

Investment in GemCap Investment Funds (Ireland) plc involves risk and your attention is drawn to the Section headed "Risk Warnings" of this Prospectus. Such investment is suitable for institutional investors and individuals who have taken appropriate professional advice.

## **GEMCAP INVESTMENT FUNDS (IRELAND) PLC**

### **PROSPECTUS**

**4 October 2017**

The Company is an umbrella type open-ended investment company with variable capital incorporated on 1 June 2010 with limited liability under the laws of Ireland with registered number 485081 and segregated liability between Funds. The Company is authorised in Ireland by the Central Bank of Ireland pursuant to the UCITS Regulations. Accordingly, the Company is supervised by the Central Bank.

In relation to each class of Shares, issued or to be issued from the date of this Prospectus, an application may be made to the Irish Stock Exchange for those Shares to be admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange. This document together with the relevant Supplement, shall constitute Listing Particulars for the purpose of any application for listing for any such class of Shares in respect of which that Supplement is issued. No application has been made for the listing of the Shares on any other stock exchange. It is not anticipated that an active secondary market will develop in the Shares.

## **IMPORTANT INFORMATION**

This Prospectus and the key investor information documents are issued as an invitation to investors to subscribe for Shares in the Company at the prevailing subscription price for Shares in the relevant Fund (including any applicable sales fee) during the applicable Initial Offer Period, or following the closure of the Initial Offer Period, on any Dealing Day for any Class of Shares for the relevant Fund, as designated in the relevant Supplement to this Prospectus.

The Directors of the Company, whose names appear under the section headed "Management and Administration" 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 (as complemented, modified or supplemented) is in accordance with the facts and does not omit anything likely to affect the importance of such information. The Directors accept responsibility accordingly.

No person is authorised to issue any advertisement or to give any information or to make any representations in connection with the offering, issue or sale of Shares, other than those contained in this Prospectus and, if issued, given or made, such advertisement, information or representations must not be relied upon as having been authorised by the Company. Neither the delivery of this Prospectus nor the offer, issue or sale of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus is correct as of any time subsequent to the date hereof. This Prospectus may from time to time be updated and intending subscribers should enquire of the Administrator as to the issue of any subsequent Prospectus or as to the issue of any reports and accounts of the Company.

**Authorisation of the Company and approval of its Funds by the Central Bank is not an endorsement or guarantee of the Company or of its Funds by the Central Bank, nor is the Central Bank responsible for the contents of this Prospectus. The authorisation of the Company and approval of its Funds by the Central Bank shall not constitute a warranty as to the performance of the Company or of its Funds and the Central Bank shall not be liable for the performance or default of the Company or of its Funds.**

**The difference at any time between the sale price and the redemption price of Shares means that an investment in the Company should be viewed as a medium to long-term investment.**

**An Anti-Dilution Levy of up to 2% may be imposed by the Directors in the case of net redemptions on the value of the relevant redemption to reflect the impact of dealing costs relating to the disposal of assets and to preserve the value of the underlying assets of the relevant Fund where the Directors consider such a provision to be in the best interests of the Fund.**

**The Investments of the Company are subject to market fluctuations and the risks inherent in all investments and there can be no assurance that an investment will retain its value or that appreciation will occur. The price of Shares and the income from Shares can go down as well as up and investors may not realise the value of their initial investment. Prospective investors should consult a stockbroker, bank manager, solicitor, accountant, financial adviser or their professional advisers accordingly.**

**Please see the section of this Prospectus entitled "Risk Warnings".**

**Dividends may be declared out of the capital of any Fund in order to preserve cash flow to Shareholders. In any such case, there is a greater risk that capital may be eroded, that the Fund's ability to sustain future capital growth may be diminished and distribution will be achieved in a manner that foregoes the potential for future capital growth of your investment. This cycle may continue until all capital is depleted. Distributions out of**

**capital may have different tax consequences to distributions of income and the Directors recommend that investors seek their own tax advice in this regard. Dividends declared out of the capital of a Fund must be understood as a type of capital reimbursement.**

