ***Systemic Risk***

Credit risk may also arise through a default by one or several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which a Fund interacts on a daily basis.

### ***Execution of Orders; Electronic Trading***

A Fund's investment strategies and trading strategies depend on its ability to establish and maintain an overall market position in a combination of financial instruments selected by the Investment Manager. A Fund's trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, trading volume surges or systems failures attributable to a Fund, the Investment Manager, a Fund's counterparties, brokers, dealers, agents or other service providers. In such event, a Fund might only be able to acquire or dispose of some, but not all, of the components of such position, or if the overall position were to need adjustment, the Fund might not be able to make such adjustment. As a result, a Fund would not be able to achieve the market position selected by the Investment Manager, which may result in a loss. In addition, a Fund relies heavily on electronic execution systems (and may rely on new systems and technology in the future), and such systems may be subject to certain systemic limitations or mistakes, causing the interruption of trading orders made by a Fund.

### ***Trading on Exchanges***

A Fund may trade, directly or indirectly, securities on exchanges located anywhere. Some exchanges, in contrast to those based in the United States, for example, are "principals' markets" in which performance is solely the individual member's responsibility with whom the trader has entered into a contract and not that of an exchange or its clearinghouse, if any. In the case of trading on such exchanges, a Fund will be subject to the risk of the inability of, or refusal by, a counterparty to perform with respect to contracts. Moreover, in certain jurisdictions there is generally less government supervision and regulation of worldwide stock exchanges, clearinghouses and clearing firms than, for example, in the United States. A Fund is also subject to the risk of the failure of the exchanges on which its positions trade or of their clearinghouses or clearing firms and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

### ***Necessity for Counterparty Trading Relationships***

Participants in the over-the-counter markets typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While it is anticipated that a Fund will be able to establish the necessary counterparty business relationships to permit the Fund to effect transactions in the over-the-counter markets, including the swaps market, there can be no assurance that it will be able to do so or, if it does, that it will be able to maintain such relationships. An inability to continue existing or establish new relationships could limit the Fund's activities. Moreover, the counterparties with which a Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to the Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

### ***Failure of Brokers, Counterparties and Exchanges***

A Fund will be exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, the Fund deals, whether it engages in exchange-traded or off-exchange transactions. A Fund may be subject to risk of loss of its assets on deposit with a broker in the event of the broker's bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Fund, or the bankruptcy of an exchange clearing house. A Fund may also be subject to risk of loss of its funds on deposit with

brokers who are not required by their own regulatory bodies to segregate customer funds. A Fund may be required to post margin for its foreign exchange transactions either with the Investment Manager or other foreign exchange dealers who are not required to segregate funds (although such funds are generally maintained in separate accounts on the foreign exchange dealer's books and records in the name of the Fund).

In the case of a bankruptcy of the counterparties with which, or the brokers, dealers and exchanges through which, a Fund deals, or a customer loss as described in the foregoing paragraph, the Fund might not be able to recover any of its assets held, or amounts owed, by such person, even property specifically traceable to the Fund, and, to the extent such assets or amounts are recoverable, the Fund might only be able to recover a portion of such amounts. Further, even if the Fund is able to recover a portion of such assets or amounts, such recovery could take a significant period of time. Prior to receiving the recoverable amount of the Fund's property, the Fund may be unable to trade any positions held by such person, or to transfer any positions and cash held by such person on behalf of the Fund. This could result in significant losses to the Fund.

A Fund may effect transactions on "over-the-counter" or "interdealer" markets. Participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of "exchange based" markets. To the extent the Fund invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, the Fund may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which, in turn, may subject the Fund to the risk that a counterparty will not settle a transaction in accordance with agreed terms and conditions due to, among other things, a dispute over the terms of the contract or a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The inability of the Fund to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses to the Fund.

A Fund may engage in direct or indirect trading of securities, currencies, derivatives (including swaps and forward contracts) and other instruments (as permitted by its investment policy) on a principal basis. As such, a Fund as transferee or counterparty could experience both delays in liquidating the underlying security, future or other investment and losses, including those arising from: (i) the risk of the inability or refusal to perform with respect to such transactions on the part of the principals with which the Fund trades, including without limitation, the inability or refusal to timely return collateral posted by the Fund; (ii) possible decline in the value of any collateral during the period in which the Fund seeks to enforce its rights with respect to such collateral; (iii) the need to remargin or repost collateral in respect of transferred, assigned or replaced positions; (iv) reduced levels of income and lack of access to income during such period; (v) expenses of enforcing its rights; and (vi) legal uncertainty concerning the enforceability of certain rights under swap agreements and possible lack of priority against collateral posted under the swap agreements. Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject the Fund to substantial losses. A Fund will not be excused from performance on any such transactions due to the default of third parties in respect of other trades in which its trading strategies were to have substantially offset such contracts.

### ***Securities Lending***

A Fund will have a credit risk on a counterparty to any securities lending contract. The risks associated with lending portfolio securities include the possible loss of rights against the collateral for the securities should the borrower fail financially.

### ***Depositary and Sub-Custodians***

The assets of a Fund will be held by the Depositary and broker-dealers (in the case of broker-dealers, assets of a Fund will only be held during the settlement of a transaction). There are risks involved in dealing with the Depositary or brokers who settle a Fund's trades. It is expected that all securities and other assets deposited with the Depositary or brokers will be identified as being assets of a Fund, and hence a Fund should not be exposed to credit

risk with regard to such parties. However, with respect to both U.S. and non-U.S. custodians, it may not always be possible to achieve such segregation, and there may be practical or time problems associated with enforcing the Fund's rights to its assets in the case of an insolvency of any such party.

The Depositary may appoint sub-custodians in certain non-U.S. jurisdictions to hold assets of a Fund. Subject and without prejudice to the terms of the Depositary Agreement, as described in the Depositary section below, the Depositary may not be responsible in certain circumstances for cash or assets which are held by sub-custodians in certain non-U.S. jurisdictions, nor for any losses suffered by a Fund as a result of the bankruptcy or insolvency of any such sub-custodian. A Fund may have a potential exposure on the default of any sub-custodian. In such event, many of the protections that would normally be provided to a customer by a depositary may not be available to a Fund. Custody services in certain non-U.S. jurisdictions remain undeveloped, and accordingly there are transaction and custody risks of dealing in certain non-U.S. jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy in certain non-U.S. jurisdictions, the ability of a Fund to recover assets held by a sub-custodian in the event of its insolvency would be in doubt.

### ***Currency Counterparty Risk***

Contracts in the foreign exchange market are not regulated by a regulatory agency, and such contracts are not guaranteed by an exchange or its clearing house. Consequently, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank-traded instruments rely on the dealer or counterparty being contracted with to fulfil its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which a Fund has a forward contract. Although the Investment Manager intends to trade with counterparties it believes to be responsible, failure by a counterparty to fulfil its contractual obligations could expose a Fund to unanticipated losses.

### ***No Investment Guarantee Equivalent to Deposit Protection***

Investment in a Fund is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. Furthermore, unlike a deposit in a bank account, the principal invested in a Fund is capable of fluctuation.

### ***Company's Liabilities***

The Company will be responsible for paying its fees and expenses regardless of its level of profitability. Pursuant to Irish law, the Company should not be liable as a whole to third parties and there should not be the potential for cross contamination of liabilities between Funds. However, there can be no categorical assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of a Fund will necessarily be upheld.

### ***Third Party Litigation***

A Fund's investment activities subject it to the normal risks of becoming involved in litigation by third parties. The expense of defending against any such claims and paying any amounts pursuant to settlements or judgments would generally be borne by such Fund and would reduce its net assets.

### ***Substantial Subscriptions***

The Investment Manager may not be able to invest all net subscription proceeds immediately following the Dealing Day. To the extent that a Fund's assets are not invested immediately following the relevant Dealing Day, there could be a negative impact on the performance of a Fund, as the Fund will not be pursuing its investment objective in respect of the portion of its assets held in cash or other liquid assets.

### ***Substantial Redemptions***

Substantial redemption requests by Shareholders in a concentrated period of time could require a Fund to liquidate certain of its investments more rapidly than might otherwise be desirable in order to raise cash to fund the redemptions and achieve a portfolio appropriately reflecting a smaller asset base. This may limit the ability of the Investment Manager to successfully implement the investment policy of a Fund and could negatively impact the value of the Shares being redeemed and the value of Shares that remain outstanding. In addition, following receipt of a redemption request, a Fund may be required to liquidate assets in advance of the applicable Dealing Day, which may result in a Fund holding cash or highly liquid investments pending such Dealing Day. During any such period, the ability of the Investment Manager to successfully implement the investment policy of a Fund may be impaired and the Fund's returns may be adversely affected as a result.

Moreover, regardless of the time period over which substantial redemption requests are made, the resulting reduction in the NAV of a Fund could make it more difficult for the Fund to generate profits or recover losses. Shareholders will not receive notification of substantial redemption requests in respect of any particular Dealing Day from a Fund and, therefore, may not have the opportunity to redeem their Shares or portions thereof prior to or at the same time as the redeeming Shareholders.

The risk of substantial redemption requests in a concentrated period of time may be heightened in the event that a Fund accepts investments related directly or indirectly to the offering of structured products including, without limitation, in connection with the hedging of positions under such structured products, particularly those structured products with a fixed life. A Fund may or may not accept such investments, as determined by the Fund in its sole discretion, and such investments could, at any time, make up a significant portion of the Fund's NAV.

#### ***Limited Liquidity of Shares: Redemptions***

Shares are subject to the restrictions on transfer. See "Transfer of Shares" section of the Prospectus. Redemption rights may be limited or postponed under certain circumstances. See "Administration of the Company -- Temporary Suspension of Dealings" section of the Prospectus.

A distribution in respect of a redemption may be made in kind, at the discretion of the Directors in consultation with the Investment Manager; provided that where the redemption request represents less than 5% of the NAV of a Fund, the Shareholder's consent is required. The investments so distributed may not be readily marketable or saleable and may have to be held by such Shareholder for an indefinite period of time.

An investment in a Fund is therefore suitable only for certain sophisticated investors that can bear the risks associated with the limited liquidity of their Shares. There is no independent market for the purchase or sale of Shares, and none is expected to develop.

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

The Company may from time to time in its sole discretion, and without notice to the Shareholders, issue multiple Hedged Classes of Shares which are designated in a currency other than the Base Currency of a Fund. However, a Fund seeks to achieve its investment objectives in its Base Currency. In order that investors in any Hedged Classes receive a return in the applicable Class Currency substantially in line with the investment objectives of the Fund, the Investment Manager intends to seek to hedge the foreign currency exposure of such interests through foreign exchange transactions. Foreign exchange hedging involves the Company seeking to mitigate the risk of losses caused by adverse exchange rate fluctuations through the use of the efficient portfolio management techniques (including currency forwards) set out in Appendix C within the conditions and limits imposed by the Central Bank to hedge the foreign currency exposure of such Classes into the Base Currency of the relevant Fund. There can be no assurance that foreign exchange hedging will be effective. For example, foreign exchange hedging may not take into account the changes in foreign currency exposure resulting from appreciation or depreciation of the assets of a Fund allocable to Hedged Classes in the periods between Dealing Days of the relevant Fund. In addition, foreign exchange hedging may not fully protect investors from a decline in the value of the Base Currency against the relevant Class Currency because, among other reasons, the valuations of the underlying assets of the Fund used in connection with foreign exchange hedging could be materially different from the actual value of such assets at the time the foreign exchange hedging is implemented, or because a substantial portion of the assets of the Fund may lack a readily ascertainable market value. Moreover, while holding Shares of a Hedged Class should protect

investors from a decline in the value of the Base Currency against the relevant Class Currency, investors in a Hedged Class will not generally benefit when the Base Currency appreciates against the relevant Class Currency. The value of Shares of any Hedged Class will be exposed to fluctuations reflecting the profits and losses on, and the costs of, the foreign exchange hedging.

While the Investment Manager will seek to limit any foreign exchange hedging if the liabilities arising from any foreign exchange hedging utilized by a Fund exceed the assets of the applicable class of interests on behalf of which such hedging activities were undertaken, it could adversely impact the NAV of other classes in a Fund. In addition, foreign exchange hedging will generally require the use of a portion of a Fund's assets for margin or settlement payments or other purposes. For example, a Fund may from time to time be required to make margin, settlement or other payments, including in between Dealing Days of the relevant Fund, in connection with the use of certain hedging instruments. Counterparties to any foreign exchange hedging may demand payments on short notice, including intra-day. As a result, a Fund may liquidate assets sooner than it otherwise would have and/or maintain a greater portion of its assets in cash and other liquid securities than it otherwise would have, which portion may be substantial, in order to have available cash to meet current or future margin calls, settlement or other payments, or for other purposes. A Fund generally expects to earn interest on any such amounts maintained in cash, however, such amounts will not be invested in accordance with the investment policy of the Fund, which may materially adversely affect the performance of the Fund (including Base Currency denominated Shares). Moreover, due to volatility in the currency markets and changing market circumstances, the Investment Manager may not be able to accurately predict future margin requirements, which may result in a Fund holding excess or insufficient cash and liquid securities for such purposes. Where a Fund does not have cash or assets available for such purposes, the Fund may be unable to comply with its contractual obligations, including without limitation, failing to meet margin calls or settlement or other payment obligations. If a Fund defaults on any of its contractual obligations, the Fund and its Shareholders (including holders of Base Currency denominated Shares) may be materially adversely affected.

There may be circumstances in which the Investment Manager may determine not to conduct any foreign exchange hedging in whole or in part for a certain period of time, including without limitation, where the Investment Manager determines, in its sole discretion, that foreign exchange hedging is not practicable or possible or may materially affect a Fund or any direct or indirect investors therein, including the holders of Base Currency denominated Shares. As a result, foreign currency exposure may go fully or partially unhedged for that period of time. Shareholders may not receive notice of certain periods for which foreign currency exposure is unhedged.

There can be no assurance that the Investment Manager will be able to hedge, or be successful in hedging, the currency exposure, in whole or in part, of Shares of any Hedged Class. In addition, a Fund is not expected to utilize foreign exchange hedging during the period when the Fund's assets are being liquidated or the Fund is being wound up, although it may do so in the Investment Manager's sole discretion. The Investment Manager may, in its sole discretion and subject to applicable law, delegate the management of all or a portion of the foreign exchange hedging to one or more of its affiliates.

### ***Adjustments***

If at any time the Company determines, in its sole discretion, that an incorrect number of Shares was issued to a Shareholder because the NAV in effect on the Dealing Day was incorrect, the Company will implement such arrangements as it determines, in its sole discretion, are required for an equitable treatment of such Shareholder, which arrangements may include redeeming a portion of such Shareholder's shareholding for no additional consideration or issuing new Shares to such Shareholder for no consideration, as appropriate, so that the number of Shares held by such Shareholder following such redemption or issuance, as the case may be, is the number of Shares as would have been issued at the correct NAV. In addition, if at any time after a redemption of Shares (including in connection with any complete redemption of Shares by a Shareholder) the Company determines, in its sole discretion, that the amount paid to such Shareholder or former Shareholder pursuant to such redemption was materially incorrect (including because the NAV at which the Shareholder or former Shareholder purchased such Shares was incorrect), the Company will pay to such Shareholder or former Shareholder any additional amount that the Company determines such Shareholder or former Shareholder was entitled to receive, or, in the Company's sole discretion, seek payment from such Shareholder or former Shareholder of (and such Shareholder or former Shareholder will be required to pay) the amount of any excess payment that the Company determines such

Shareholder or former Shareholder received, in each case without interest. In the event that the Company elects not to seek the payment of such amounts from a Shareholder or former Shareholder or is unable to collect such amounts from a Shareholder or former Shareholder, the NAV will be less than it would have been had such amounts been collected.

### ***Valuations of Assets***

The valuation of a Fund's assets obtained for the purpose of calculating NAV may not be reflected in the prices at which securities are sold. For details of the valuation of assets please see the "Administration of the Company".

### ***Limited Disclosure of Certain Information Relating to Securities***

It is not anticipated that the Company, the Administrator, the Depositary or the Investment Manager will provide any information to any purchasers of Shares relating to any securities held by a Fund. Other than as included in the periodic reports of the Company, the Administrator, the Depositary and the Investment Manager will not be required to provide the Shareholders with financial or other information (which may include material non-public information) they receive pursuant to the securities held by a Fund and related documents.

### ***Reliance on Investment Manager***

The success of a Fund depends in substantial part upon the skill and expertise of the personnel of the Investment Manager and the ability of the Investment Manager to develop and successfully implement the investment policy of the Fund. No assurance can be given that the Investment Manager will be able to do so. Moreover, decisions made by the Investment Manager may cause a Fund to incur losses or to miss profit opportunities on which it may otherwise have capitalized. Shareholders are not permitted to engage in the active management and affairs of a Fund. As a result, prospective investors will not be able to evaluate for themselves the merits of investments to be acquired by a Fund prior to their being required to pay for Shares of a Fund. Instead, such investors must rely on the judgment of the Investment Manager to conduct appropriate evaluations and to make investment decisions. Shareholders will be relying entirely on such persons to manage the assets of the Company. There can be no assurance that any of the key investment professionals will continue to be associated with the Investment Manager throughout the life of a Fund.

The Investment Management Agreement may be terminated by either party thereto on 90 days' notice in writing to the other party. The Investment Manager may resign at any time upon 30 days' notice if there is a change in control of the Company whereby the majority of the Directors are not persons acceptable to the Investment Manager. In that event, there can be no assurance that a Fund will be able to retain a replacement investment manager or, if a replacement investment manager is appointed by the Company, that it will be able to implement a Fund's investment program successfully.

### ***Indemnification of the Investment Manager***

The Investment Management Agreement contains broad exculpation and indemnification provisions that require the Company and a Fund, out of the assets of the Company and a Fund, to exculpate and indemnify the Investment Manager (and each of its directors, officers, employees and agents) against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including reasonable legal fees or expenses) suffered or incurred by the Investment Manager in connection with the performance of its duties and/or the exercise of its powers under the Investment Management Agreement, in the absence of gross negligence, wilful default, bad faith or fraud.

### ***Use of Sub-Investment Managers***

One or more Sub-Investment Managers may be appointed from time to time. Any risk factors with respect to the Investment Manager would be similarly applicable to such Sub-Investment Managers.