Article 25 of MiFID II sets out requirements in relation to the assessment of suitability and appropriateness of financial instruments for clients. Article 25(4) contains rules relating to the selling of financial instruments by a MiFID-authorized firm to clients in an execution only manner. Provided the financial instruments are comprised from the list contained in Article 25(4)(a) (referred to broadly as non-complex financial instruments for these purposes), a MiFID-authorized firm selling the instruments will not be required to also conduct what is referred to as an "appropriateness test" on its clients. An appropriateness test would involve requesting information on the client's knowledge and experience on the type of investment offered and, on this basis, assessing whether the investment is appropriate for the client. If the financial instruments fall outside the list contained in Article 25(4)(a) (i.e. are categorised as complex financial instruments), the MiFID-authorized firm selling the instruments will be required to also conduct an appropriateness test on its clients.

UCITS (other than structured UCITS) are specifically referenced in the list in Article 25(4)(a). Accordingly, each Fund is deemed to be a non-complex financial instrument for these purposes.

The contents of this Prospectus are not to be construed as a recommendation or advice to any prospective investor in relation to the subscription, purchase, holding or disposition of Shares. There can be no guarantee that the Company's investment objectives will be achieved or that Shares, when redeemed, will be worth more than when they were purchased. **An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.** An investment should only be made by those persons who could sustain a loss on their investment. **Price volatility in emerging markets or in some investment policies or portfolio management techniques may be higher than in more developed markets or other portfolio management techniques. As a result, the Net Asset Value of a Fund is likely to have a high volatility.**

Certain conflicts of interest may arise in the operation of the Company. See "Conflicts of Interest". In addition, any subscription for Shares may only be made on the terms of the Application Form, and all investors will be bound by such terms.

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

Distribution of this Prospectus is not authorised in any jurisdiction after publication unless accompanied by a copy of the then latest annual report and audited accounts and if published after such report and accounts, a copy of the then latest half-yearly report and unaudited accounts. Such reports will form part of this Prospectus.

This Prospectus should be read in its entirety before making any application for Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles, copies of which are available as set out in the section entitled "General Information".

Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. The distribution of this Prospectus and the offering of the Shares in certain jurisdictions may be restricted. Accordingly, prospective investors should inform themselves as to: (a) the legal requirements within their own countries for the purchase, holding, transfer, redemption or other disposal of the Shares (b) any foreign exchange restrictions applicable to the purchase, holding, transfer, redemption or other disposal of the Shares. Prospective investors must rely upon their own representatives, including their own legal

advisers, stockbrokers, bank manager and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein. Such prospective investors must rely on their own evaluation of the investment and the terms of the offering, including the merits and risks involved in making an investment decision with respect to Shares.

Any translation of this Prospectus in another language will be based on the English language version of this Prospectus and in the event of any inconsistency between the other language Prospectus and the English language Prospectus, the latter will prevail. Any disputes in relation to the terms hereof shall be governed by and construed in accordance with the laws of Ireland.

The Shares have not been and will not be registered under the US Securities Act of 1933 (the "**1933 Act**") as amended and the Company has not been and will not be registered under the US Investment Company Act of 1940 as amended (the "**1940 Act**"). Further important information in respect of the US is set out in the section entitled "Selling Restrictions".

The Company is recognised for distribution in the United Kingdom by the Financial Conduct Authority under Section 264 of the Financial Services and Markets Act, 2000 of the United Kingdom. Most or all of the protection provided by the United Kingdom regulatory structure will not apply. The rights of Shareholders may not be protected by the Financial Conduct Compensation Scheme established in the United Kingdom.

Statements made in this Prospectus are based on the law and practice currently in force in Ireland and are subject to changes therein.