### ***No Separate Counsel***

Matheson acts as the Irish counsel to the Company and a Fund. This Prospectus was prepared based on information furnished by the Directors and the Investment Manager, and Matheson has not independently verified such information. Matheson does not represent investors in a Fund, and no independent counsel has been retained to act on behalf of shareholders.

### **FATCA**

The Company will require Shareholders to certify information relating to their status for FATCA purposes and to provide other forms, documentation and information in relation to their FATCA status. The Company may be unable to comply with its FATCA obligations if Shareholders do not provide the required certifications or information. In such circumstances, the Company could become subject to US FATCA withholding tax in respect of its US source income if the US Internal Revenue Service specifically identified the Company as being a 'non-participating financial institution' for FATCA purposes. Any such US FATCA withholding tax would negatively impact the financial performance of the Company and all Shareholders may be adversely affected in such circumstances.

### **Foreign taxes**

The Company may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The Company may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The Company may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the Company obtains a repayment of foreign tax, the Net Asset Value of the Company will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

### **Changes in UCITS Regulations and Central Bank UCITS Regulations**

As a UCITS the Company will be subject to any changes in the UCITS Regulations and the Central Bank UCITS Regulations which may occur from time to time. In particular, the European Commission has published a consultation on "UCITS Product Rules, Liquidity Management, Depositary, Money Market Funds, Long Term Investments" (colloquially referred to as "**UCITS VI**"). In addition, ESMA and Central Bank also regularly issue consultation papers in relation to the implementation of the UCITS Regulations which can result in change to the Central Bank UCITS Regulations or the interpretation of the existing Central Bank UCITS Regulations.

Any changes in the UCITS Regulations or the Central Bank UCITS Regulations could have negative consequences for the Company, whether intended or unintended, such as increasing the operating costs of the Company, limiting its ability to engage in certain investment strategies or to access certain markets or hold certain instruments or positions or to appoint certain service providers on terms favourable to the Company.

### **Conflicts of Interest**

The Manager, the Depositary, the Investment Manager and the Administrator or their affiliates may from time to time act as manager, registrar, administrator, transfer agent, trustee, depositary, investment manager or advisor or distributor in relation to, or be otherwise involved in, other funds or collective investment schemes which have similar investment objectives to those of the Company or any Fund. Therefore, it is possible that in the due course of their business, any of them may have potential conflicts of interests with the Company or any Fund. Each will at all times have regard in such event to its obligations under the Articles and/or any agreements to which it is party or by which it is bound in relation to the Company or any Fund and, in particular, but without limitation to its obligations to act in the best interests of the Shareholders when undertaking any investments where conflicts of interest may arise, and they will each respectively endeavour to ensure that such conflicts are resolved fairly and, in particular, the Investment Manager has agreed to act in a manner which it in good faith considers fair and equitable in allocating investment opportunities to the Company or the Funds as appropriate.

The Articles provide that the estimate of a competent person may be accepted when determining the probable realisation value of unlisted securities or of securities listed or traded on a Recognised Market where the market price is unrepresentative or unavailable. Thus an estimate provided by the Investment Manager for these purposes

may be accepted and investors should be aware that in these circumstances a possible conflict of interest may arise as the higher the estimated probable realisation value of the security, the higher the fees payable to the Investment Manager.

There is no prohibition on dealing in the assets of a Fund by entities related to the Manager, the Depositary, the Investment Manager or the Administrator. However, any such transactions must be carried out as if negotiated at arm's length, in the best interest of Shareholders and, if contractually agreed to, effected on normal commercial terms. Transactions will be deemed to have been negotiated at arm's length, in the best interest of Shareholders and, if contractually agreed to, effected on normal commercial terms if: (a) a certified valuation of the transaction by a person approved by the Depositary (or, in the case of a transaction involving the Depositary, the Directors) as independent and competent is obtained; (b) execution of the transaction is on best terms reasonably obtainable on organised investment exchanges in accordance with the rules of the relevant exchange; or (c) the transaction is executed on terms which the Depositary is satisfied (or, in the case of a transaction involving the Depositary, on terms which the Directors are satisfied) conform to the principle of execution negotiated at arm's length, in the best interest of Shareholders and, if contractually agreed to, on normal commercial terms. The Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document how it has complied with (a), (b), or (c) above. Where transactions are conducted in accordance with (c), the Depositary (or the Directors in the case of a transaction involving the Depositary or an affiliate of the Depositary) shall document its rationale for being satisfied that the transaction conformed to the principles outlined in this paragraph.

In placing orders with brokers and dealers to make purchases and sales for the Funds, the Investment Manager will seek to obtain Best Execution for the Funds. In determining what constitutes Best Execution, the Investment Manager may consider factors it deems relevant, including, but not limited to, the ability to match up natural order flow; the ability to control anonymity, timing or price limits; the quality of the back office; commission rates; use of automation; and/or the ability to provide information relating to the particular transaction or security. The Investment Manager may consider the brokerage and research services, (as those terms are defined in Section 28(e) of the Securities Exchange Act of 1934 of the United States, as amended) provided to the Investment Manager or its affiliates. Information and research services furnished by brokers or dealers through which or with which a Fund effects securities transactions may be used by the Investment Manager in advising other funds or accounts and, conversely, information and research services furnished to the Investment manager by brokers or dealers in connection with other funds or accounts that it advises may be used in advising a Fund. The Investment Manager may cause the Funds to pay a brokerage commission that is higher than may be charged by another member of an exchange, broker, or dealer, if it determines in good faith that such amount of commission was reasonable in relation to the value of the brokerage and research services provided by such member, broker, or dealer, viewed in terms of either that particular transaction or its overall responsibilities with respect to the Fund and/or other accounts over which the Investment Manager or its affiliates exercise investment discretion. The benefits provided under any soft commission arrangements must assist in the provision of investment services to the Company or a Fund. Any soft commission arrangements will be disclosed in the periodic reports of the relevant Fund.

A director of the Company or the Investment Manager may be a party to, or otherwise interested in, any transaction or arrangement in which the Company is interested. At the date of this Prospectus other than as disclosed under "Management and Administration – The Board of Directors" below, no director of the Company has any interest, beneficial or non-beneficial, in the Company or any material interest in any agreement or arrangement relating to the Company. The Directors shall endeavour to ensure that any conflict of interest is resolved fairly.

## **Cyber Security Risk**

The Company 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 (e.g., 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 (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the Directors, Company, Manager, Investment Manager, 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 the Company's ability to calculate its NAV; impediments to trading for a Fund's portfolio; the inability of Shareholders to transact business with the Company; 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 a Fund 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.

### **Cash Collection Accounts Risk**

The Company has established individual collection accounts at Fund level (the "**Cash Collection Accounts**"). Subscriptions monies received in respect of a Fund in advance of the issue of Shares will be held in the relevant Cash Collection Account in the name of the relevant Fund. A Cash Collection Account will not be established at Company level. Investors will be unsecured creditors of a Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value per Share of the Fund or any other shareholder rights (including any dividend entitlement) until such time as Shares are issued. In the event of insolvency of a Fund, there is no guarantee that the relevant Fund will have sufficient funds to pay unsecured creditors in full.

Payment by the Company on behalf of a Fund of redemption proceeds and any dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to dividends will, from the redemption date or date on which dividends are declared, as appropriate, be unsecured creditors of the relevant Fund, and will not benefit from any appreciation in the Net Asset Value per Share of that Fund or any other Shareholder rights (including any further dividend entitlement), with respect to the redemption amount or any dividend payments. In the event of termination of a Fund during this period, there is no guarantee that the relevant Fund will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to dividend payments should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

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## BORROWING POLICY

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Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and to charge the assets of the Company as security for any such borrowings.

Under the UCITS Regulations, a Fund may not grant loans or act as guarantor on behalf of third parties, borrow money except for temporary borrowings in an amount not exceeding 10% of its net assets and except as otherwise permitted under the UCITS Regulations. A Fund may acquire foreign currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions under the UCITS Regulations provided that the offsetting deposit (i) is denominated in the Base Currency of a Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding. Currency risks may arise where the offsetting balance is not maintained in the Base Currency of a Fund. Please refer to the *Currency Risks* section above in this regard.

Subject to the provisions of the UCITS Regulations and the Central Bank UCITS Regulations, the Company may, from time to time, where collateral is required to be provided by a Fund to a relevant counterparty in respect of derivatives transactions, pledge investments of the relevant Fund equal in value to the relevant amount of required collateral, to the relevant derivative counterparty.

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## FEES AND EXPENSES

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Fees and expenses applicable to a Fund are set out in the relevant Supplement.

### ***Management Fee***

The Company shall pay the Manager such fees and expenses relating to each Fund as will be specified in the relevant Supplements.

### ***Investment Management Fees***

The Investment Manager will be entitled to receive an investment management fee in respect of a Fund or Class pursuant to the Investment Management Agreement. Details of the investment management fee will be contained in the relevant Supplements.

Unless stated to the contrary in the relevant Supplements, the Investment Manager will be responsible for discharging, from its fee, the fees of any advisor or other delegate, including any Sub-Investment Manager, appointed by it in respect of a Fund.

The investment management fee will accrue at each relevant Valuation Point based on the NAV of the relevant Fund as of the relevant Dealing Day and will be paid monthly in arrears.

### ***Administration and Depositary Fees***

The Administrator and Depositary will be entitled to receive fees calculated as a percentage of the Net Asset Value of each Fund for the provision, respectively, of administration, accounting, depositary and custodial services to the Company as set out in the relevant Supplement. It is expected that such fees will be reduced as the Net Asset Value of a Fund increases. Each Fund may be subject to a combined monthly minimum fee in respect of administration, accounting and depositary services.

The Administrator will also be entitled to receive certain other fees, including for financial reporting services in respect of the Company and for each Fund in respect of transfer agency services in respect of the relevant class of Shares.

The Administrator and Depositary will also be reimbursed by the Company out of the assets of the relevant Fund for reasonable out-of-pocket expenses incurred by them. The Depositary will also be paid by the Company out of the assets of the relevant Fund for transaction fees (which will not exceed normal commercial rates) and fees and reasonable out-of-pocket expenses of any sub-custodian appointed by the Depositary. The Administrator and Depositary may also charge each Fund certain other additional fees for services that may be required from time to time.

The fees and expenses of the Administrator and Depositary will accrue at each relevant Valuation Point and are payable monthly in arrears.

### ***Establishment and Operating Expenses***

The Company's establishment and organisational expenses (including expenses relating to the drafting of this Prospectus and any Supplement, the negotiation and preparation of the material contracts, the printing of this Prospectus and the related marketing material, the cost of establishing and maintaining a listing of Shares on Euronext Dublin and the fees and expenses of its professional advisers) did not exceed €75,000. These expenses will be amortised over the first 60 months of the Company's operation or such other period as the Directors may determine.

Each Fund will also pay its own operational expenses as set forth in its Supplement.

The Company will also pay certain other costs and expenses incurred in its operation, including without limitation, withholding taxes that may arise on investments, clearing and registration fees and other expenses due to regulatory, supervisory or fiscal authorities in various jurisdictions, insurance, interest, brokerage costs, promotional and marketing expenses and all professional and other fees and expenses in connection therewith and the cost of publication of the NAV of the Shares. Such charges will be at normal commercial rates and will be collected at the time of settlement. The Investment Manager may, at its discretion, contribute directly towards the expenses attributable to the establishment and/or operation of the Company and/or the marketing, distribution and/or sale of Shares and may from time to time at its sole discretion waive part of the investment management fee in respect of any particular payment period. The Investment Manager will be entitled to be reimbursed by the Company in respect of any such expenses borne by it.

The independent Directors are entitled to receive fees in any year of up to €15,000 (or such other sum as the Directors may from time to time determine and notify to Shareholders in advance). Although some of the Directors may not receive a fee in remuneration for their services to the Company, all of the Directors will be paid for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any other meetings in connection with the business of the Company.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to some or all Shareholders, or to intermediaries, part or all of its fees, without notice to other Shareholders.

Charges and expenses that are not specifically attributable to a particular Fund may be allocated among the Funds based on their respective net assets or any other reasonable basis given the nature of the charges.

#### ***Sales Charge***

No sales charge will be applied to investments in a Fund.

#### ***Redemption Charge***

No redemption charge will be applied to redemptions in a Fund.

#### ***Anti-Dilution Levy***

No anti-dilution levies will be applied to transactions in a Fund.

#### ***Amortisation of Organisational Costs***

Each Fund's financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRS"). A Fund's organisational and offering expenses, to the extent the Directors deem appropriate, are being, for accounting purposes, amortised by such Fund for up to 60 months. Amortisation of expenses over such a period is a divergence from IFRS, which may, in certain circumstances, result in a qualification of the Fund's annual audited financial statements. In such instances, the Directors (acting on behalf of the Fund) may decide to (i) avoid the qualification by recognising the unamortised expenses or (ii) make IFRS conforming changes for financial reporting purposes, but amortise expenses for purposes of calculating the Fund's NAV. There will be a divergence in the Fund's fiscal year-end NAV and in the NAV reported in the Fund's financial statements in any year where, pursuant to clause (ii), IFRS conforming changes are made only to the Fund's financial statements for financial reporting purposes. If the Fund is terminated within 60 months of its commencement, any unamortised expenses will be recognised. If a Shareholder redeems Shares prior to the end of the third accounting period during which the Fund is amortising expenses, the Fund may, but is not required to, accelerate a proportionate share of the unamortised expenses based upon the number of Shares being redeemed and reduce redemption proceeds by the amount of such accelerated expenses.

#### ***Paying Agents, Information Agents and/or Correspondent Banks***

In connection with the registration of the Company or the Shares for sale in certain jurisdictions, the Company will pay the fees and expenses of paying agents, information agents and/or correspondent banks, such payments to be made at normal commercial rates.

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## ADMINISTRATION OF THE COMPANY

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Unless otherwise specified in a Supplement applicable to a particular Fund, the provisions in relation to the calculation of the Net Asset Value will apply to all Funds as set out below.

### *Determination of Net Asset Value*

The Administrator will determine the Net Asset Value of the Company, the Net Asset Value of a Fund and the Net Asset Value per Share of each Class of Shares, as appropriate, to the nearest three decimal places (or to such other number of decimal places as the Directors may determine from time to time in relation to a Fund), at each Valuation Point and in accordance with the Articles and this Prospectus. All approvals given or decisions made by the Depositary in relation to the calculation of the Net Asset Value of the Company, the Net Asset Value of a Fund or the Net Asset Value per Class of Shares will be given or made, as the case may be, following consultation with the Investment Manager.

Where there is no more than one Class of Shares of a Fund, the NAV per Share of a Fund will be calculated by dividing the assets of the relevant Fund less its liabilities by the number of Shares in issue in a Fund. Shares of different Funds are expected to perform differently and each Fund will bear its own fees and expenses to the extent specifically attributable to that Fund. Any liabilities of the Company that are not attributable to any Fund may be allocated amongst the Funds based on their respective NAV or on any other reasonable basis approved by the Directors, following consultation with the Depositary having taken into account the nature of the liabilities.

### *Net Asset Value per Share of a Class*

Where a Fund issues multiple Classes of Shares, the NAV of each Class of Shares will be determined by calculating the amount of the NAV of a Fund attributable to each Class. The amount of the NAV of a Fund attributable to a Class will be determined by establishing the number of Shares in issue in the Class, by allocating relevant Class Expenses and management fees to the Class and making appropriate adjustments to take account of distributions paid out of a Fund, if applicable, and apportioning the NAV of a Fund accordingly. Currency related transactions may be utilised for the benefit of a particular Class of Shares, a Hedged Class, and, in such circumstances, their cost and related liabilities and/or benefits will be for the account of that Class only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the NAV per Share for Shares of any such Class. Where there is more than one Class in a Fund denominated in the same currency (which is a currency other than the Base Currency), the Investment Manager may aggregate any currency related transactions entered into on behalf of such Classes and apportion the gains/losses on and the costs of the relevant financial instruments pro rata to each such Class in the Fund. The currency exposures of the assets of a Fund will not be allocated to separate Classes.

The NAV per Share of a Class will be calculated by dividing the NAV of the Class by the number of shares in issue in that Class. Class Expenses or management fees or charges not attributable to a particular Class may be allocated amongst the Classes based on their respective NAV or any other reasonable basis approved by the Directors following consultation with the Depositary and having taken into account the nature of the fees and charges. Where Classes of Shares are issued which are priced in a currency other than the Base Currency, currency conversion costs will be borne by that Class.

In determining the value of the assets, securities, including debt and equity securities, which are quoted, listed or traded on or under the rules of any Recognised Market will be valued at the last traded price of the asset's principal exchange. If the security is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market will be that which the Directors, or the Administrator as their delegate, determine provides the fairest criterion of value for the security. Securities listed or traded on a Recognised Market but acquired at a premium or at a discount outside or off the Recognised Market will be valued taking into account the level of premium or discount at the date of valuation provided the Depositary ensures that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. If prices for a security quoted, listed or traded on the relevant Recognised Market are not available at the relevant time or are

unrepresentative in the opinion of the Directors, or their delegate, such security will be valued at such value as will be estimated with care and good faith as the probable realisation value of such security by the Directors, or their delegate or a competent person (appointed by the Directors and each approved for the purpose by the Depositary) or valued at the probable realisation value estimated with care and in good faith by any other means provided that the value is approved by the Depositary. Neither the Directors nor the Administrator, the Investment Manager, or the Depositary will be under any liability if a price reasonably believed by them to be the latest available price may be found not to be such.

The value of any security, including debt and equity securities, which is not normally quoted, listed or traded on or under the rules of a Recognised Market or in respect of which the Directors or their delegate (in consultation with the Investment Manager) determine that the last traded price as set out above is not representative of its fair market value, will be valued at its probable realisation value as determined with care and in good faith by the Investment Manager or its delegates appointed for such purpose by the Directors with the approval of the Depositary or by a competent person appointed by the Directors and each approved for such purpose by the Depositary.

The value of leveraged loans and sub-participations in leveraged loans will be determined in accordance with the above provisions and will be obtained from an independent vendor pricing source.

Shares in collective investment schemes will be valued on the basis of the latest published net asset value of such shares. If such prices are unavailable, the shares will be valued at their probable realisation value estimated with care and good faith by the Directors, or by a competent person appointed for such purpose by the Directors and approved for such purpose by the Depositary.

Cash deposits and similar assets will be valued at their face value together with accrued interest unless in the opinion of the Investment Manager or its delegate (in consultation with the Administrator and the Depositary) any adjustment should be made to reflect the fair value thereof.

Derivative instruments, including swaps, which are traded on a Recognised Market will be valued at the settlement price as determined by the relevant Recognised Market at the close of business on that market on the Valuation Day, provided that where it is not the practice of the relevant Recognised Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments will be valued at their probable realisation value estimated with care and good faith by the Investment Manager or its delegate (being a competent person appointed by the Directors and approved for such purpose by the Depositary) in consultation with the Administrator.

Derivative instruments which are not dealt on a Recognised Market will be valued on each Valuation Day at the settlement price by reference to freely available market quotations supplied by an independent pricing agent or at the price obtained from the counterparty or a competent person appointed by the Directors and approved by the Depositary for such purpose, or by any other means provided the value is approved by the Depositary. If a derivative instrument is valued at a price obtained from the counterparty, such price will be verified at least weekly by a party independent of the counterparty, being a competent person appointed by the Directors and approved for such purpose by the Depositary. If a derivative instrument is valued in any other way, such valuation will be reconciled on at least a monthly basis to a valuation provided by the counterparty and any significant difference will be promptly investigated and explained. Notwithstanding the above provisions, forward foreign exchange contracts and interest rate swap contracts may be valued by reference to freely available market quotations.

For purposes of determining the NAV of a Fund, the liabilities of the Fund to be deducted from the Fund's assets on the applicable Valuation Day will include accrued debts, liabilities and obligations of the Fund (including fees to service providers which have been earned but not yet paid) and any contingencies for which reserves or accruals are made.

Notwithstanding the above provisions the Directors or their delegate may, with the prior approval of the Depositary, (a) adjust the valuation of any listed investment or (b) permit some other method of valuation to be used if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they deem relevant, they consider that such adjustment or alternative method of valuation is required to reflect more fairly the value thereof.

In determining the Company's NAV, all assets and liabilities initially expressed in foreign currencies will be converted into the Base Currency of the relevant Fund using the appropriate exchange rates on each Valuation Day. If quotations are not available, the rate of exchange will be determined in accordance with policies established in good faith by the Directors or their delegate.

The Directors and/or the Investment Manager may, and may be required under certain circumstances to, engage one or more third parties to value assets of the Company. Any such third party engaged by the Directors and/or the Investment Manager will value such assets in the manner otherwise described above in this "Determination of Net Asset Value" section.

### **Availability of the Net Asset Value per Share**

Except where the determination of the NAV per Share of a Fund has been suspended, in the circumstances described below, the NAV per Share of each Class of Shares will be available at the registered office of the Company. Such information will relate to the NAV per Share for the previous Dealing Day and is made available for information purposes only. It is not an invitation to subscribe for or redeem Shares at that NAV per Share. The Net Asset Value per Share will also be notified to Euronext Dublin immediately upon calculation and the up-to-date Net Asset Value will be available on the website [www.ise.ie](http://www.ise.ie).

### **Temporary Suspension Of Dealings**

The Directors may at any time, in consultation with the Depositary, temporarily suspend the issue, valuation, sale, purchase and/or redemption of Shares in any Fund during:

- (a) any period when any organised exchange on which a substantial portion of the investments for the time being comprised in the relevant Fund are quoted, listed, traded or dealt in is closed otherwise than for ordinary holidays, or during which dealings in any such organised exchange are restricted or suspended;
- (b) any period where, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Directors, the disposal or valuation of investments for the time being comprised in the relevant Fund cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interest of Shareholders;
- (c) any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the relevant Fund or during any period when for any other reason the value of investments for the time being comprised in the relevant Fund cannot, in the opinion of the Directors, be promptly or accurately ascertained;
- (d) any period when the relevant Fund is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the relevant Fund, or the transfer or payment of the funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices;
- (e) any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the relevant Fund or the remaining Shareholders in the relevant Fund;
- (f) any period (other than ordinary holiday or customary weekend closings) when any market or exchange which is the main market or exchange for a significant part of the instruments or positions is closed, or in which trading thereon is restricted or suspended;
- (g) any period when proceeds of any sale or redemption of the Shares cannot be transmitted to or from the account of the relevant Fund;

- (h) any period in which the redemption of the Shares would, in the opinion of the Directors, result in a violation of applicable laws;
- (i) any period in which notice has been given to Shareholders of a resolution to wind up the Company;
- (j) any period when the Directors determine that it is in the best interests of the Shareholders to do so; or
- (k) any period during which dealings in a collective investment scheme in which a Fund has invested a significant portion of its assets are suspended.

The Central Bank, Euronext Dublin and any relevant Shareholders will be notified immediately of any such suspension or postponement. Shareholders who have requested an issue or redemption of Shares will have their subscription or redemption request dealt with on the first Dealing Day after the suspension has been lifted unless applications or redemption requests have been withdrawn prior to the lifting of the suspension, but will not have priority over other Shareholders who requested an issue or redemption of Shares. Shares will be held by the Shareholder during the period of suspension as if no redemption request had been made. The Company will take reasonable steps to bring any period of suspension or postponement to an end as soon as possible. For the avoidance of doubt, no dividends will be paid at times when the redemption of Shares or the calculation of NAV per Share is suspended for any reason specified above.

The Company, in its discretion, may terminate, in part or in whole, the temporary suspension of the issue, valuation, sale, purchase and/or redemption of Shares in any Fund. The Company will notify all affected Shareholders of any termination of a temporary suspension.

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## SUBSCRIPTION FOR SHARES

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Unless otherwise specified in a Supplement applicable to a particular Fund, the procedure for determining the subscription price and applying for Shares in a Fund is as set out below.

Shares in a Fund may be purchased on any Dealing Day at the Net Asset Value per Share on the relevant Dealing Day on the terms and in accordance with the procedures described below and in the relevant Supplement.

Subscription orders are effected at the Net Asset Value per Share applicable on the relevant Dealing Day. Details of the deadline by which subscription monies must be received by the Company will be set out in the relevant Supplement. No Subscription order will be accepted after the relevant Valuation Point for a Fund.

If a subscription order is received prior to the Subscription Cut-Off Time, Shares will be issued at the NAV per Share applicable on the relevant Dealing Day. Subscription orders received after the relevant Subscription Cut-Off Time will be held over without interest on any related subscription monies and, in the absolute discretion of the Directors, either (i) such subscription monies will be returned (without interest) to the person from whom the subscription order and subscription funds were received, or (ii) the relevant Shares will be issued on the next applicable Dealing Day at the relevant NAV per Share, unless the Directors determine in their sole discretion to accept such subscriptions in exceptional circumstances and provided that such subscriptions for Shares are received before the Valuation Point on the relevant Dealing Day. Subscription orders will not be processed at times when the calculation of the NAV per Share is suspended in accordance with the terms of the Prospectus and the Articles.

All subscriptions into the Funds must be paid into the relevant Cash Collection Account, and applicants should note the information in relation to the operation of the Cash Collection Accounts set out under the heading "**Operation of the Cash Collection Accounts for Subscriptions, Redemptions and Dividends**" in the section headed "**General**" and the risks associated with the Cash Collection Accounts under the heading "**Cash Collection Accounts Risk**" in the section headed "**Risk Considerations**".

The Directors may also, at their sole discretion, issue Shares in any Class on terms providing for settlement to be made by the vesting in the Company of any investments provided that: (a) the assets to be transferred in to the Fund must qualify as investments of the Fund in accordance with the investment objectives, policies and restrictions which are set out in the relevant Supplement and this Prospectus; (b) the Directors will be satisfied that the terms of any such exchange will not be such as are likely to result in any material prejudice to the Shareholders; (c) the number of Shares to be issued will be not more than the number which would have been issued for settlement in cash as hereinbefore provided on the basis that the amount of such cash was an amount equal to the value of the investments to be so vested in the Company as determined by the Directors on the relevant Dealing Day; (d) no Shares will be issued until the investments will have been vested in the Depository to the Depository's satisfaction; (e) any Duties and Charges arising in connection with the vesting of such investments in the Company will be paid by the person to whom the Shares are to be issued, or by the relevant Fund; and (f) the Depository will be satisfied that the terms on which the shares are issued will not be such as are likely to result in any prejudice to the existing Shareholders.

An applicant wishing to make an initial subscription for Shares in a Fund must complete and send the Subscription Agreement to the Administrator. Subscription Agreements may be sent by facsimile or electronic means (e.g. via a signed PDF in an email). Subsequent purchases of Shares, following an initial subscription pursuant to a properly completed Subscription Agreement, may be made by completing and submitting an Additional Subscription Agreement to the Administrator. Additional Subscription Agreements may be sent by facsimile or electronic means as previously agreed with the Administrator.

The Directors or their delegates are under no obligation to consider the allotment and issue of Shares in a Fund to an applicant unless and until the Administrator has received a completed Subscription Agreement and always have discretion as to whether or not to accept a subscription. Following the Initial Offer Period (as specified in the relevant Supplement), Shares to be issued will be issued at the relevant NAV per Share prevailing as of the relevant Dealing Day on the terms and in accordance with the procedures described above.

Subscription Agreements and Additional Subscription Agreements can be obtained by contacting the Administrator. Prospective investors and Shareholders should note that by completing the Subscription Agreements and Additional Subscription Agreements they are providing the Company personal information, which may constitute personal data within the meaning of the Data Protection Legislation. The personal data of prospective investors and registered Shareholders shall be processed in accordance with the Privacy Statement.

Except at the discretion of the Company, subscription orders will be irrevocable. Each prospective investor will be required to agree in the Subscription Agreement to, under certain circumstances, indemnify the Company or a Fund, the Administrator, the Investment Manager and any of their respective affiliates for any and all claims, losses, liabilities or damages (including attorneys' fees and other related out-of-pocket expenses) suffered or incurred by any such person as a result of the investor not remitting the amount of its subscription by the due date for such subscription or otherwise failing to comply with the terms of such Subscription Agreement. In addition, upon the failure of a Shareholder to pay subscription monies by the date due, the Directors may, in their sole discretion, redeem any Shares held by the Shareholder in the Company and apply the redemption proceeds in satisfaction of the Shareholder's liabilities arising as a result of such failure to pay subscription proceeds to the Company or a Fund, the Administrator, the Investment Manager or any of their respective affiliates pursuant to the indemnity described above. Please see "Redemption of Shares - Mandatory Redemption of Shares, Forfeiture of Dividend and Deduction of Tax".

The Subscription Agreement contains, among other provisions, certain representations, warranties, agreements, undertakings and acknowledgements relating to a prospective Shareholder's suitability to purchase Shares, the terms of the Shares and other matters. Subscribers should understand that the Shares are offered and sold in reliance upon the representations, warranties, agreements, undertakings and acknowledgements made by the subscriber and contained in the Subscription Agreement, and that such provisions may be asserted as a defence by the Company and the Investment Manager in any action or proceeding relating to the offer and sale of Shares.

The Company, the Investment Manager or its affiliates and/or service providers or agents of the Company or the Investment Manager may from time to time be required or may, in their sole discretion, determine that it is advisable to disclose certain information about a Fund and the Shareholders, including, but not limited to, investments held by a Fund and the names and level of beneficial ownership of Shareholders, to (i) regulatory authorities of certain jurisdictions, which have or assert jurisdiction over the disclosing party or in which the Fund directly or indirectly invests, or (ii) any counterparty of or service provider to the Investment Manager or the Company. By virtue of the entering into a Subscription Agreement, each Shareholder consents to any such disclosure relating to such Shareholder.

The Company or the Administrator may, in their sole discretion, reject any subscription order for Shares for any reason, including in particular, where the Company or Administrator, as appropriate, reasonably believes the subscription order may represent a pattern of excessive trading or market timing activity in respect of the Company.

The Administrator is regulated by the Central Bank and must comply with the measures provided for in the Criminal Justice (Money Laundering & Terrorist Financing) Acts 2010 and 2013 (together, the "Acts"), which are aimed towards the prevention of money laundering. In order to comply with these anti-money laundering regulations, the Administrator will require from any subscriber or Shareholder a detailed verification of the identity of such subscriber or Shareholder, the identity of the beneficial owners of such subscriber or Shareholder, the source of funds used to subscribe for Shares, or other additional information which may be requested from any subscriber or Shareholder for such purposes from time to time. The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner. The subscriber recognizes that the Administrator, in accordance with their anti-money laundering ("AML") procedures reserves the right to prohibit the movement of any monies if all due diligence requirements have not been met, or, if it for any reason feels that the origin of the funds or the parties involved are suspicious. In the event that the movement of monies is withheld in accordance with the Administrator's AML procedures, the Administrator will strictly adhere to all applicable laws, and shall notify the Company as soon as professional discretion allows or as otherwise permitted by law.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator or the Company may reject the application and the subscription monies relating thereto, in which case the subscription monies may be returned (subject to applicable law) without interest to the account from which the

monies were originally debited, subject to any advice or request from the relevant authorities that the subscription monies should be retained pending any further directions from them or the Administrator or the Company may refuse to withhold payment of a redemption request until full information has been provided, in each case without any liability whatsoever on the part of the Company, the Administrator or any service provider to the Company. No interest will be paid either on subscription proceeds pending settlement to the account of the Company or on redemption proceeds pending settlement to the account of the Shareholder. Amendments to an investor's registration details and payment instructions may be made by facsimile or electronic means (e.g. via a signed PDF in an email). Redemption orders will be processed on receipt of facsimile or electronic instructions (e.g. via a signed PDF in an email) only where payment is made to the account of record. The Company may issue fractional Shares up to three decimal places.

#### *Written Confirmations of Ownership*

The Administrator will be responsible for maintaining the Company's register of Shareholders in which all issues, redemptions and transfers of Shares will be recorded. All Shares issued will be in registered form and no Share certificates will be issued. Ownership will be evidenced by entry in the Share register. Following each transfer, purchase, redemption and conversion of Shares written confirmations of ownership will be advised to each Shareholder. A Share may be registered in a single name or in up to four joint names. The register of Shareholders will be available for inspection at the registered office of the Company during normal business hours.

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## REDEMPTION OF SHARES

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Shareholders may request that Shares of a Fund be redeemed on any Dealing Day by completing and submitting a Redemption Application to the Administrator to arrive no later than the Redemption Cut-Off Time, in order to be effective on a Dealing Day. Redemption Applications received after the relevant Redemption Cut-Off Time will be held over until the next applicable Dealing Day, unless the Directors determine in their sole discretion, in exceptional circumstances and where such Redemption Applications are received before the relevant Valuation Point, to accept such Redemption Applications on the relevant Dealing Day. Redemption Applications may be sent by facsimile or electronic means (e.g. via a signed PDF in an email). Any minimum holding period in relation to a Fund may be set out in the relevant Supplement. Redemption Applications received after the relevant Redemption Cut-Off Time will be effective on the next succeeding Dealing Day. Redemption Applications will not be processed at times when the redemption of Shares or the calculation of the NAV per Share is suspended in accordance with the terms of this Prospectus and the Articles. Shares which have been subject to a Redemption Application will be entitled to dividends, if any, up to the Dealing Day upon which the redemption is effective.

The applicable Supplement may provide that if Redemption Applications on any Dealing Day exceed a specified percentage of the NAV of the applicable Fund (which must be at least 10%), the Company may defer the excess Redemption Applications to subsequent Dealing Days. Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

A distribution in respect of a redemption may be made in kind, at the discretion of the Directors, after consultation with the Investment Manager, provided that where the redemption request represents less than 5% of the NAV of a Fund, the redemption in kind will only be made with the consent of the redeeming Shareholder. The assets to be transferred will be selected at the discretion of the Directors with the approval of the Depositary and taken at their value used in determining the redemption price of the Shares being so redeemed. As a result, such distributions will only be made if the Directors and the Depositary consider that they will not materially prejudice the interests of the Shareholders of the relevant Fund as a whole and the Depositary is satisfied that the assets distributed are equivalent to the amount of the distribution declared. Shareholders will bear any risks of the distributed securities and may be required to pay a brokerage commission or other costs in order to dispose of such securities. If a Shareholder so requests, the Investment Manager will sell the assets to be distributed to that Shareholder and distribute the cash proceeds to the Shareholder.

All redemption and dividend proceeds shall be paid through the relevant Cash Collection Account, and applicants should note the information in relation to the operation of the Cash Collection Accounts set out under the heading **“Operation of the Cash Collection Accounts for Subscriptions, Redemptions and Dividends”** in the section headed **“General”** and the risks associated with the Cash Collection Accounts under the heading **“Cash Collection Accounts Risk”** in the section headed **“Risk Considerations”**.

The minimum holding amount in respect of each Fund will be set out in the relevant Supplement.

### *Redemption Price*

Shares will be redeemed at the applicable Net Asset Value per Share, obtained on the Dealing Day on which redemption is effected, subject to any applicable fees associated with such redemption.

All payments of redemption monies will be made, except in the exceptional circumstances specified above, on the day specified in the relevant Supplement, following the Dealing Day on which the Redemption Application is effective and will be made by telegraphic transfer to the Shareholder's account, details of which will be notified by the Shareholder to the Administrator in the Subscription Agreement or subsequently in a format agreeable to the Administrator. For the avoidance of doubt, no redemption payment will be made until the Subscription Agreement has been received from the investor and all documentation required by the Company (including any documents in connection with anti-money laundering procedures) and the necessary anti-money laundering procedures have been completed.

### *Mandatory Redemption of Shares, Forfeiture of Dividend and Deduction of Tax*

If a redemption causes a Shareholder's holding in a Fund to fall below the minimum holding amount set out in the relevant Supplement, the Company may redeem the whole of that Shareholder's holding. Before doing so, the Company will notify the Shareholder in writing and allow the Shareholder thirty days to purchase additional Shares to meet the minimum requirement.

Shareholders are required to notify the Directors and the Administrator immediately in writing in the event that they become Irish Residents or U.S. Persons. Shareholders who become U.S. Persons may be required to dispose of their Shares on the next Dealing Day thereafter to persons who are not U.S. Persons. Shareholders who become Irish Residents will cause the Company to become subject to Irish tax on a subsequent disposal of Shares held by such Shareholders whether by way of a redemption or transfer and on any distributions made in respect of such Shares. The Company will be obliged to account for and remit such tax to the Irish Revenue Commissioners. However, the Company will be entitled to deduct from the payment arising on such a chargeable event an amount equal to the appropriate tax and/or where applicable, to redeem and/or cancel such number of Shares held by the Shareholder or such beneficial owner as are required to discharge the tax liability. The Company may also be obliged under the taxation laws of any other jurisdiction to deduct and account for tax in respect of chargeable events in any other such jurisdiction. The relevant Shareholder will indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax in the relevant jurisdiction of the Shareholder on the happening of a chargeable event if no such deduction, redemption or cancellation has been made.