**A key investor information document is available in respect of the Funds. In addition to summarising some important information in this Prospectus, the key investor information document may contain information on the historical performance and the on-going charges for each of the Funds. The key investor information document can be obtained from the Administrator and/or the Global Distributor and/or the Distributor at the address set out in the section "DIRECTORY" or in the relevant Supplement. Investors must receive and review a copy of the key investor information document in respect of the Fund in which they wish to invest before their subscription will be accepted.**

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## 1. DIRECTORY

### Directors of the Company

Stuart Alexander  
Conor Hoey  
Michael Hooper  
Adrian Waters (Chairman)

### Registered Office

4th Floor  
76 Baggot Street Lower  
Dublin 2  
Ireland

### Manager

Gemini Capital Management (Ireland) Limited  
4th Floor  
76 Baggot Street Lower  
Dublin 2  
Ireland

### Global Distributor and UK Facilities Agent

Gemini Investment Management Limited  
Longcroft House, 2-8 Victoria Avenue  
London EC2M 4NS  
United Kingdom

### Investment Manager

The Investment Manager to each Fund is described in the relevant Supplement

### Administrator, Registrar and Transfer Agent

RBC Investor Services Ireland Limited  
4th Floor, One George's Quay Plaza  
George's Quay  
Dublin 2  
Ireland

### Depository

RBC Investor Services Bank S.A., Dublin Branch  
4th Floor, One George's Quay Plaza  
George's Quay  
Dublin 2  
Ireland

### Auditors

Deloitte and Touche  
Earlsfort Terrace  
Dublin 2  
Ireland

### Legal Advisers to the Company as to matters of Irish law

Maples and Calder  
75 St. Stephen's Green  
Dublin 2  
Ireland

### Company Secretary

Sanne  
4th Floor  
76 Baggot Street Lower  
Dublin 2  
Ireland

### Listing Agent

Maples and Calder  
75 St. Stephen's Green  
Dublin 2  
Ireland

## 2. SUMMARY OF PRINCIPAL FEATURES

**The Company:** GemCap Investment Funds (Ireland) plc is an umbrella type open-ended investment company with variable capital incorporated on 1 June 2010 with limited liability under the laws of Ireland with registered number 485081. The Company is authorised in Ireland by the Central Bank pursuant to the UCITS Regulations.

**Investment Objective:** The investment objective and policies of each of the Funds are described in further detail in the relevant Supplement.

**Investment Manager:** The Company has appointed the Investment Manager for the relevant Fund as listed in the appropriate Supplement.

**Subscriptions and Redemptions:** Shares may be subscribed for, redeemed or switched on any Dealing Day subject to receipt of proper instructions by the Dealing Deadline on that Dealing Day as further described in this Prospectus and the appropriate Supplement.

**Minimum Subscription:** The minimum initial subscription for Shares and minimum subscription for additional Shares in each Fund are set out in the relevant Supplement

**Borrowings:** The Company may borrow such percentage amount of the Net Asset Value of a Fund at any time for the account of the relevant Fund by way of a short-term loan up to a maximum of 10% of the Net Asset Value of the relevant Fund, provided such borrowing is on a temporary basis and is solely used to meet redemption requests.

**Fees and Expenses:** Fees and expenses payable by each Fund are set out in Section 11 of this Prospectus.

**Performance Fee:** A performance fee may be payable by the Funds of the Company, details of which will be set out in the Supplement for the relevant Fund.

**Accounting Period:** The annual accounting period for the Company will end on 31 December in each calendar year.

**Reports:** Annual audited financial statements of the Company will be published within four months of the end of the Accounting Period. In addition, a half-yearly report will be published within two months of the period to which it relates.

**Listing:** Neither the admission of Shares of the Company to the Official List or to trading on the Main Securities Market of the Irish Stock Exchange nor the approval of the Prospectus pursuant to the listing requirements of the Irish Stock Exchange shall constitute a warranty or representation by the Irish Stock Exchange as to the competence of service providers to or any other party connected with the Company, the adequacy of information contained in the Prospectus or the suitability of the Company for investment purposes. Appendix A contains a list of regulated stock exchanges and markets in which the assets of each Fund may be invested from time to time and is set out in accordance with the Central Bank's requirements.