The Company may, in its sole discretion, require any Shareholder to redeem some or all of its Shares at any time where, in the opinion of the Directors, the holding of such Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage to the Company, a Fund or its Shareholders as a whole or where the Directors resolve to redeem such Shares. The Company may also, in its sole discretion, redeem some or all of the Shares of a Shareholder where the Shareholder has failed to pay subscription monies by the due date and may apply the redemption proceeds in satisfaction of the Shareholder's liabilities to the Company or the Investment Manager or any of its respective affiliates pursuant to the indemnity described under "Subscription for Shares".

In addition, the Company may redeem all of its Shares of a Fund or Class in issue if the redemption of the Shares or Class is approved by a resolution of the Shareholders or where the Depositary has served notice of its intention to retire and an alternative depositary has not been approved within ninety (90) days from the date of such notice.

The Articles of the Company permit the Company to redeem Shares where during a period of six years any dividend on the Shares remains unpaid and no acknowledgement has been received in respect of any confirmation of ownership of the Shares sent to the Shareholder and require the Company to hold the redemption monies as a permanent debt of the Company. The Articles also provide that any unclaimed dividends may be forfeited after six years and on forfeiture will form part of the assets of the relevant Fund.

No redemption payment may be made to a Shareholder until the Subscription Agreement and all documentation required by the Administrator, including any document in connection with the Acts or other requirements and/or any anti-money laundering procedures have been completed, sent to and received by the Administrator.

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## TRANSFER OF SHARES

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All transfers of Shares will be effected by a transfer in writing in any usual or common form or any other form approved by the Directors and/or the Administrator and every form of transfer will state the full name and address of the transferor and the transferee. The instrument of transfer of a Share will be signed by or on behalf of the transferor and the transferee. The transferor will be deemed to remain the holder of the Share until the name of the transferee is entered on the Share register in respect thereof. The Directors may decline to register any transfer of Shares if, in consequence of such transfer, the value of the holding of the transferor or transferee does not meet the minimum subscription or holding levels of the relevant Share Class and/or Fund as set out in the relevant Supplement. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided, however, that such registration will not be suspended for more than 30 days in any calendar year. The Directors may decline to register any transfer of Shares unless the instrument of transfer, and such other documents as the Directors and/or the Administrator may require, including without limitation a Subscription Agreement, are deposited at the office of the Administrator or at such other place as the Directors may reasonably require, together with such other evidence as the Directors and/or the Administrator may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee. Such evidence may include a declaration that the proposed transferee is not a U.S. Person or acting for or on behalf of a U.S. Person.

The Directors will decline to register a transfer of Shares if, in the opinion of the Directors, the transfer will be unlawful or result or be likely to result in any adverse regulatory, pecuniary, legal or taxation consequences or material administrative disadvantage to the Company, a Fund or its Shareholders as a whole.

The Directors will decline to register a transfer of Shares if the transferee is a U.S. Person or acting for or on behalf of a U.S. Person.

No transfer of Shares can be completed until the Subscription Agreement and all documentation required by the Administrator, including any document in connection with the Acts or other requirements and/or any anti-money laundering procedures have been completed, sent to and received by the Administrator in respect of the transferor.

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## CONVERSION OF SHARES

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Shareholders may be entitled to exchange any or all of their Shares of any Class in a Fund (“**Original Class**”) for Shares of the same Class in any other Fund available for issue at that time (“**New Class**”).

Any request to convert Shares of an Original Class denominated in one currency into Shares of a New Class denominated in a different currency should comply with any procedures described in the relevant Supplement and should be sent to the Administrator. No conversion fees will be charged in respect of any such conversion. The costs of any foreign exchange trade necessitated by the conversion will be borne by the converting Shareholder. Shareholders should contact the Administrator for further information.

When requesting the conversion of Shares as an initial investment in a Fund, Shareholders should ensure that the NAV of the Shares converted is equal to or exceeds the minimum holding (if any) for the relevant Fund. In the case of a conversion of a partial holding only, the value of the remaining holding must also be at least equal to any minimum holding for the relevant Fund. If the number of Shares of the New Class to be issued on conversion is not an integral number of Shares, the Company may at its discretion issue fractional new Shares or retain the surplus arising for the benefit of the Fund in which the New Class Shares are being issued.

Shareholders should be aware that the Company reserves the right to accept or reject a conversion of Shares in its discretion.

A Shareholder should obtain and read the Prospectus and the Supplement relating to any Fund or any class of Shares of a Fund and consider its investment objective, policies and applicable fees before requesting any exchange into that Fund or any class of Shares of a Fund.

The general provisions and procedures relating to redemptions of Shares of the Original Class and subscriptions for Shares of the New Class will apply to any conversion of Shares. Shares may be exchanged on any Dealing Day, upon notice given not later than the earlier of the Redemption Cut-Off Time for the Original Class or the Subscription Cut-Off Time for the New Class, as set out in the relevant Supplement. Such notice must be given in writing, on a form available from the Administrator and may be sent by facsimile or electronic means as agreed with the Administrator at the number set out on the Subscription Agreement. In the event that an exchange request is received after the relevant cut-off time such request will be effected on the following Dealing Day, unless the Directors otherwise determine, in exceptional circumstances and where such exchange request is received before the relevant Valuation Point(s), to accept such exchange request on the relevant Dealing Day. The Directors will ensure that the relevant cut-off time for requests for exchange are strictly complied with and will therefore take all adequate measures to prevent practices known as “late trading”.

The exchange of Shares of a Fund may be temporarily suspended by the Fund upon the occurrence of certain events described above under “Administration of the Company - Temporary Suspension of Dealings”.

An exchange of Shares may have tax consequences for a Shareholder. Shareholders should consult with their normal tax adviser if they are in any doubt as to such tax consequences.

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## TERMINATION OF THE COMPANY, A FUND OR SHARE CLASS

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The Company and each Fund is established for an unlimited period and may have unlimited assets. However, the Company may redeem all of its Shares or the Shares of any tranche (representing a Fund) or Class in issue if:

- (a) the redemption of the Shares in a Class or tranche (representing a Fund) is approved by a resolution in writing signed by all of the holders of the Shares in that Class or tranche (representing a Fund), as appropriate;
- (b) the NAV of the Fund, or of a Class of Shares in a Fund, does not exceed or falls below \$25 million or its foreign currency equivalent (or such other amount as may be determined from time to time by the Directors);
- (c) the Directors deem it appropriate because of an adverse political, economic, fiscal environment affecting the Company or relevant class or tranche (representing a Fund) of Shares; or
- (d) where the Depositary has served notice of its intention to retire and an alternative depositary has not been appointed within 90 days from the date of such notice. See the section headed "Depositary" below.

In the event of termination or merger, the Shares of the Company or relevant tranche or Class will be redeemed after giving such prior written notice as may be required by law to all holders of such Shares. Such notice periods will be at least two weeks and may be up to three months. The Shares will be redeemed at the NAV per Share of such class on the relevant Dealing Day less their pro rata share of such sums as the Company in its discretion may from time to time determine as an appropriate provision for Duties and Charges in relation to the estimated realisation costs of the assets of the Fund and in relation to the redemption and cancellation of the Shares to be redeemed.

If the Company will be wound up or dissolved (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may with the authority of an Ordinary Resolution, divide among the Shareholders pro-rata to the value of their shareholdings in the Company (as determined in accordance with the Articles) in specie the whole or any part of the assets of the Company, and whether or not the assets will consist of property of a single kind and may for such purposes value any class or classes of property in accordance with the valuation provisions in the Articles. The liquidator may, with the authority of an Ordinary Resolution, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator will think fit, and the liquidation of the Company may be closed and the Company dissolved, but not so that any Shareholder will be compelled to accept any asset in respect of which there is a liability. If a Shareholder so requests, the Investment Manager will sell the assets to be distributed to that Shareholder and distribute the cash proceeds to the Shareholder. Shareholders will bear any risks of the distributed securities and may be required to pay a brokerage commission or other costs in order to dispose of such securities.

Unamortised establishment and organisational expenses at the time of any such termination will be borne by the relevant Fund and will reduce the Net Asset Value per Share of Shares then outstanding pro rata in accordance with the NAV of each such Share.

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## MANAGEMENT AND ADMINISTRATION

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### ***The Board of Directors***

The Directors have overall responsibility for the management of the Company (and any wholly owned subsidiaries) including making general policy decisions and reviewing the actions of the Investment Manager, the Depositary, the Administrator and any other service providers appointed by the Company from time to time.

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles. The Directors may delegate certain functions to the Administrator, the Investment Manager and other parties, subject to the supervision and direction by the Directors and subject to compliance with the requirements of the Central Bank. It is intended that the Company will be centrally managed and controlled in Ireland.

The Directors are listed below with their principal occupations. All of the Directors serve in a non-executive capacity. The Company has delegated the day to day management of the Company including the administration of the Company and the acquisition, investment management and disposal of its assets, to the Manager.

The Directors as of the date of this Prospectus are as follows:

**Yvonne Connolly** (Irish) began her career in the funds industry in 1990 and acts as a Director for Irish management companies and funds, as well as Cayman domiciled hedge funds. She is also a conducting officer to UCITS IV management companies and self-managed VCCs. Ms. Connolly is a specialist in governance, product development, compliance, financial reporting and operations. She also has experience in assisting fund managers and service providers with various aspects of operational developments, control and risk management. She is a recognised expert in back office operations and change management and regularly speaks at fund industry conferences. Ms. Connolly is a Principal at Carne Global Financial Services Limited. Prior to joining Carne, Ms. Connolly was Head of Operational Development at State Street (International) Ireland (formerly Deutsche Bank), where she looked after new business take on, product development, system implementation and change management. As a member of the senior management team at State Street, Ms. Connolly reported directly to the CEO and was a key contributor to the overall strategy and direction of the business. Ms. Connolly trained as a chartered accountant with KPMG, specialising in corporate taxation. She is a Fellow of the Institute of Chartered Accountants.

**Leslie Kondziela** (United States) is a partner and the Investment Manager's Compliance Officer. She joined the Investment Manager in 2004. She has more than 29 years of experience working with U.S. and non-U.S. investment companies. She has a Bachelor of Arts and Bachelor of Music Education from the Philadelphia College of Performing Arts and a Paralegal Certificate from The Philadelphia Institute of Paralegal Training.

**Joshua O'Donnell** (United States) is a partner and the Investment Manager's Chief Compliance and Legal Officer. He joined the Investment Manager in 2013 from the law firm Kirkland & Ellis, LLP where he served as a partner in the firm's Investment Management Group, focusing on compliance counseling, corporate transactions, fund formation and related matters. He has a BA in Politics from Wake Forest University and a JD from Vanderbilt University Law School.

**Kevin Phelan** (United States) is a partner and the Investment Manager's Chief Operating Officer. He joined the Investment Manager in April 2004 and worked on the Investment Manager's trading desk for seven years prior to moving into a Director, Operations role. Mr. Phelan oversees the Investment Manager's trading process, order management system and portfolio accounting functions. Prior to joining the Investment Manager, Mr. Phelan worked on the trading desk at UBS in Connecticut, USA for three years. He received a BA in Economics from the University of Chicago and is a Chartered Financial Analyst.

**Victoria Parry** (British citizen, Irish resident) was Global Head of Product Legal for Man Group plc until April 2013 and now acts as an independent non-executive director and consultant to the funds industry. Prior to the merger of Man Group plc with GLG Partners in 2010, she was Senior Legal Counsel for GLG Partners LP. Ms Parry joined

Lehman Brothers International (Europe) in April 1996 where she was Legal Counsel with responsibility for inter alia the activities of the GLG Partners division and left Lehman Brothers in September 2000 upon the establishment of GLG Partners LP. Prior to joining Lehman Brothers in 1996 Ms Parry practised as a solicitor with a leading London based firm of solicitors. Ms Parry graduated from University College Cardiff, with a LLB (Hons) in 1986. Ms Parry is a solicitor and a member of the Law Society of England and Wales.

The address of the Directors is the registered office of the Company.

The Company Secretary is Matsack Trust Limited. The company secretary of the Manager is Carne Global Financial Services Limited.

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## MANAGEMENT COMPANY<sup>1</sup>

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### The Manager

Carne Global Fund Managers (Ireland) Limited, which forms part of the Carne group of companies, was incorporated in Ireland as a private limited liability company on 10 November 2003 under the Companies Act 2014 under registration number 377914 and has its place of business in Dublin, Ireland. The Manager's main business is the provision of fund management services to collective investment schemes such as the Company. The Manager is authorised and regulated as a management company for UCITS schemes pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as amended, and has the necessary permissions to manage the Company.

The directors of the Manager are:

**Neil Clifford** (nationality: Irish; Irish resident) is a Director with the Carne Group. He is an experienced Irish-based investment professional and fund director with wide experience of the governance and operations of alternative investments at the institutional level, including infrastructure and private equity funds. He has also had experience as an equity fund manager and is a qualified risk management professional. Mr. Clifford joined the Manager in October 2014 from Irish Life Investment Managers (“**ILIM**”) (April 2006 to September 2014), where he was head of alternative investments. He also supervised ILIM’s illiquid investments in private equity and infrastructure, including acting as an independent director on a number of investment companies. He began his career with Irish Life as a sector-focused equity fund manager. Prior to this, Mr. Clifford was a senior equity analyst for Goodbody Stockbrokers (September 2000 to April 2006) in Dublin. He has also worked as an engineer with a number of leading engineering and telecoms firms in Ireland. Mr. Clifford has a bachelor of electrical engineering from University College Cork and a master of business administration from the Smurfit School of Business, University College, Dublin. He is a chartered alternative investment analyst and a financial risk manager (FRM – Global Association of Risk Professionals).

**Teddy Otto** (nationality: German; Irish resident) is a Principal with the Carne Group. He specialises mainly in product development, fund establishment and risk management. Before joining the Manager, Mr. Otto was employed by the Allianz / Dresdner Bank group in Ireland for six years. During this time, he acted as head of fund operations, head of product management and was appointed as a director of the Irish management company for Allianz Global Investors and a range of Irish and Cayman domiciled investment companies. He had previously held senior positions in the areas of market data and custody at Deutsche International (Ireland) Limited and worked in the investment banking division of Deutsche Bank, Frankfurt. He spent over six years at Deutsche Bank group. Prior to that, he was employed with Bankgesellschaft Berlin for two years. Mr. Otto holds a degree in business administration from Technische Universität Berlin.

**Elizabeth Beazley** (nationality: Irish; Irish resident) is a Director with the Carne Group specialising in corporate governance, product development, financial reporting and fund oversight for both mutual and hedge funds. She has a 18-year track record in financial services. As Head of Onboarding for Carne, Ms. Beazley oversees a team project managing the establishment of UCITS and AIFs and several third party management companies covering service provider selection, governance documentation drafting and operational set-up. Ms. Beazley acts as a designated person and compliance officer for a number of UCITS companies and acts as director on Carne’s QIAIF and UCITS platforms. Prior to joining Carne, Ms. Beazley spent four years with AIB/BNY Fund Management in Ireland, and before that worked for HSBC. Ms. Beazley has been a member of various industry working groups including the Technical committee and the ETF committee. She graduated with a Bachelor of Commerce from University College Cork, and has a Masters’ degree in Business Studies from the Smurfit Graduate School of Business. Ms. Beazley is a member of the Association of Chartered Certified Accountants.

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1. Matheson note: Manager details to be confirmed.

**Yvonne Connolly** (see above).

**Michael Bishop** (nationality: British; UK resident) was with UBS Global Asset Management (U.K.) Ltd. (1990 to 2011) holding executive director and then managing director positions and was responsible for the development and management of the UK business's range of investment funds. His areas of expertise include UK open-ended investment companies, unit trusts, unit linked funds and Irish, Cayman Islands, Channel Islands and other investment structures. He was a director of and responsible for the launch of UBS Global Asset Management Life Ltd. and UBS (Irl) Fund plc. Mr. Bishop has designed and launched products catering for all capabilities including equities, fixed income and alternative strategies. He has also been responsible for service provider appointment and management, as well as holding senior accounting and managerial roles with other financial services companies including Flemings and Tyndall. He has served on a number of the Investment Management Association's committees, industry forums and consultation groups specialising in UK and international regulation, product development and taxation. Mr. Bishop is a fellow of the Chartered Association of Certified Accountants. Since retiring in 2011, he has been involved with various charities.

**Bill Blackwell** (nationality: U.S.; UK resident) is a principal with the Carne Group and is a highly experienced operations and business manager with an established track record in the international pooled fund investment industry, including private placed and publicly offered funds. He has over 23 years of experience in the financial services industry. Mr. Blackwell's expertise covers governance, product development and management, risk, UCITS and other regulatory structures. Mr. Blackwell has been involved in the launch of many innovative fund products and has implemented highly tuned client servicing processes. Mr. Blackwell also brings to boards his in-depth understanding of fixed income and derivatives markets and current country registration requirements, which he developed during his time with PIMCO and JP Morgan. Mr. Blackwell has managed complex cross-border mergers of UCITS and AIFs for a number of clients. Prior to joining Carne, Mr. Blackwell worked as a Vice President, Senior Manager Product Development, Global Liquidity EMEA at JPMorgan Asset Management. Previously, he was with PIMCO, where he had responsibility for overseeing the operations and administration of the PIMCO international pooled fund product ranges. Mr. Blackwell holds a BA in English from Oberlin College and an MBA from the University of California, Irvine.

The address of each director of the Manager is the address of the Manager.

The management agreement between the Company and the Manager dated 29 June 2018, as amended from time to time (the "**Management Agreement**") provides that the Manager shall manage the Company in accordance with the UCITS Regulations, the Memorandum and Articles of Association and the provisions of this Prospectus. The Management Agreement shall continue in force until terminated by either party on 90 days' notice in writing to the other party, provided that the Manager shall continue in office until a successor manager is appointed. The Company may at any time terminate the Management Agreement in the event of the appointment of an examiner or receiver to the Manager or on the happening of a like event at the direction of an appropriate regulatory agency or court of competent jurisdiction. The Company may also terminate the Management Agreement in the event that the Manager is otherwise no longer permitted to perform its obligations under applicable law.