**Dividend Policy:** The dividend policy of each Fund of the Company is set out in the relevant Supplement.

**Taxes:** See section entitled "Taxation".

Potential shareholders should consult their own advisors regarding their tax treatment in the jurisdictions applicable to them.

Shareholders should rely only upon advice received from their own tax advisors based upon their own individual circumstances and the laws applicable to them.

**Administrator:** RBC Investor Services Ireland Limited has been appointed to act as Administrator of the Company

**Depository:** RBC Investor Services Bank S.A., Dublin Branch has been appointed to act as Depository of the Company.

**Auditors:** Deloitte and Touche has been retained as the independent auditors of the Company.

**Risk Warnings:** The specialised investment programme of each Fund involves certain risks, including the risk of loss of some or the entire amount invested. No guarantee or representation is made that a Fund will achieve its investment objective. Please see the section entitled "Risk Warnings" for further information.



### 3. DEFINITIONS

For the purposes of this Prospectus, the following expressions have the following meanings:

<b>"Accounting Period"</b>	means the annual accounting period for the Company ending on 31 December in each calendar year.
<b>"Accumulation Share(s)"</b>	means Shares (of whatever Class) of the Company as may be in issue from time to time in respect of which income allocated thereto is credited periodically to capital pursuant to the requirements of the Central Bank.
<b>"Act"</b>	means the Companies Act 2014 and every statute or other provision of law amending, supplementing or re-enacting it, from time to time.
<b>"Administrator"</b>	means RBC Investor Services Ireland Limited and any other person or persons for the time being duly appointed administrator by the Company in accordance with the Central Bank Rules.
<b>"Administration Agreement"</b>	means the agreement by which the Company appointed the Administrator to provide administrative services to the Company and each Fund, as amended and restated by an amended and restated agreement dated 21 December 2016 between the Manager, the Company and the Administrator (as may be amended and/or supplemented from time to time in accordance with the requirements of the Central Bank).
<b>"AIF"</b>	means alternative investment fund.
<b>"Application Form"</b>	means the form of application for Shares in a Fund.
<b>"Articles"</b>	means the memorandum and articles of association of the Company as amended from time to time.
<b>"Base Currency"</b>	means, in relation to any Fund, such currency as is specified as such in the Supplement for the relevant Fund.
<b>"Business Day"</b>	means a day on which banks in Ireland and United Kingdom are open for normal banking business or in any other financial centre that the Directors may determine to be relevant for the operations of any Fund and as disclosed in the relevant Supplement if applicable.
<b>"Central Bank"</b>	means the Central Bank of Ireland.
<b>"Central Bank Regulations"</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment in Transferable Securities) Regulations 2015 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
<b>"Central Bank Rules"</b>	means the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Company pursuant to the UCITS Regulations.

<b>"Class"</b>	means a particular class of Share.
<b>"Clearing System"</b>	means the National Securities Clearing Corporation ("NSCC") clearance and settlement system or any other clearing or settlement system used to settle the trading of Shares.
<b>"Close of Business"</b>	means 5.00 p.m. Irish time or such other time as the Directors may determine for an individual Fund on any Business Day.
<b>"Company"</b>	means GemCap Investment Funds (Ireland) plc.
<b>"CRS"</b>	means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard.
<b>"Dealing Day"</b>	means every Business Day or such other Business Day or Business Days as the Directors may determine, and notify in advance to Shareholders, provided that there shall be at least one Dealing Day per fortnight.
<b>"Dealing Deadline"</b>	means in relation to applications for subscription, redemption or switches of Shares in a Fund, the dates and times specified in the relevant Supplement.
<b>"Depositary"</b>	means RBC Investor Services Bank S.A., Dublin Branch and any other person or persons for the time being duly appointed depositary with the prior approval of the Central Bank.
<b>"Depositary Agreement"</b>	means the agreement by which the Company has appointed the Depositary to provide depositary services to the Company in respect of the assets of each Fund.
<b>"Directors"</b>	means a director or the directors of the Company or of the Manager, as applicable.
<b>"Distributor"</b>	means, other than the Global Distributor, any one or more distributor appointed by the Manager to provide distribution services to a Fund as set out in the relevant Supplement.
<b>"EEA Member States"</b>	means the member states of the European Economic Area, the current members at the date of this Prospectus being the EU Member States, Iceland, Liechtenstein and Norway.
<b>"Eligible Counterparty"</b>	means a counterparty to OTC derivatives with which a Fund may trade and belonging to one of the categories approved by the Central Bank which, at the date of this Prospectus, comprise the following: <ul style="list-style-type: none"> <li>(a) a Relevant Institution;</li> <li>(b) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA</li> </ul>

	Member State; or
	(c) a group company of an entity issued with a bank holding company licence from the Federal Reserve of the US where that group company is subject to bank holding company consolidated supervision by that Federal Reserve.
<b>"Equity and Equity-Related Securities"</b>	includes, but is not limited to equities, depositary receipts, convertible securities, preferred shares, freely transferable and un-leveraged structured notes, and bonds convertible into common or preferred shares. Convertible bonds and structured notes will not be utilised until such time as a risk managed process that includes convertible bonds and structured notes has been approved by the Central Bank.
<b>"ESMA Guidelines"</b>	means ESMA's Guidelines on sound remuneration policies under the UCITS Directive and AIFMD published on 31 March 2016 as may be amended from time to time.
<b>"EU"</b>	means the European Union.
<b>"EU Member States"</b>	means the member states of the European Union.
<b>"Euro" and "EUR"</b>	means the unit of the single European currency.
<b>"Exempt Irish Shareholder"</b>	means a Shareholder who comes within any of the prescribed categories under the TCA and has provided a Relevant Declaration to this effect to the Company in a form acceptable to the Company.
<b>"FATCA"</b>	means <ul style="list-style-type: none"> <li>(a) sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulations or other official guidance;</li> <li>(b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and</li> <li>(c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs.</li> </ul>
<b>"FCA"</b>	means the United Kingdom Financial Conduct Authority or any successor authority.
<b>"FDI"</b>	means a financial derivative instrument (including an OTC derivative).
<b>"Fund"</b>	means each sub-fund of the Company representing a particular Portfolio which may be further sub-divided into Classes of Shares

within a Fund.

<b>"Global Distribution Agreement"</b>		means the amended and restated agreement dated 21 December 2016 between the Manager and the Global Distributor by which the Manager has appointed the Global Distributor, authorised and regulated by the UK Financial Conduct Authority, to provide global distribution services to the Company.
<b>"Global Distributor"</b>		means Gemini Investment Management Limited.
<b>"Great Britain Pounds" or "GBP"</b>		means a unit of the United Kingdom currency.
<b>"Initial Offer Period"</b>		means the initial offer period for a Class of Shares in a Fund, the dates of which are set out in the relevant Supplement, or such other dates as the Directors in their discretion may determine and notify to the Central Bank.
<b>"Institutional Investor"</b>	<b>Accredited</b>	means an "accredited investor" as defined in Rule 501(a) (1), (2), (3) or (7) of Regulation D under the 1933 Act.
<b>"Investment"</b>		means any asset capable of investment for the time being and which is permitted under the UCITS Regulations including any investment or contractual entitlements and obligations made or entered into by the Company.
<b>"Investment Advisor"</b>		means any one or more investment advisors appointed by an Investment Manager to provide investment advice in respect of the assets of a Fund.
<b>"Investment Manager"</b>		means the Investment Manager for a Fund listed in the appropriate Supplement.
<b>"Investment Management Agreement"</b>	<b>Management</b>	means each amended and restated agreement dated 21 December 2016 between the Manager, the Company and the relevant Investment Manager (as may be amended and/or supplemented from time to time in accordance with the requirements of the Central Bank) by which the Manager has appointed the relevant Investment Manager to manage each Fund's Investments, as specified in the relevant Supplement.
<b>"Investment Fee"</b>	<b>Management</b>	means the fees payable to the Investment Manager calculated as described under "Fees and Expenses".
<b>"Investor Regulations"</b>	<b>Money</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers, as may be amended from time to time.
<b>"Irish Resident"</b>		means any person resident in Ireland or ordinarily resident in Ireland other than an Exempt Irish Shareholder.
<b>"Irish Stock Exchange"</b>		means the Irish Stock Exchange plc.
<b>"Main Securities Market"</b>		means the main securities market of the Irish Stock Exchange.
<b>"Management Agreement"</b>		means the management agreement dated 21 December 2016 between the Company and the Manager (as may be amended