The Manager shall not be liable for any loss suffered by the Company or its agents in connection with the performance by the Manager of its obligations under the Management Agreement, except loss resulting from negligence, wilful default, fraud or bad faith on the part of the Manager in the performance of its obligations and duties under the Management Agreement. The Management Agreement provides that the Company shall be liable and shall indemnify and keep indemnified and hold harmless the Manager (and each of its directors, officers, employees, Delegates and agents) from and against any and all actions, proceedings, damages, claims, demands, losses, damages, costs and expenses (including reasonable legal and professional fees and expenses arising therefrom or incidental thereto) 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 hereunder in the absence of any negligence, wilful default, fraud or bad faith of or by the Manager or any delegate in the performance of its duties hereunder or as otherwise may be required by law.

The Manager shall be under no liability to the Depositary, the Funds or the Shareholders for the acts or omissions of the Investment Manager or the Administrator or for taking any action or for refraining from taking any action in good faith on the advice of the Investment Manager except to the extent that the Manager successfully recovers damages

from the Investment Manager or Administrator. In the absence of fraud or negligence, the Manager will not be liable for any loss incurred by reason of any error of law or any matter or thing done or suffered or omitted to be done by the Manager in good faith.

The Management Agreement allows the Manager, with the approval of the Company and consent by the Central Bank, to delegate its management duties to other parties. The administration duties have been delegated to the Administrator. The Manager has delegated its investment management duties in respect of the Funds to the Investment Manager. The Manager may appoint, with the approval of the Central Bank, other investment managers and, with the approval of the Central Bank, may replace the Administrator in respect of the Funds. The Manager may also appoint paying agents, information agents, representative agents and similar agents in respect of the Funds from time to time.

Pursuant to the Management Agreement, the Manager is responsible for the general management and administration of the Company's affairs, 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 Company.

#### *Remuneration Policies and Procedures*

The Manager is subject to remuneration policies, procedures and practices (together, the "**Remuneration Policy**") which complies with the UCITS Directive. The Remuneration Policy is consistent with and promotes sound and effective risk management. It is designed not to encourage risk-taking which is inconsistent with the risk profile of the Funds. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Company and the Funds, and includes measures to avoid conflicts of interest. The Remuneration Policy applies to staff whose professional activities have a material impact on the risk profile of the Company or the Funds, and ensures that no individual will be involved in determining or approving their own remuneration. The Remuneration Policy will be reviewed annually. Details of the up-to-date Remuneration Policy are available via [www.carnegroup.com/policies-and-procedures/](http://www.carnegroup.com/policies-and-procedures/). The Remuneration Policy summary will be made available for inspection and may be obtained, free of charge, at the registered office of the Company.

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## INVESTMENT MANAGER

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The Investment Manager was established in October 1994 to provide U.S. domestic, international and global value equity investment management services to institutional clients, including private funds and mutual funds, using proprietary quantitative models. The Investment Manager also promotes the Company.

Under the Investment Management Agreement, the Investment Manager is entitled to delegate or sub-contract all or any of its functions, powers, discretions, duties and obligations to any person approved by the Company in accordance with the requirements of the Central Bank, provided that such delegation or sub-contract will terminate automatically on the termination of the Investment Management Agreement and provided further that the Investment Manager will remain responsible and liable for any acts or omissions of any such delegatee as if such acts or omissions were those of the Investment Manager. All Sub-Investment Managers appointed will be disclosed in the Company's periodic reports. Details on any Sub-Investment Managers appointed will be disclosed to Shareholders on request. Such Sub-Investment Managers will not be paid directly by the Company but instead will be paid by the Investment Manager.

The Investment Management Agreement provides that the Investment Manager (and its directors, officers, employees and agents) will not be liable for any loss or damage arising directly or indirectly out of any act or omission done or suffered by the Investment Manager in the performance of its duties unless such loss or damage arose out of or in connection with the gross negligence, wilful default, bad faith or fraud of the Investment Manager (or any of its directors, officers, employees and agents) in the performance of its duties thereunder. Under the Investment Management Agreement, in no circumstances will the Investment Manager, its directors, officers, employees and agents be liable for special, indirect or consequential damages, or for lost profits or loss of business, arising out of or in connection with the performance of its duties, or the exercise of its powers. The Company is obligated under the Investment Management Agreement to indemnify and keep indemnified and hold harmless the Investment Manager (and each of its directors, officers, employees and agents) against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including reasonable legal fees or expenses) suffered or incurred by the Investment Manager in connection with the performance of its duties and/or the exercise of its powers under the Investment Management Agreement, in the absence of any such gross negligence, wilful default, bad faith or fraud.

The Investment Management Agreement will continue in force until terminated by either party thereto on 90 days' notice in writing to the other party. The Investment Manager may terminate the Investment Management Agreement on 30 days' notice to the Company if there is a change in control of the Company and the majority of the Directors are not persons acceptable to the Investment Manager.

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## DEPOSITARY

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The Company has appointed Brown Brothers Harriman Trustee Services (Ireland) Limited to act as Depositary for the safekeeping of all the investments, cash and other assets of the Company and to ensure that the issue and repurchase of Shares by the Company and the calculation of the Net Asset Value and Net Asset Value per Share is carried out and that all income received and investments made are in accordance with the Articles and the UCITS Regulations. In addition, the Depositary is obliged to enquire into the conduct of the Company in each financial year and report thereon to Shareholders. The Depositary is a private limited company incorporated under the laws of Ireland to provide custody and trustee services to Irish domiciled collective investment schemes and to international and Irish institutions.

Pursuant to the Depositary Agreement, the Depositary will provide safekeeping for the Company's assets in accordance with the UCITS Regulations and will collect any income arising on such assets on the Company's behalf. In addition, the Depositary has the following main duties, which may not be delegated:

- (i) ensuring that the sale, issue, repurchase, redemption and cancellation of Shares are carried out in accordance with the UCITS Regulations and the Articles;
- (ii) ensuring that the value of the Shares is calculated in accordance with the UCITS Regulations and the Articles;
- (iii) carrying out the instructions of the Company unless they conflict with the UCITS Regulations and the Articles;
- (iv) ensuring that in transactions involving the Company's assets or the assets of any Fund that any payment in respect of same is remitted to the relevant Fund within the usual time limits;
- (v) ensuring that the income of the Company or of any Fund is applied in accordance with the UCITS Regulations and the Articles;
- (vi) enquire into the conduct of the Company in each accounting period and report thereon to Shareholders; and
- (vii) ensure that the Company's cash flows are properly monitored in accordance with the UCITS Regulations.

The Depositary Agreement provides that the Depositary shall be liable to the Company and the Shareholders (i) in respect of a loss of a financial instrument held in its custody (or in the custody of any third party to whom the Depositary's safekeeping functions have been delegated in accordance with the UCITS Regulations) unless the Depositary can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary; and (ii) in respect of all other losses arising as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Regulations.

The Company has agreed to indemnify the Depositary against losses, including (i) in respect of any liability or loss, cost or expense incurred when drawing down a credit facility as the Company's agent; and (ii) in respect of all actions, proceedings and claims and against all losses, costs, demands and expenses (including reasonable legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Depositary by reason of its performance of its duties (including its compliance with applicable laws and regulations) under the terms of the Depositary Agreement, suffered by the Depositary in acting as the Company's depositary but other than losses (as defined above) in respect of which the Depositary is found to be liable to the Company and/or the Shareholders in accordance with the terms of the Depositary Agreement or applicable law.

The Depositary Agreement shall continue in force until terminated by any party thereto on 90 calendar days' advance written notice to the other party or immediately by written notice to the other party if (i) a receiver or examiner is appointed to such party or upon the happening of a like event whether at the direction of an appropriate regulatory agency or court of competent jurisdiction or otherwise; (ii) the other party shall commit any breach of the provisions of the Depositary Agreement which, if capable of remedy, shall not have been remedied within thirty (30) calendar days after the service of written notice requiring it to be remedied; or (iii) the Depositary ceases to be permitted to act as a depositary of collective investment schemes authorised by the Central Bank under Irish law .

If within 90 days from the date of the Depositary serving a termination notice, a replacement depositary acceptable to the Company and the Central Bank has not been appointed to act as depositary, the Company shall at the request of the Depositary serve notice on all Shareholders convening a general meeting of the Shareholders at which a resolution will be tabled to approve the redemption of all participating Shares in accordance with the provisions of the Articles and shall procure that, immediately following the redemption of such Shares, the Company be wound up. In the event of such redemption, the Depositary's appointment under this Agreement will not terminate until the authorisation of the Company has been revoked by the Central Bank.

The Depositary may delegate its safekeeping duties only in accordance with the UCITS Regulations and provided that: (i) the tasks are not delegated with the intention of avoiding the requirements of the UCITS Regulations; (ii) the Depositary can demonstrate that there is an objective reason for the delegation; and (iii) the Depositary has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it has delegated its safekeeping duties either wholly or in part and continues to exercise all due skill, care and diligence in the periodic review and ongoing monitoring of any such third party and of the arrangements of such third party in respect of the matters delegated to it. Any third party to whom the Depositary delegates its safekeeping functions in accordance with the UCITS Regulations may, in turn, sub-delegate those functions subject to the same requirements as apply to any delegation effected directly by the Depositary. The liability of the Depositary under the UCITS Regulations will not be affected by any delegation of its safekeeping functions.

The Depositary has delegated safekeeping of the Company's assets to Brown Brothers Harriman & Co., its global sub-custodian, through which it has access to Brown Brothers Harriman & Co.'s global network of sub-custodians. The entities to whom safekeeping of the Company's assets have been sub-delegated by Brown Brothers Harriman & Co. as at the date of this Prospectus are set out at Appendix E. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any such delegation. The Depositary will notify the Directors of any such conflict should it so arise.

In accordance with the UCITS Regulations, the Depositary must not carry out activities with regard to the Company that may create conflicts of interest between itself and (i) the Company; and/or (ii) the Shareholders unless it has separated the performance of its depositary tasks from its other potentially conflicting tasks in accordance with the UCITS Regulations and the potential conflicts are identified, managed, monitored and disclosed to Shareholders.

Up-to-date information in relation to the Depositary, its duties, the safe-keeping functions delegated by the Depositary, the list of delegates and sub-delegates to whom safe-keeping functions have been delegated and any relevant conflicts of interest that may arise will be made available to Shareholders upon request.

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## ADMINISTRATOR

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The Company and the Manager have entered into an Administration Agreement, with the Administrator, SEI Investments - Global Fund Services Limited, an investment business firm authorised by the Central Bank of Ireland under section 10 of the Investment Intermediaries Act 1995, pursuant to which the Administrator performs certain administrative and accounting services for the Company, subject to the oversight and control of the Directors. The Administrator is a private limited liability company incorporated in Ireland on 16 December 1995 under registration number 242309.

Pursuant to the Administration Agreement, the Administrator is responsible, under the overall supervision of the Investment Manager, for certain matters pertaining to the day-to-day administration of the Company including, but not limited to: (a) maintaining books and records related to a Fund's cash and position reconciliations, and portfolio transactions; (b) preparation of financial statements and other reports for a Fund; (c) calculating the net asset value of a Fund (in accordance with the Investment Manager's valuation policies and procedures); (d) preparing certain reports to investors; (e) calculating fees payable or allocable to the Investment Manager (as applicable); (f) reviewing Subscription Agreements and withdrawal requests and performing various other transfer agency and investor services; and (g) performing certain other administrative and clerical services in connection with the administration of a Fund pursuant to the terms of the Administration Agreement. For purposes of determining net asset value, the Administrator will follow the valuation policies and procedures adopted by the Company and the Investment Manager.

The Company may elect to terminate the Administration Agreement (in accordance with the terms thereof) and enter into a new agreement with a new administrator in its discretion and on such terms as it deems advisable, without prior notice to, or approval of, the Shareholders.

The Administration Agreement provides that the Administrator may upon prior notice to the Company and having received prior approval of the Central Bank, delegate some or all of its administrative functions on behalf of a Fund to one or more third parties, and also provides for certain limitations of the Administrator's liability and indemnification of the Administrator by the Company.

The Administrator in no way acts or will act as guarantor or offeror of interests in a Fund or any underlying investment, nor will it be responsible for the actions of a Fund's sales agents, its brokers, its depositary, any other brokers or the Investment Manager. The Administrator will not be responsible for any trading decisions of the Investment Manager or a Fund. The Administrator will not be responsible in any way for a Fund's selection or ongoing monitoring of its brokers, depositary or other counterparties. The decision to select any counterparties on behalf of a Fund will be made solely by the Investment Manager.

THE ADMINISTRATOR WILL NOT PROVIDE ANY INVESTMENT ADVISORY OR INVESTMENT MANAGEMENT SERVICES TO A FUND AND, THEREFORE, WILL NOT BE IN ANY WAY RESPONSIBLE FOR A FUND'S PERFORMANCE. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR MONITORING ANY INVESTMENT RESTRICTIONS OR COMPLIANCE WITH ANY INVESTMENT RESTRICTIONS APPLICABLE TO A FUND AND THEREFORE WILL NOT BE LIABLE FOR ANY BREACH THEREOF.

### **Paying Agent**

Local laws/regulations in certain EEA member states may require (i) the Company to appoint facilities agents/paying agents/representatives/distributors/correspondent banks (any such appointee is hereafter referred to as a "Paying Agent" and provided further that any such appointment may be made notwithstanding that it is not a legal or regulatory requirement) and (ii) the maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or who are obliged under local regulations to pay subscription monies, or receive redemption monies or dividends, through a Paying Agent are subject to the credit risk of the Paying Agent with respect to (a) the subscription monies for investment in a Fund held by the Paying Agent prior to the transmission of such monies to the Depositary for the account of the relevant Fund, and (b) the redemption monies and dividend payments held by the Paying Agent (after transmission by the Company) prior to payment to the relevant Shareholder. Fees and expenses of the Paying Agents appointed by the Company, which

will be at normal commercial rates, will be borne by the Company in respect of which a Paying Agent has been appointed. All Shareholders of the relevant Fund on whose behalf a Paying Agent is appointed may use the services provided by Paying Agents appointed by or on behalf of the Company.

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## MEETINGS OF AND REPORTS TO SHAREHOLDERS

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All general meetings of the Company will be held in Ireland. In each year the Company will hold an annual general meeting. 21 days' notice (excluding the day of posting and the day of the meeting) will be given in respect of each general meeting of the Company. The notice will specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. The requirements for quorum and majorities at all general meetings are set out in the Articles. Two members present in person or by proxy will constitute a quorum, save in the case of a meeting of any one Fund or Class where the quorum will be at least two Shareholders who hold at least one third of the Shares of the relevant Fund or Class and in either case if a quorum is not present and the meeting is adjourned one member may constitute the quorum. Under Irish law an Ordinary Resolution is a resolution passed by a simple majority of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. Under Irish law, the Articles can be amended only with the agreement of the Shareholders by special resolution.

### ***Reports to Shareholders***

Shareholders will receive an annual report containing audited financial statements of the Company for the period ending December 31 in each year. Annual reports will be forwarded to Euronext Dublin within four months of the end of the relevant year and to Shareholders at least 21 days before the annual general meeting of the Company. The annual audited financial statements will be sent to Shareholders and prospective investors on request. In addition to the annual reports, each Shareholder will be provided with monthly statements showing their holdings in a Fund and any transactions effected by such Shareholder during the relevant month.

In addition, the Company will prepare and circulate to Shareholders a half-yearly report for the period ending June 30 in each year which will include unaudited semi-annual accounts for the Company and each Fund. The unaudited semi-annual report will be published, and made available to Euronext Dublin, where applicable, within two months of the end of the relevant period and to Shareholders as soon as practical thereafter.

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## TAXATION

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### Ireland

*The following is primarily a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares by Shareholders who are not resident or ordinarily resident in Ireland for tax purposes. It does not address in detail the position of Shareholders who are resident or ordinarily resident in Ireland (because it is not intended to promote the Shares to such Shareholders).. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.*

### Taxation of the Company

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an 'investment undertaking' for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The Company may be obliged to account for Irish tax to the Irish Revenue Commissioners in certain circumstances, as described below. Explanations of the terms 'resident' and 'ordinarily resident' are set out at the end of this summary.

### Taxation of non-Irish shareholders

No Irish tax will be deducted by the Company from payments made to Shareholders who are not resident (or ordinarily resident) in Ireland for Irish tax purposes, once the information described below is provided to the Company.

When an application is made to subscribe for Shares, the Company must receive details of an address and a bank account into which payments are to be made for the prospective Shareholder. However, if an Irish address or Irish bank account is submitted to the Company by (or on behalf of) a Shareholder, the Company must also receive a declaration confirming that the Shareholder is not resident or ordinarily resident in Ireland for Irish tax purposes (or, where the Shareholder is an intermediary, that the person who is beneficially entitled to the Shares is not resident or ordinarily resident in Ireland for Irish tax purposes).

If a declaration is not submitted when required, the Company will deduct Irish tax (at a rate of 25% or 41%, depending on the circumstances) in respect of distributions, redemptions, transfers and deemed disposal events relating to that Shareholder. The Company will also deduct Irish tax if the Company is in possession of any information that would reasonably suggest that the information contained in a submitted declaration is not (or is no longer) materially correct. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances.

Shareholders are obliged to inform the Company if they become resident or ordinarily resident in Ireland for Irish tax purposes (or, where the Shareholders are intermediaries, if the Shareholders become aware that the person who is beneficially entitled to the Shares may be resident or ordinarily resident in Ireland for Irish tax purposes).

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

### Taxation of Irish shareholders

The Company has put appropriate measures in place to ensure that Shareholders are not resident or ordinarily resident in Ireland. The Company does not actively promote its Shares to Irish investors (or in Ireland) and the Company does not distribute any offering material in Ireland in connection with its Shares.

However, if a person who is resident or ordinarily resident in Ireland for Irish tax purposes acquires Shares in the Company, the person is obliged to notify the Company and the Company may be required to deduct Irish tax (at a rate of 25% or 41%, depending on the circumstances) in respect of distributions, redemptions, transfers and deemed disposal events relating to those Shares. Persons who are resident or ordinarily resident in Ireland should seek tax advice before acquiring Shares in the Company.

### **Stamp duty**

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution *in specie* of assets from the Company, a charge to Irish stamp duty could potentially arise.

### **Gift and inheritance tax**

Irish capital acquisitions tax (at a rate of 33%) could apply to gifts or inheritances of the Shares (irrespective of the residence or domicile of the donor or donee) because the Shares could be treated as Irish situate assets. However, any gift or inheritance of Shares will be exempt from Irish capital acquisitions tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

### **FATCA**

Under legislation in the United States, in order to avoid a US withholding tax of 30 per cent on certain payments (including payments of gross proceeds) made after 30 June 2013 with respect to certain US investments, the Company may be required to comply with extensive new reporting requirements to the Irish Revenue Commissioners pursuant to the intergovernmental agreement (of a type commonly known as a "model 1" agreement) between Ireland and the United States and the regulations implementing FATCA in Ireland. Information reported will be passed by the Irish Revenue Commissioners to the United States tax authorities. This reporting regime is designed to inform the US Department of the Treasury of US-owned foreign investment accounts. Unless an exemption applies, these reporting requirements will require the Fund to register for FATCA purposes and report information in relation to Shareholders to the Irish Revenue Commissioners. Failure to comply (or be deemed compliant) with these requirements will subject the Company to US withholding taxes on certain US-sourced income and gains beginning in July 2014 if the Company is specifically identified by the Internal Revenue Service of the US as a 'non-participating financial institution' for FATCA purposes. Shareholders may be requested to certify information relating to their status for FATCA purposes and provide additional forms, documentation and information to the Company to enable the Company to satisfy these obligations. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Company. In addition, the Company may be required to comply with other reporting and withholding regimes from time to time.

### **Common Reporting Standard**

The Council of the EU has recently adopted Directive 2014/107/EU, which amends Directive 2011/16/EU on administrative cooperation in the field of taxation. This 2014 Directive provides for the adoption of the regime known as the "Common Reporting Standard" which was proposed by the Organisation for Economic Co-operation and Development and has generalised the automatic exchange of information within the European Union since 1 January

2016. Regulations implementing the Common Reporting Standard came into effect in Ireland on 31 December 2015. Under these measures, the Company may be required to report information relating to Shareholders, including the identity and tax residence of Shareholders, and income, sale or redemption proceeds received by Shareholders in respect of the Shares. This information may be shared with tax authorities in other EU member states and jurisdictions which implement the OECD Common Reporting Standard.

## **Meaning of terms**

### *Meaning of 'residence' for companies*

A company which has its central management and control in Ireland is tax resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is tax resident in Ireland except where:

1. the company (or a related company) carries on a trade in Ireland and either the company is ultimately controlled by persons resident in EU member states or countries with which Ireland has a double tax treaty, or the company (or a related company) are quoted companies on a recognised stock exchange in the EU or in a tax treaty country; or
2. the company is regarded as not resident in Ireland under a double tax treaty between Ireland and another country.

### *Meaning of 'residence' for individuals*

An individual will be regarded as being tax resident in Ireland for a calendar year if the individual:

1. spends 183 days or more in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this 'two year' test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

### *Meaning of 'ordinary residence' for individuals*

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 Ireland 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 Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2018 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2021.

### *Meaning of "Intermediary"*

An "intermediary" means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or
2. holds units in such an investment undertaking on behalf of other persons.

## **United States<sup>2</sup>**

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2. Matheson comment: US counsel to confirm if any updates to the US tax section are required.

**CIRCULAR 230 NOTICE. THE FOLLOWING NOTICE IS BASED ON US TREASURY REGULATIONS GOVERNING PRACTICE BEFORE THE US INTERNAL REVENUE SERVICE: (1) ANY US FEDERAL TAX ADVICE CONTAINED HEREIN, INCLUDING ANY OPINION OF COUNSEL REFERRED TO HEREIN, IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED BY ANY TAXPAYER FOR THE PURPOSE OF AVOIDING US FEDERAL TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER; (2) ANY SUCH ADVICE IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS DESCRIBED HEREIN (OR IN ANY SUCH OPINION OF COUNSEL); AND (3) EACH TAXPAYER SHOULD SEEK ADVICE BASED ON THE TAXPAYER'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.**

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION PRIMARILY OF THE US TAX CONSEQUENCES TO PROSPECTIVE SHAREHOLDERS. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS INDEPENDENT TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE COMPANY. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR STATUS OF A PROSPECTIVE SHAREHOLDER. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE COMPANY BUT WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES.

Neither the Company nor any Fund has sought a ruling from the IRS (or any other US federal, state or local agency with respect to any of the tax issues affecting the Company or such Fund, nor has the Company or any Fund obtained an opinion of counsel with respect to any tax issues.

The following is a summary of certain potential US federal tax consequences which may be relevant to prospective Shareholders. The discussion contained herein is not a full description of the complex tax rules involved, does not take into account the application of any income tax treaty and is based upon existing laws, judicial decisions and administrative regulations, rulings and practices, all of which are subject to change, retroactively as well as prospectively. A decision to invest in a Fund should be based upon an evaluation of the merits of the trading program, and not upon any anticipated US tax benefits.

### **US Tax Status**

The Company has been incorporated as an Irish public limited company organized as an umbrella fund with segregated liability between Funds. Generally, the assets of each Fund will be applied solely in respect of the Shares of such Fund, will belong exclusively to such Fund, and will not be used or available to discharge the liabilities of or claims against any other Fund. Each Fund will be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of, or attributable to, that Fund. However, the Funds are not separate legal entities for the purposes of incorporation.

Each Fund intends to operate as a separate corporation for US federal tax purposes, separate and apart from the Company and other sub-funds of the Company, and that investors are shareholders of a particular Fund rather than of the Company. Such characterization is uncertain under US tax law as currently interpreted. There is no precedential authority (whether statutory, regulatory, judicial or otherwise) affirming this position and the Company does not intend to seek an opinion of counsel on this point. The IRS has issued a number of nonprecedential rulings holding that sub-funds or series of certain unincorporated business entities are separate entities for US federal income tax purposes. Generally, in those rulings, the jurisdiction under which the entities were formed recognized the sub-funds or series as separate legal entities. The Company and Funds, however, differ from the entities addressed by those rulings, because the Company is a "per se" corporation rather than an unincorporated business entity for US federal income tax purposes and the Funds are not separate legal entities for the purposes of incorporation.

Therefore, no assurances can be provided that each Fund will be treated as a separate entity for US federal income tax purposes. If each Fund is not treated as a separate entity for US federal income tax purposes, investors would be treated as shareholders of the Company, rather than of each Fund, and the taxable items of income, gain, loss

and deduction of each Fund would be treated as income, gain, loss and deduction of the Company and certain aspects of the analysis below would be different.

The remainder of the US tax discussion herein assumes that the Fund will be treated as a separate corporation for US federal tax purposes.

## **US Trade or Business**

Section 864(b)(2) of the US Internal Revenue Code of 1986, as amended (the "**Code**"), provides a safe harbor (the "**Safe Harbor**") applicable to a non-US corporation such as a Fund (other than a dealer in securities) that engages in the US in trading securities (including contracts or options to buy or sell securities) for its own account pursuant to which such non-US corporation will not be deemed to be engaged in a US trade or business. Pursuant to proposed regulations, a non-US taxpayer (other than a dealer in stocks, securities or derivatives) that effects transactions in the United States in derivatives (including (i) derivatives based upon stocks, securities, and certain commodities and currencies, and (ii) certain notional principal contracts based upon an interest rate, equity, or certain commodities and currencies) for its own account is not deemed to be engaged in a United States trade or business. Although the proposed regulations are not final, the IRS has indicated in the preamble to the proposed regulations that for periods prior to the effective date of the proposed regulations, taxpayers may take any reasonable position with respect to the application of Section 864(b)(2) of the Code to derivatives, and that a position consistent with the proposed regulations will be considered a reasonable position.

Each Fund intends to conduct its business in a manner so as to meet the requirements of the Safe Harbor. Thus, based on the foregoing, each Fund's securities trading activities are not expected to constitute a US trade or business and, except in the limited circumstances discussed below, each Fund does not expect to be subject to the regular US income tax on any of its trading profits. However, if certain of a Fund's activities were determined not to be of the type described in the Safe Harbor, such Fund's activities may constitute a US trade or business, in which case such Fund would be subject to US income and branch profits tax on the income and gain from those activities.

Even if a Fund's securities trading activity does not constitute a US trade or business, gains realized from the sale or disposition of stock or securities (other than debt instruments with no equity component) of US Real Property Holding Corporations (as defined in Section 897 of the Code) ("**USRPHCs**"), including stock or securities of certain Real Estate Investment Trusts ("**REITs**"), will be generally subject to US income tax on a net basis. However, a principal exception to this rule of taxation may apply if such USRPHC has a class of stock which is regularly traded on an established securities market and a Fund generally did not hold (and was not deemed to hold under certain attribution rules) more than 5% of the value of a regularly traded class of stock or securities of such USRPHC at any time during the five year period ending on the date of disposition.<sup>3</sup> Moreover, if a Fund were deemed to be engaged in a US trade or business as a result of owning a limited partnership interest in a US business partnership or a similar ownership interest, income and gain realized from that investment would be subject to US income and branch profits tax. Each Fund intends to conduct its activities so as to avoid any direct US taxation under the rules discussed in this paragraph.

## ***Identity of Beneficial Ownership and Withholding on Certain Payments***

In order to avoid a US withholding tax of 30% on certain payments (including payments of gross proceeds) made with respect to certain actual and deemed US investments, the Company and each Fund will be required to comply with the terms of an intergovernmental agreement (IGA) entered into between Ireland and the US with respect to the

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<sup>3</sup> The Fund will also be exempt from tax on dispositions of REIT shares, whether or not those shares are regularly traded, if less than 50% of the value of such shares is held, directly or indirectly, by non-US persons at all times during the five-year period ending on the date of disposition. However, even if the disposition of REIT shares would be exempt from tax on a net basis, distributions from a REIT (whether or not such REIT is a USRPHC), to the extent attributable to the REIT's disposition of interests in US real property, are subject to tax on a net basis when received by the Fund and may be subject to the branch profits tax. Distributions from certain publicly traded REITs to non-US shareholders owning 5% or less of the shares are subject to a 30% gross withholding tax on those distributions and are not subject to tax on a net basis.

US Foreign Account Tax Compliance Act (FATCA). Under the IGA, the Company and each Fund will be required to identify certain direct and indirect US account holders and equity holders. An investor in a Fund will generally be required to provide to such Fund information which identifies its status for FATCA purposes, as well as its direct and indirect US ownership. Any such information provided to a Fund may be shared with the government of Ireland, which may, in turn, share such information with the US government. An investor who fails to provide such information to a Fund will also be reported to the government of Ireland, which will then share such information with the US. Penalties may be applicable to investors that choose not to comply with the terms of FATCA and/or the IGA. Shareholders should consult their own tax advisers regarding the possible implications of this legislation on their investments in a Fund.

## **US Withholding Tax**

In general, under Section 881 of the Code, a non-US corporation which does not conduct a US trade or business is nonetheless subject to tax at a flat rate of 30% on the gross amount of certain US source income which is not effectively connected with a US trade or business, generally payable through withholding. Income subject to such a flat tax rate is of a fixed or determinable annual or periodic nature, including dividends, certain "dividend equivalent payments" and certain interest income.

Certain types of income are specifically exempted from the 30% tax and thus withholding is not required on payments of such income to a non-US corporation. The 30% tax does not apply to capital gains (whether long or short-term) or to interest paid to a non-US corporation on its deposits with US banks. The 30% tax also does not apply to interest which qualifies as portfolio interest. The term "portfolio interest" generally includes interest (including original issue discount) on an obligation in registered form which has been issued after July 18, 1984 and with respect to which the person who would otherwise be required to deduct and withhold the 30% tax receives the required statement that the beneficial owner of the obligation is not a US person within the meaning of the Code. In addition, if any credit default swap is characterized as a contract of insurance or a guarantee, payments received under such credit default swap may be subject to an excise tax or a withholding tax.

## **Redemption of Shares**

Gain realized by Shareholders who are not US persons within the meaning of the Code ("**non-US shareholders**") upon the sale, exchange or redemption of Shares held as a capital asset should generally not be subject to US federal income tax provided that the gain is not effectively connected with the conduct of a trade or business in the US. However, in the case of non-resident alien individuals, such gain will be subject to the 30% (or lower tax treaty rate) US tax if (i) such person is present in the US for 183 days or more during the taxable year (on a calendar year basis unless the non-resident alien individual has previously established a different taxable year) and (ii) such gain is derived from US sources.

Generally, the source of gain upon the sale, exchange or redemption of Shares is determined by the place of residence of the Shareholder. For purposes of determining the source of gain, the Code defines residency in a manner that may result in an individual who is otherwise a non-resident alien with respect to the US being treated as a US resident only for purposes of determining the source of income. Each potential individual shareholder who anticipates being present in the US for 183 days or more (in any taxable year) should consult his tax advisor with respect to the possible application of this rule.

Gain realized by a non-US shareholder engaged in the conduct of a US trade or business will be subject to US federal income tax upon the sale, exchange or redemption of Shares if such gain is effectively connected with its US trade or business.

## **Estate and Gift Taxes**

Individual holders of Shares who are neither present nor former US citizens or US residents (as determined for US estate and gift tax purposes) are not subject to US estate and gift taxes with respect to their ownership of such Shares.

### **Future Changes in Applicable Law**

The foregoing description of US income tax consequences of an investment in and the operations of a Fund is based on laws and regulations which are subject to change through legislative, judicial or administrative action. Other legislation could be enacted that would subject a Fund to income taxes or subject shareholders to increased income taxes.

Prospective shareholders should also review any related tax disclosure in the applicable Fund Supplement.

THE TAX AND OTHER MATTERS DESCRIBED IN THIS MEMORANDUM DO NOT CONSTITUTE, AND SHOULD NOT BE CONSIDERED AS, LEGAL OR TAX ADVICE TO PROSPECTIVE SHAREHOLDERS.

### **Summary**

The foregoing is not a complete summary of all of the tax consequences of investment in the Company. Each prospective investor is advised to consult with its own tax adviser with respect to the US federal, state and local and non-US tax consequences of, and the reporting requirements attributable to, the purchase, ownership and disposition of Shares.

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## GENERAL

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### *The Share Capital*

The share capital of the Company will at all times equal the NAV. The authorised share capital of the Company is €300,002 (three hundred thousand and two Euro) represented by 300,002 (three hundred thousand and two) Subscriber Shares of no par value issued at €1.00 each and 500,000,000,000 (five hundred billion) Shares of no par value. The Directors are empowered to issue up to 500 billion Shares of no par value in the Company at the NAV per Share (or the relevant initial subscription price in the case of new Funds) on such terms as they may think fit.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Fund in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder. The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of any Fund.

The Directors also reserve the right to redesignate any Class of Shares from time to time, provided that Shareholders in that Class will first have been notified by the Company that the Shares will be redesignated and will have been given the opportunity to have their Shares redeemed by the Company.

Each of the Shares entitles the holder to attend and vote at meetings of the Company and of the Fund represented by those Shares. The Articles provide that matters may be determined at meetings of the Shareholders on a show of hands unless a poll is requested by five Shareholders or by Shareholders holding 10% or more of the Shares or unless the Chairman of the meeting requests a poll. Each Shareholder will have one vote on a show of hands. Each Shareholder will be entitled to such number of votes as will be produced by dividing the aggregate NAV of that Shareholder's shareholding (expressed or converted into the Base Currency and calculated as of the relevant record date) by one. The "relevant record date" for these purposes will be a date being not more than thirty days prior to the date of the relevant general meeting or written resolution as determined by the Directors. Where a separate written resolution or general meeting of a particular Class or tranche of Shares is held, in such circumstances, the Shareholders' votes will be calculated by reference only to the NAV of each Shareholder's shareholding in that particular Class or tranche, as appropriate. The Subscriber Shareholders will have one vote for each Subscriber Share held. In relation to a resolution which in the opinion of the Directors affects more than one Class of Shares or gives or may give rise to a conflict of interest between the Shareholders of the respective Classes, such resolution will be deemed to have been duly passed, only if, in lieu of being passed through a single meeting of the Shareholders of those Classes, such resolution will have been passed at a separate meeting of the Shareholders of each such Class.

### **Material Contracts**

The following contracts have been entered into and are, or may be, material:

- The Management Agreement
- The Investment Management Agreement
- The Depositary Agreement
- The Administration Agreement

## **Supply and Inspection of Documents**

Copies of the following documents are available for inspection free of charge during normal business hours on weekdays (Saturdays and public holidays excepted) at the registered office of the Company:

- (a) Memorandum and Articles of Association;
- (b) the certificate of incorporation; and
- (c) the UCITS Regulations.

Copies of the Memorandum and Articles of Association (each as amended from time to time) and the latest financial reports of the Company, as appropriate, may be obtained, free of charge, upon request at the registered office of the Company.

## **Data Privacy**

The Company will control and protect personal data in accordance with the requirements of the Data Protection Legislation, as described in greater detail in the Privacy Statement.

## **Operation of the Cash Collection Accounts for Subscriptions, Redemptions and Dividends**

The Company has established Cash Collection Accounts at Fund level in the name of the relevant Fund and has not established such accounts at Company level. All subscriptions into and redemptions and dividends due from each Fund will be paid into its Cash Collection Account.

Monies in the Cash Collection Accounts, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers. Pending the issue of Shares, and pending payment of redemption proceeds or dividends, the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it and will not be a Shareholder.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through that Sub-Fund's Cash Collection Account. Where subscription monies are received in a Cash Collection Account without sufficient documentation to identify the investor, such monies shall be returned to the relevant investor within 5 Business Days. Subscription monies received into an incorrect Cash Collection Account will be returned to the relevant investor within the same timescale.

Redemptions and distributions, including blocked redemptions or dividends, will, pending payment to the relevant Shareholder, be held in the relevant Cash Collection Account until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Shareholder.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends is at the investor's risk.

The Depository is responsible for the oversight of the monies in the Cash Collection Accounts.

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## APPENDIX A – DEFINITIONS OF US PERSON AND NON-US PERSON

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### A. Regulation S Definition of US Person

- (1) **“US Person”** means:
  - (a) any natural person resident in the United States;
  - (b) any partnership or corporation organized or incorporated under the laws of the United States;
  - (c) any estate of which any executor or administrator is a US Person;
  - (d) any trust of which any trustee is a US Person;
  - (e) any agency or branch of a foreign entity located in the United States;
  - (f) 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;
  - (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and
  - (h) any partnership or corporation if:
    - (i) organized or incorporated under the laws of any foreign jurisdiction; and
    - (ii) formed by a US Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts.
- (2) Notwithstanding (1) above, any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organized, incorporated, or (if an individual) resident in the United States will not be deemed a “US Person.”
- (3) Notwithstanding (1) above, any estate of which any professional fiduciary acting as executor or administrator is a US Person will not be deemed a “US Person” if:
  - (a) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate; and
  - (b) the estate is governed by foreign law.
- (4) Notwithstanding (1) above, any trust of which any professional fiduciary acting as trustee is a US Person will not be deemed a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a “US Person.”
- (5) Notwithstanding (1) above, an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country will not be deemed a “US Person.”