and/or supplemented from time to time in accordance with the requirements of the Central Bank).

<b>"Manager"</b>	means Gemini Capital Management (Ireland) Limited or such other company as may from time to time be appointed as manager to the Company in accordance with the requirements of the Central Bank.
<b>"MiFID II"</b>	means the Markets in Financial Instruments Directive (recast) (Directive 2014/65/EU);
<b>"MiFID II Delegated Directive"</b>	means Commission Delegated Directive (EU) of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits;
<b>"Minimum Fund Size"</b>	means the minimum value of a Fund as may be determined by the Directors.
<b>"Minimum Subscription"</b>	means the minimum amounts specified in the relevant Supplement in relation to a particular Fund or Class within a Fund.
<b>"Money Market Instruments"</b>	means instruments normally dealt in on the money markets which are liquid, and have a value which can be accurately determined at any time (for example, certificates of deposit, floating rate notes and fixed rate commercial paper listed or traded on permitted markets).
<b>"Net Asset Value"</b>	means the net asset value of the relevant Fund or of the Company determined by the Administrator under delegated authority from the Directors as described below.
<b>"Net Asset Value per Share"</b>	means the net asset value of the relevant Share determined by the Administrator under delegated authority from the Directors as described below.
<b>"OECD Member State"</b>	means a member state of the Organisation for Economic Co-operation and Development.
<b>"Official List"</b>	means the official list of the Irish Stock Exchange.
<b>"OTC"</b>	means over-the-counter and refers to derivatives negotiated between two counterparties.
<b>"Paying Agent"</b>	means one or more paying agents including but not limited to representatives, distributors, correspondent banks or centralising agents which may be appointed by the Company in certain jurisdictions.
<b>"Person Closely Associated"</b>	means, in relation to a Director: <ul style="list-style-type: none"><li>(a) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;</li><li>(b) a dependent child, in accordance with national law;</li></ul>

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

**"Portfolio"**

means the separate portfolio of Investments and liabilities attributable to a Fund of the Company determined according to the Articles.

**"Private Customer"**

means:

- (a) an individual who is not a firm;
- (b) an overseas individual who is not an overseas financial services institution.

**"Professional Clients"**

means:

- (a) a credit institution;
- (b) an investment firm;
- (c) any other authorised or regulated financial institution;
- (d) an insurance company;
- (e) a collective investment scheme or the management company Of such a scheme;
- (f) a pension fund or the management company of a pension fund;
- (g) a commodity or commodity derivatives dealer; and
- (h) any other institutional investor.

**"Prospectus"**

means this prospectus (including any addendums) issued on behalf of the Company as amended, supplemented or consolidated from time to time.

**"Qualified Purchaser"**

means a "qualified purchaser" as defined in Section 2(a)(51)(A) of the 1940 Act.

**"Recognised Exchange"**

means any regulated market or exchange (which is an exchange within the meaning of the laws of the country concerned relating to exchanges) in the EU, the Organisation for Economic Co-operation and Development, Hong Kong, Singapore, South Africa, NASDAQ, NASDAQ Europe, the market in US government securities which is conducted by primary dealers which are

regulated by the Federal Reserve Bank of New York, the market in transferable securities conducted by primary dealers and secondary dealers which are regulated by the US Securities and Exchange Commission and by the National Association of Securities Dealers and the OTC market in Tokyo regulated by the Securities Dealers Association of Japan and any other regulated exchange or market contained in Appendix A.