- (6) Notwithstanding (1) above, any agency or branch of a US Person located outside the United States will not be deemed a "US Person" if:
  - (a) the agency or branch operates for valid business reasons; and
  - (b) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located.
- (7) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organizations, their agencies, affiliates and pension plans will not be deemed "US Persons."

B. Under the Commodity Exchange Act, a "Non-United States Person" is defined as:

- (1) a natural person who is not a resident of the United States;
- (2) a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a foreign jurisdiction and which has its principal place of business in a foreign jurisdiction;
- (3) an estate or trust, the income of which is not subject to United States income tax regardless of source;
- (4) an entity organized principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States Persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States Persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States Persons; and
- (5) a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

C. Under the Code and the Treasury Regulations promulgated thereunder, a "US Person" is defined as:

- (1) an individual who is a US citizen or a US "resident alien." Currently, the term "resident alien" is defined to generally include an individual who (i) holds an Alien Registration Card (a "green card") issued by the US Immigration and Naturalization Service or (ii) meets a "substantial presence" test. The "substantial presence" test is generally met with respect to any current calendar year if (i) an individual is present in the US on at least 31 days during such year and (ii) the sum of (A) the number of days on which such individual is present in the US during the current year, (B) 1/3 of the number of such days during the first preceding year, and (C) 1/6 of the number of such days during the second preceding year, equals or exceeds 183 days;
- (2) a corporation or partnership created or organized in the United States or under the law of the United States or any state;
- (3) a trust where (i) a US court is able to exercise primary supervision over the administration of the trust and (ii) one or more US Persons have the authority to control all substantial decisions of the trust; and
- (4) an estate that is subject to US tax on its worldwide income from all sources.

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## APPENDIX B – RECOGNISED MARKETS

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The following exchanges and markets constitute Recognised Markets for the purposes of this Prospectus:

Any stock exchange in an EU Member State or in any of the following member countries of the OECD:

Australia, Canada, Iceland, Japan, Hong Kong, New Zealand, Norway, Switzerland and the United States of America.

Any of the following stock exchanges:

- Argentina
  - Buenos Aires Stock Exchange
  - Cordoba Stock Exchange
  - La Plata Stock Exchange
  - Mendoza Stock Exchange
  - Rosario Stock Exchange
  - Bolsa de Comercio de Santa Fe
  - Mercado Abierto Electrónico (MAE)
  - Mercado a Termino de Rosario
  - Mercado de Valores de Rosario
  - Mercados de Futuros y Opciones SA (Merfox)
- Bahrain
  - Bahrain Stock Exchange
  - Manama Stock Exchange
- Bangladesh
  - Dhaka Stock Exchange
  - Chittagong Stock Exchange
- Botswana
  - Botswana Stock Exchange
  - Serowe Stock Exchange
- Brazil
  - Rio de Janeiro Stock Exchange
  - Sao Paulo Stock Exchange
  - Bahia-Sergipe-Alagoas Stock Exchange
  - Brasilia Stock Exchange
  - Extremo Sul Porto Alegre Stock Exchange
  - Minas Esperito Santo Stock Exchange
  - Parana Curitiba Stock Exchange
  - Pernambuco e Paraiba Recife Stock Exchange
  - Regional Fortaleza Stock Exchange
  - Santos Stock Exchange
- Chile
  - Santiago Stock Exchange
  - Valparaiso Stock Exchange
  - Bolsa Electronica de Chile
- China
  - Shanghai Securities Exchange
  - Shenzhen Stock Exchange
- Colombia
  - Colombian Stock Exchange
  - Bogota Stock Exchange
  - Medellin Stock Exchange
  - Occidente Stock Exchange
- Costa Rica
  - San Jose Stock Exchange
  - National Stock Exchange
- Croatia
  - Zagreb Stock Exchange
- Egypt
  - Cairo and Alexandria Stock Exchange
- Ghana
  - Ghana Stock Exchange
- Hong Kong
  - The Stock Exchange of Hong Kong Limited

- Iceland OMX Nordic Exchange
- India The National Stock Exchange of India  
The Stock Exchange, Mumbai  
Delhi Stock Exchange  
Ahmedabad Stock Exchange  
Bangalore Stock Exchange  
Cochin Stock Exchange  
Guwahati Stock Exchange  
Magadh Stock Exchange  
Pune Stock Exchange  
Hyderabad Stock Exchange  
Ludhiana Stock Exchange  
Uttar Pradesh Stock Exchange  
Calcutta Stock Exchange  
Bombay Stock Exchange  
Madras Stock Exchange  
Delhi Stock Exchange  
Gauhati Stock Exchange  
Magadh Stock Exchange
- Indonesia Jakarta Stock Exchange  
Surabaya Stock Exchange
- Israel Tel Aviv Stock Exchange Limited
- Jamaica Jamaica Stock Exchange
- Jordan Amman Stock Exchange
- Kazakhstan Kazakhstan Stock Exchange
- Kenya Nairobi Stock Exchange
- Korea (South) Korea Stock Exchange  
KOSDAQ  
Korea Futures Exchange  
Korean Securities Dealers Association
- Kuwait Kuwait Stock Exchange
- Lebanon Beirut Stock Exchange
- Malaysia Kuala Lumpur Stock Exchange  
The Bursa Malaysia Berhad  
Bumipatra Stock Exchange
- Mauritius Stock Exchange of Mauritius
- Morocco Casablanca Stock Exchange
- Mexico Mexico Stock Exchange  
Mercado Mexicana de Derivados
- Namibia Namibian Stock Exchange
- Nigeria Nigerian Stock Exchange  
Lagos Stock Exchange  
Kaduna Stock Exchange  
Port Harcourt Stock Exchange
- Oman Muscat Securities Market
- Pakistan Karachi Stock Exchange  
Lahore Stock Exchange  
Islamabad Stock Exchange
- Palestine Nablis Stock Exchange
- Peru Lima Stock Exchange
- Philippines Philippines Stock Exchange
- Qatar Doha Securities Market
- Russia Moscow International Currency Exchange (included solely in relation to equity securities)  
Russian Trading System (RTS) 1 (included solely in relation to equity securities)

- Saudi Arabia
  - Russian Trading System (RTS) 2 (included solely in relation to equity securities)
  - Saudi Stock Exchange (Tadawul)
  - Riyadh Stock Exchange
- Serbia
  - Belgrade Stock Exchange
- Singapore
  - Singapore Stock Exchange
  - SESDAQ
- South Africa
  - Johannesburg Stock Exchange
- Sri Lanka
  - Colombo Stock Exchange
- Taiwan
  - Taiwan Stock Exchange
- (Republic of China)
  - GreTai Securities Market (GTSM)
  - Taiwan Futures Exchange (TAIFEX)
- Thailand
  - Stock Exchange of Thailand
  - Market for Alternative Investments (MAI)
- Tunisia
  - Tunis Stock Exchange
- Turkey
  - Istanbul Stock Exchange
- Uganda
  - Kampala Stock Exchange
- Ukraine
  - First Securities Trading System (PFTS)
  - Ukraine Stock Exchange
  - Ukrainian Interbank Currency Exchange
- United Arab Emirates
  - (UAE)
  - Abu Dhabi Securities Market (ADSM)
  - Borse Dubai
  - Dubai: Financial Market (DFM)
  - Dubai: Gold and Commodities Exchange
  - Dubai: International Financial Exchange (DIFX)
  - Dubai: Mercantile Exchange
- Uruguay
  - Montevideo Stock Exchange
- Venezuela
  - Caracas Stock Exchange
  - Maricaibo Stock Exchange
  - Venezuela Electronic Stock Exchange
- Vietnam
  - Ho Chi Min Stock Exchange (HOSE)
  - Ho Chi Minh Securities Trading Center
  - Hanoi Securities Trading Center
- Zambia
  - Lusaka Stock Exchange
- Zimbabwe
  - Zimbabwe Stock Exchange

The following markets:

- the market organised by the International Capital Market Association;
- the market conducted by "listed money market institutions" as described in the Financial Services Authority Publication "The Regulation of the Wholesale cash and Derivatives Markets under Section 43 of the Financial Services Act 1986 (The Grey Paper)" dated June 1999 (as amended from time to time);
- (a) NASDAQ in the United States, (b) the market in the U.S. government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; and (c) the over-the-counter market in the United States conducted by primary dealers and secondary dealers regulated by the Securities and Exchange Commission and the Financial Industry Regulatory Authority and by banking institutions regulated by the U.S. Comptroller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

- AIM - the alternative investment market in the U.K. regulated and operated by the London Stock Exchange;
- the French market for “Titres de Creance Negotiable” (over-the-counter market in negotiable instruments); and
- the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.
- Multilateral Trading Facilities which meet with applicable regulatory criteria, as same may be amended from time to time.

## **DERIVATIVES MARKETS**

In the case of an investment in FDI, in any derivative market approved in a member state of the European Economic Area and the following exchanges or markets:

American Stock Exchange, Chicago Mercantile Exchange, Chicago Board of Options Exchange, Chicago Board of Trade, Coffee, Sugar and Cocoa Exchange, Iowa Electronic Markets, Kansas City Board of Trade, Mid-American Commodity Exchange, Minneapolis Grain Exchange, New York Cotton Exchange, New York Mercantile Exchange and Twin Cities Board of Trade.

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

With the exception of permitted investments in unlisted securities the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operated regularly, recognised and open to the public) and which is listed in this Prospectus.

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## APPENDIX C – EFFICIENT PORTFOLIO MANAGEMENT

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**This section of the Prospectus clarifies the instruments and/or strategies which the Company may use for efficient portfolio management purposes. Where derivative instruments are used for hedging purposes, details of the derivative instruments to be used will be specifically disclosed in the relevant Supplement. The Investment Manager will, on request provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.**

The Investment Manager may, on behalf of each Fund and subject to the conditions and limits set out in the Central Bank UCITS Regulations, employ, without limit, techniques and instruments relating to transferable securities for hedging purposes (to protect an asset of a Fund against, or minimise liability from, fluctuations in market value or foreign currency exposures) or for efficient portfolio management purposes (with a view to achieving a reduction in risk, a reduction in costs or an increase in capital or income returns to the Fund provided such transactions are not speculative in nature). Investment in FDI which give exposure to foreign exchange will only be used for hedging purposes. Such techniques and instruments may include investments in exchange-traded or over-the-counter (“**OTC**”) FDI, such as currency forwards (which may be used to manage currency risk) and interest rate swaps (which may be used to manage interest rate risk). A Fund may also invest in the FDI as part of its investment strategy where such intention is disclosed in the Fund’s investment policy and provided that the counterparties to such transactions are institutions, with legal personality, typically located in OECD jurisdictions, subject to prudential supervision and, in relation to OTC transactions, belong to categories approved by the Central Bank.

The Investment Manager employs a risk management process in respect of a Fund in accordance with the requirements of the Central Bank to enable it to accurately monitor, measure and manage, the global exposure from FDIs (“**global exposure**”) which each Fund gains. The Investment Manager will use the commitment approach to calculate its global exposure. The Company will, on request, provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The conditions and limits for the use of such techniques and instruments in relation to each Fund are as follows:

1. In no circumstances will the global exposure of a Fund exceed 100% of its Net Asset Value.
2. Position exposure to the underlying assets of FDIs, including embedded FDIs 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 Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations).
3. A Fund may invest in FDIs dealt in OTC provided that the counterparties to OTCs are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
4. Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

### **Efficient Portfolio Management - Other Techniques and Instruments**

1. In addition to the investments in FDIs noted above, the Company may employ other techniques and instruments relating to transferable securities and money market instruments, which will be specifically disclosed in the relevant Supplement, subject to the conditions imposed by the Central Bank, such as securities lending only for efficient portfolio management. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio management, including FDIs which are not used for direct investment purposes, will be understood as a reference to techniques and instruments which fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
  - reduction of risk;
  - reduction of cost;
  - generation of additional capital or income for the 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 Central Bank UCITS Regulations;
- (c) their risks are adequately captured by the risk management process of the Company (in the case of FDIs only); and
- (d) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in the sales documents.

Techniques and instruments (other than FDIs) which may be used for efficient portfolio management purposes are set out below and are subject to the conditions set out below.

2. The following applies to securities lending arrangements, in particular, and reflects the requirements of the Central Bank and is subject to changes thereto:

- (a) Securities lending may only be effected in accordance with normal market practice in accordance, the Central Bank UCITS Regulations and where a credit assessment has been undertaken. Where the counterparty (which are entities with legal personality typically located in OECD jurisdictions) is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A-2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.
- (b) The Company must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.
- (c) Securities lending does not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.

3. Any revenues from efficient portfolio management techniques not received directly by the Company, net of direct and indirect operational costs and fees (which do not include hidden revenue), will be returned to the Company. To the extent the Company engages in securities lending it may appoint a securities lending agent, which may or may not be an affiliate of the Investment Manager, and which may receive a fee in relation to its securities lending activities. Any operational costs arising from such securities lending activities will be borne by the securities lending agent out of its fee. The names of any securities lending agents appointed will be disclosed in the periodic reports of the Company.

4. When Issued, Delayed Delivery and Forward Commitment Securities

The Company may invest in securities on a when-issued, delayed delivery and forward commitment basis and such securities will be taken into consideration in calculating a Fund's investment restriction limits.

**Risks and potential conflicts of interest involved in efficient portfolio management techniques.**

There are certain risks involved in efficient portfolio management activities and the management of collateral in relation to such activities (see further below). Please refer to the section of this Prospectus entitled "Conflicts of Interest" and "Risk Considerations" and, in particular but without limitation, the risk factors relating to FDI risks,

counterparty risk, and counterparty risk to the Depository and other depositaries. These risks may expose investors to an increased risk of loss.

### **Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques**

*For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1998 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.*

- (a) Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques ("**Collateral**"), such as a securities lending arrangement, must comply with the following criteria:
  - (i) liquidity: Collateral (other than cash) should be transferable securities or money market instruments (of any maturity) which are highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should also comply with the provisions of Regulation 74 of the Regulations;
  - (ii) valuation: Collateral should be capable of being valued on a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements;
  - (iii) issuer credit quality: Collateral should be of high quality;
  - (iv) correlation: Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
  - (v) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. 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. However, a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by an issuer outlined in section 2.10 of "Appendix D - Investment Restrictions" below. Any such Fund shall receive securities from at least 6 different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value;
  - (vi) immediately available: Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
- (b) Subject to the above criteria, Collateral must be in the form of one of the following:
  - (i) cash;
  - (ii) government or other public securities;
  - (iii) certificates of deposit issued by Relevant Institutions;
  - (iv) bonds/commercial paper issued by Relevant Institutions or by non-bank issuers where the issue or the issuer are rated A1 or equivalent;

- (v) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by Relevant Institutions; and
  - (vi) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- (c) Until the expiry of the securities lending arrangement, collateral obtained under such contracts or arrangements:
- (i) must be marked to market daily (as valued by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk); and
  - (ii) must equal or exceed, in value, at all times the value of the amount invested or securities loaned.
- (d) Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.
- (e) Non-cash Collateral:
- Non- cash Collateral cannot be sold, re-invested or pledged.
- (f) Cash Collateral:
- Cash as Collateral may only be:
- (i) placed on deposit with Relevant Institutions;
  - (ii) invested in high quality government bonds; and
  - (iii) invested in short term money market funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral. Where cash collateral is re-invested it will be subject to the same risks as direct investments as set out under “Risk Considerations” above.

- (g) The Company has implemented a haircut policy in respect of each class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The value of any Collateral received by the Company, adjusted in light of the haircut policy, will equal or exceed, in value, at all times, the relevant counterparty exposure.

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## APPENDIX D – INVESTMENT RESTRICTIONS

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The assets of each Fund must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements, if any, as may be adopted from time to time by the Directors in respect of any Fund and specified in the relevant Supplement. The principal investment restrictions applying to each Fund under the UCITS Regulations are described as follows:

### 1 Permitted Investments

A Fund may invest in:

- 1.1 transferable securities and money market instruments, as prescribed in the Central Bank UCITS Regulations, which are either admitted to official listing on a Recognised Market in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State;
- 1.2 recently issued transferable securities which will be admitted to official listing on a Recognised Market within a year;
- 1.3 money market instruments, as defined in the Central Bank UCITS Regulations, other than those dealt on Recognised Market;
- 1.4 units of UCITS;
- 1.5 units of alternative investment funds;
- 1.6 deposits with credit institutions as prescribed in the Central Bank UCITS Regulations; and
- 1.7 financial derivative instruments (“**FDI**”) as prescribed in the Central Bank UCITS Regulations.

### 2 Investment Restrictions

- 2.1 A Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2 A Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a Recognised Market within a year. This restriction will not apply in relation to investment by a Fund in certain U.S. securities known as Rule 144A securities provided that:
  - i) the securities are issued with an undertaking to register with the U.S. Securities and Exchanges Commission within one year of issue; and
  - ii) the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3 A Fund may invest no more than 10% of net assets 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%.
- 2.4 The limit of 10% in 2.3 is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member

State or public international body of which one or more EU Member States are members. The transferable securities and money market instruments referred to in 2.4 and 2.7 will not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

- 2.5 A Fund may not invest more than 20% of net assets in deposits made with the same credit institution. Deposits with any one credit institution, other than (i) a credit institution authorised in the EU Member States, Norway, Iceland or Liechtenstein (the “EEA”), (ii) a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States of America) or (iii) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand, held as ancillary liquidity and which are repayable on demand or have the right to be withdrawn and will mature in no more than 12 months, must not exceed 10% of net assets. This limit may be raised to 20% in the case of deposits made with the Depositary.
- 2.6 The risk exposure of a Fund to a counterparty to an over-the-counter (“OTC”) derivative may not exceed 5% of net assets. This limit is raised to 10% in the case of a credit institution authorised in the EEA, a credit institution 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.
- 2.7 Notwithstanding paragraphs 2.3, 2.5 and 2.6 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- (i) investments in transferable securities or money market instruments;
  - (ii) deposits, and/or
  - (iii) counterparty risk exposures arising from OTC derivatives transactions.
- 2.8 The limits referred to in 2.3, 2.4, 2.5, 2.6 and 2.7 above may not be combined, so that exposure to a single body will not exceed 35% of net assets.
- 2.9 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.6 and 2.7. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.10 A Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international body of which one or more EU Member States are members.

The individual issuers may be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of the People’s Republic of China (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. In the case of a Fund which has invested 100% of net assets in this manner, such

Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

### **3 Investment in Collective Investment Schemes (“CIS”)**

- 3.1 A Fund may not invest more than 10% of net assets in aggregate in CIS, including non-UCITS CIS.
- 3.2 A CIS in which a Fund invests may not invest more than 10% of its net assets in other open ended CIS. The assets of the CIS in which a Fund has invested do not have to be taken into account when complying with the investment restrictions set out herein.
- 3.3 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Investment Manager or by any other company with which the Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Investment Manager or other company will not charge subscription, conversion or redemption fees on account of the Fund’s investment in the units of such other CIS.
- 3.4 Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the units of another CIS, this commission will be paid into the assets of the relevant Fund.
- 3.5 A Fund may only invest in another Fund of this Company if the Fund in which it is investing does not itself hold Shares in any other Fund of this Company.

### **4 General Provisions**

- 4.1 The Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 4.2 A Fund may acquire no more than:
  - (1) 10% of the non-voting shares of any single issuing body;
  - (2) 10% of the debt securities of any single issuing body;
  - (3) 25% of the units of any single CIS; or
  - (4) 10% of the money market instruments of any single issuing body.

The limits laid down in 4.2 (2), (3) and (4) above 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.

- 4.3 4.1 and 4.2 will not be applicable to:
  - (1) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
  - (2) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
  - (3) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;

- (4) shares held by a Fund in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies with their registered offices in that State, where under the legislation of that State such a holding represents the only way in which a Fund can invest in the securities of issuing bodies in that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.10, 3.1, 4.1, 4.2, 4.4, 4.5 and 4.6 provided that where these limits are exceeded, paragraphs 4.5 and 4.6 below are observed.
- (5) shares held by an investment company or investment companies 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 units at unit-holders' request exclusively on their behalf.
- 4.4 A Fund need not comply with the investment limits herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- 4.5 The Central Bank may allow a recently authorised Fund to derogate from the provisions of 2.3 to 2.9 and 3.1 for six months following the date of its authorisation, provided it observes the principle of risk spreading.
- 4.6 If the limits laid down herein are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.
- 4.7 Neither the Company, nor the Investment Manager will carry out uncovered sales of:
- transferable securities;
  - money market instruments\*;
  - units of CIS; or
  - financial derivative instruments.
- 4.8 A Fund may hold ancillary liquid assets.

## 5 Financial Derivative Instruments

- 5.1 a Fund's global exposure (as prescribed in the Central Bank's UCITS Regulations) relating to FDI must not exceed its total net asset value.
- 5.2 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 Central Bank's UCITS 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 Central Bank's UCITS Regulations).
- 5.3 a Fund may invest in FDI dealt in over-the-counter ("**OTC**") provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

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\* Any short selling of money market instruments by the Company is prohibited.

5.4 investment in FDI is subject to the conditions and limits laid down by the Central Bank.

## 6 **General Provisions**

A Fund or Manager acting in connection with all of the CIS it manages, may not acquire either precious metals or certificates representing them. This provision does not prohibit a Fund from investing in transferable securities or money market instruments issued by a corporation whose main business is concerned with precious metals.

The Directors may, without limitation, adopt additional investment restrictions with respect to any Fund to facilitate the distribution of Shares in the relevant Fund to the public in a particular jurisdiction. In addition, the investment restrictions set out above may be changed from time to time by the Directors in accordance with a change in the applicable law and regulations in any jurisdiction in which Shares in a Fund is currently offered provided that the assets of each Fund will at all times be invested in accordance with the restrictions on investments set out in the UCITS Regulations. In the event of any such addition to, or change in, the investment restrictions applicable to any Fund, a reasonable notification period will be provided by the Company to enable Shareholders in the relevant Fund to redeem their Shares prior to implementation of these changes.

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## APPENDIX E – DEPOSITARY’S DELEGATION OF SAFEKEEPING DUTIES

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Brown Brothers Harriman Trustee Services (Ireland) Limited has delegated safekeeping duties to Brown Brothers Harriman & Co. ("**BBH&Co.**") with its principal place of business at 140 Broadway, New York, NY 10005, whom it has appointed as its global subcustodian. BBH&Co. has further appointed the entities listed below as its local subcustodians in the specified markets.

The below list includes multiple subcustodians/correspondents in certain markets. Confirmation of which subcustodian/correspondent is holding assets in each of those markets with respect to a client is available upon request. The list does not include prime brokers, third party collateral agents or other third parties who may be appointed from time to time as a delegate pursuant to the request of one or more clients (subject to the Depositary's approval). Confirmations of such appointments are also available upon request.

### LIST OF DEPOSITARY SUB-DELEGATES

<b>COUNTRY</b>	<b>SUBCUSTODIAN</b>
ARGENTINA	CITIBANK, N.A. BUENOS AIRES BRANCH
AUSTRALIA	HSBC BANK AUSTRALIA LIMITED FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
AUSTRALIA	NATIONAL AUSTRALIA BANK
AUSTRIA	DEUTSCHE BANK AG
AUSTRIA	UNICREDIT BANK AUSTRIA AG
BAHRAIN*	HSBC BANK MIDDLE EAST LIMITED, BAHRAIN BRANCH FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
BANGLADESH*	STANDARD CHARTERED BANK, BANGLADESH BRANCH
BELGIUM	BNP PARIBAS SECURITIES SERVICES
BELGIUM	DEUTSCHE BANK AG, AMSTERDAM BRANCH
BERMUDA*	HSBC BANK BERMUDA LIMITED FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
BOSNIA*	UNICREDIT BANK D.D. FOR UNICREDIT BANK AUSTRIA AG
BOTSWANA*	STANDARD CHARTERED BANK BOTSWANA LIMITED FOR STANDARD CHARTERED BANK
BRAZIL*	CITIBANK, N.A. SÃO PAULO
BRAZIL*	ITAÚ UNIBANCO S.A.
BULGARIA*	CITIBANK EUROPE PLC, BULGARIA BRANCH FOR CITIBANK

CANADA	CIBC MELLON TRUST COMPANY FOR CIBC MELLON TRUST COMPANY, CANADIAN IMPERIAL BANK OF COMMERCE AND BANK OF NEW YORK MELLON
CANADA	RBC INVESTOR SERVICES TRUST FOR ROYAL BANK OF CANADA (RBC)
CHILE*	BANCO DE CHILE FOR CITIBANK, N.A.
CHINA*	CHINA CONSTRUCTION BANK CORPORATION
CHINA*	CITIBANK (CHINA) CO., LTD. FOR CITIBANK N.A.
CHINA*	DEUTSCHE BANK (CHINA) CO., LTD., SHANGHAI BRANCH ** Use of this subcustodian is restricted. **
CHINA*	HSBC BANK (CHINA) COMPANY LIMITED FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
CHINA*	INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED
CHINA*	STANDARD CHARTERED BANK (CHINA) LIMITED FOR STANDARD CHARTERED BANK
COLOMBIA*	CITITRUST COLOMBIA S.A., SOCIEDAD FIDUCIARIA FOR CITIBANK, N.A.
CROATIA*	ZAGREBACKA BANKA D.D. FOR UNICREDIT BANK AUSTRIA AG
CYPRUS	BNP PARIBAS SECURITIES SERVICES
CZECH REPUBLIC	CITIBANK EUROPE PLC, ORGANIZAČNÍ SLOZKA FOR CITIBANK, N.A.
DENMARK	NORDEA DANMARK, FILIAL AF NORDEA BANK AB (PUBL), SVERIGE
DENMARK	SKANDINAVISKA ENSKILDA BANKEN AB (PUBL), DANMARK BRANCH
EGYPT*	CITIBANK, N.A. - CAIRO BRANCH
EGYPT*	HSBC BANK EGYPT S.A.E. FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
ESTONIA	SWEDBANK AS FOR NORDEA BANK AB (PUBL)
FINLAND	NORDEA BANK AB (PUBL), FINNISH BRANCH
FINLAND	SKANDINAVISKA ENSKILDA BANKEN AB (PUBL), HELSINKI BRANCH
FRANCE	BNP PARIBAS SECURITIES SERVICES

FRANCE	CACEIS BANK
FRANCE	DEUTSCHE BANK AG, AMSTERDAM BRANCH
GERMANY	BNP PARIBAS SECURITIES SERVICES - FRANKFURT BRANCH
GERMANY	DEUTSCHE BANK AG
GHANA*	STANDARD CHARTERED BANK GHANA LIMITED FOR STANDARD CHARTERED BANK
GREECE	HSBC BANK PLC - ATHENS BRANCH FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
HONG KONG	STANDARD CHARTERED BANK (HONG KONG) LIMITED FOR STANDARD CHARTERED BANK
HONG KONG	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
HUNGARY	CITIBANK EUROPE PLC, HUNGARIAN BRANCH OFFICE FOR CITIBANK, N.A.
HUNGARY	UNICREDIT BANK HUNGARY ZRT FOR UNICREDIT BANK HUNGARY ZRT AND UNICREDIT BANK AUSTRIA AG
ICELAND*	LANDSBANKINN HF.
INDIA*	CITIBANK, N.A. - MUMBAI BRANCH
INDIA*	DEUTSCHE BANK AG - MUMBAI BRANCH
INDIA*	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - INDIA BRANCH
INDONESIA	CITIBANK, N.A. - JAKARTA BRANCH
INDONESIA	STANDARD CHARTERED BANK, INDONESIA BRANCH
IRELAND	CITIBANK, N.A. - LONDON BRANCH
ISRAEL	BANK HAPOALIM BM
ISRAEL	CITIBANK, N.A., ISRAEL BRANCH
ITALY	BNP PARIBAS SECURITIES SERVICES - MILAN BRANCH
ITALY	SOCIÉTÉ GÉNÉRALE SECURITIES SERVICES S.P.A. (SGSS S.P.A.)
IVORY COAST*	STANDARD CHARTERED BANK COTE D'IVOIRE FOR STANDARD CHARTERED BANK
JAPAN	MIZUHO BANK LTD

JAPAN	SUMITOMO MITSUI BANKING CORPORATION
JAPAN	THE BANK OF TOKYO-MITSUBISHI UFJ LTD.
JAPAN	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - JAPAN BRANCH
JORDAN*	STANDARD CHARTERED BANK, JORDAN BRANCH
KAZAKHSTAN*	JSC CITIBANK KAZAKHSTAN FOR CITIBANK, N.A.
KENYA*	STANDARD CHARTERED BANK KENYA LIMITED FOR STANDARD CHARTERED BANK
KUWAIT*	HSBC BANK MIDDLE EAST LIMITED - KUWAIT BRANCH FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD. (HSBC)
LATVIA	"SWEDBANK" AS FOR NORDEA BANK AB (PUBL)
LITHUANIA	"SWEDBANK" AB FOR NORDEA BANK AB (PUBL)
LUXEMBOURG	BNP PARIBAS SECURITIES SERVICES, LUXEMBOURG BRANCH *** Utilized for mutual funds holdings only. ***
LUXEMBOURG	KBL EUROPEAN PRIVATE BANKERS S.A.
MALAYSIA*	HSBC BANK MALAYSIA BERHAD (HBMB) FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LTD. (HSBC)
MALAYSIA*	STANDARD CHARTERED BANK MALAYSIA BERHAD FOR STANDARD CHARTERED BANK
MAURITIUS*	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - MAURITIUS BRANCH
MEXICO	BANCO NACIONAL DE MEXICO, SA (BANAMEX) FOR CITIBANK, N.A.
MEXICO	BANCO SANTANDER (MEXICO) S.A. FOR BANCO SANTANDER, S.A. AND BANCO SANTANDER (MEXICO) S.A.
MOROCCO	CITIBANK MAGHREB FOR CITIBANK, N.A.
NAMIBIA*	STANDARD BANK NAMIBIA LTD. FOR STANDARD BANK OF SOUTH AFRICA LIMITED
NETHERLANDS	BNP PARIBAS SECURITIES SERVICES
NETHERLANDS	DEUTSCHE BANK AG, AMSTERDAM BRANCH
NEW ZEALAND	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - NEW ZEALAND BRANCH
NIGERIA*	STANBIC IBTC BANK PLC FOR STANDARD BANK OF

	SOUTH AFRICA LIMITED
NORWAY	NORDEA BANK AB (PUBL), FILIAL I NORGE
NORWAY	SKANDINAVISKA ENSKILDA BANKEN AB (PUBL), OSLO
OMAN*	HSBC BANK OMAN SAOG FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
PAKISTAN*	STANDARD CHARTERED BANK (PAKISTAN) LIMITED FOR STANDARD CHARTERED BANK
PERU*	CITIBANK DEL PERÚ S.A. FOR CITIBANK, N.A.
PHILIPPINES*	STANDARD CHARTERED BANK - PHILIPPINES BRANCH
PHILIPPINES*	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - PHILIPPINE BRANCH
POLAND	BANK HANDLOWY W WARSZAWIE SA (BHW) FOR CITIBANK NA
POLAND	BANK POLSKA KASA OPIEKI SA
POLAND	ING BANK SLASKI S.A. FOR ING BANK N.V.
PORTUGAL	BNP PARIBAS SECURITIES SERVICES
QATAR*	HSBC BANK MIDDLE EAST LTD - QATAR BRANCH FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
ROMANIA	CITIBANK EUROPE PLC, DUBLIN - SUCURSALA ROMANIA FOR CITIBANK, N.A.
RUSSIA*	AO CITIBANK FOR CITIBANK, N.A.
SAUDI ARABIA*	HSBC SAUDI ARABIA LIMITED FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
SERBIA*	UNICREDIT BANK SERBIA JSC FOR UNICREDIT BANK AUSTRIA AG
SINGAPORE	DBS BANK LTD (DBS)
SINGAPORE	STANDARD CHARTERED BANK - SINGAPORE BRANCH
SINGAPORE	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - SINGAPORE BRANCH
SLOVAKIA	CITIBANK EUROPE PLC, POBOČKA ZAHRANIČNEJ BANKY FOR CITIBANK, N.A.
SLOVENIA	UNICREDIT BANKA SLOVENIJA DD FOR UNICREDIT BANKA SLOVENIJA DD & UNICREDIT BANK AUSTRIA AG

SOUTH AFRICA	SOCIÉTÉ GÉNÉRALE JOHANNESBURG BRANCH
SOUTH AFRICA	STANDARD BANK OF SOUTH AFRICA LIMITED (SBSA)
SOUTH AFRICA	STANDARD CHARTERED BANK, JOHANNESBURG BRANCH
SOUTH KOREA*	CITIBANK KOREA INC. FOR CITIBANK, N.A.
SOUTH KOREA*	KEB HANA BANK
SOUTH KOREA*	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED - KOREA BRANCH
SPAIN	BANCO BILBAO VIZCAYA ARGENTARIA SA
SPAIN	BNP PARIBAS SECURITIES SERVICES, SUCURSAL EN ESPAÑA
SPAIN	SOCIÉTÉ GÉNÉRALE SUCURSAL EN ESPAÑA
SRI LANKA*	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - SRI LANKA BRANCH
SWAZILAND*	STANDARD BANK SWAZILAND LTD. FOR STANDARD BANK OF SOUTH AFRICA LIMITED
SWEDEN	NORDEA BANK AB (PUBL)
SWEDEN	SKANDINAVISKA ENSKILDA BANKEN AB (PUBL)
SWITZERLAND	CREDIT SUISSE (SWITZERLAND) LTD.
SWITZERLAND	UBS SWITZERLAND AG
TAIWAN*	BANK OF TAIWAN
TAIWAN*	HSBC BANK (TAIWAN) LIMITED FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
TAIWAN*	JP MORGAN CHASE BANK, N.A., TAIPEI BRANCH ** Use of this subcustodian is restricted. **
TAIWAN*	STANDARD CHARTERED BANK (TAIWAN) LTD FOR STANDARD CHARTERED BANK
TANZANIA*	STANDARD CHARTERED BANK TANZANIA LIMITED AND STANDARD CHARTERED BANK (MAURITIUS) LIMITED FOR STANDARD CHARTERED BANK
THAILAND	THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC) - THAILAND BRANCH
THAILAND*	STANDARD CHARTERED BANK (THAI) PUBLIC COMPANY LIMITED FOR STANDARD CHARTERED BANK
TRANSNATIONAL	BROWN BROTHERS HARRIMAN & CO. (BBH&CO.)

(CLEARSTREAM)	
TRANSNATIONAL (EUROCLEAR)	BROWN BROTHERS HARRIMAN & CO. (BBH&CO.)
TUNISIA*	UNION INTERATIONALE DE BANQUES (UIB)
TURKEY	CITIBANK ANONIM SIRKETI FOR CITIBANK, N.A.
TURKEY	DEUTSCHE BANK A.S. FOR DEUTSCHE BANK A.S. AND DEUTSCHE BANK AG
UGANDA*	STANDARD CHARTERED BANK UGANDA LIMITED FOR STANDARD CHARTERED BANK
UKRAINE*	PUBLIC JOINT STOCK COMPANY "CITIBANK" (PJSC "CITIBANK") FOR CITIBANK, N.A.
UNITED ARAB EMIRATES*	HSBC BANK MIDDLE EAST LIMITED FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
UNITED KINGDOM	CITIBANK, N.A., LONDON BRANCH
UNITED KINGDOM	HSBC BANK PLC
UNITED STATES	BBH&CO.
URUGUAY	BANCO ITAÚ URUGUAY S.A. FOR BANCO ITAÚ URUGUAY S.A. AND ITAÚ UNIBANCO S.A.
VENEZUELA*	CITIBANK, N.A. - CARACAS BRANCH
VIETNAM*	HSBC BANK (VIETNAM) LTD. FOR THE HONGKONG AND SHANGHAI BANKING CORPORATION LIMITED (HSBC)
ZAMBIA*	STANDARD CHARTERED BANK ZAMBIA PLC FOR STANDARD CHARTERED BANK
ZIMBABWE*	STANDARD CHARTERED BANK ZIMBABWE LIMITED FOR STANDARD CHARTERED BANK

\* In these markets, cash held by clients is a deposit obligation of the subcustodian. For all other markets, cash held by clients is a deposit obligation of BBH & Co. or one of its affiliates.