<b>"Redemption Price"</b>		means the price, calculated in the manner described below under the section headed "Valuation and Prices", at which Shares will normally be redeemed.
<b>"Relevant Declaration"</b>		means the declaration relevant to the Shareholder as set out in Schedule 2B TCA.
<b>"Relevant Institutions"</b>		means credit institutions authorised in an EEA Member State or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988, or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
<b>"Revenue Commissioners"</b>		means the Irish Revenue Commissioners.
<b>"SEC"</b>		means the United States Securities and Exchange Commission.
<b>"Securities Transactions"</b>	<b>Financing</b>	means repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Fund is permitted to engage in;
<b>"SFTR"</b>		means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;
<b>"Shareholder"</b>		means a person who is registered on the register of members of the Company as the holder of a Share.
<b>"Shares"</b>		means participating shares in any Fund.
<b>"Subscriber Share"</b>		means a non-participating share in the capital of the Company issued in accordance with the Articles and with the rights provided for under the Articles.
<b>"Subscription Price"</b>		means the price, calculated in the manner described below under the section headed "Valuation and Prices", at which Shares will be issued.
<b>"Subscriptions/Redemptions Account"</b>		means the account in the name of the Company through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the Application Form.
<b>"Supplement"</b>		means any supplement to the Prospectus issued on behalf of the Company specifying certain information in relation to a Fund and/or one or more Classes from time to time.

<b>"TCA"</b>	means the Irish Taxes Consolidation Act 1997, as amended.
<b>"Total Return Swap"</b>	means a derivative (and a transaction within the scope of SFTR) whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty;
<b>"Transferable Securities"</b>	means: <ul style="list-style-type: none"> <li>(a) shares in companies and other securities equivalent to shares in companies which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the UCITS Regulations;</li> <li>(b) bonds and other forms of securitised debt which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the UCITS Regulations;</li> <li>(c) other negotiable securities which carry the right to acquire any securities within (i) or (ii) above by subscription or exchange which fulfil the criteria specified in Part 1 of Schedule 2 of the UCITS Regulations; and</li> <li>(d) securities specified for this purpose in Part 2 of Schedule 2 of the UCITS Regulations.</li> </ul>
<b>"UCITS Regulations"</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011, as may be amended, supplemented or replaced from time to time and any statutory instrument or administrative rules issued by the Central Bank pursuant to them.
<b>"UCITS V"</b>	means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time.
<b>"UK Facilities Agent"</b>	means Gemini Investment Management Limited.
<b>"US" or "United States"</b>	means the United States of America, its territories and possessions, any state of the United States and the District of Columbia.
<b>"US Dollars", "USD" and "US\$"</b>	means the currency of the United States.
<b>"US Person"</b>	has the meaning ascribed to it in Regulation S promulgated under the United States Securities Act of 1933, as amended from time to time or a person that is not a "Non-United States person" as such term is defined in Part 4 of the CFTC's regulations.
<b>"Valuation Point"</b>	means the date and time specified in the relevant Supplement or such other time on a Business Day as the Directors may from time to time determine and which they will notify to Shareholders in



advance for the purposes of valuing investments.

**"1933 Act"**

means the US Securities Act of 1933, as amended.

**"1940 Act"**

means the US Investment Company Act of 1940, as amended.

#### **4. STRUCTURE**

The Company is an umbrella type open-ended investment company with variable capital incorporated on 1 June 2010 with limited liability and segregated liability between Funds under the laws of Ireland with registered number 485081 under the Act. The Company is authorised in Ireland by the Central Bank pursuant to the UCITS Regulations. The authorised share capital of the Company is 2 Subscriber Shares of €1 each and 1,000,000,000,000 shares of no par value initially designated as unclassified participating shares. Under the Articles, the Directors have power to issue Shares in a Fund and to further sub-divide any Fund into Classes of Shares within each Fund upon prior notification and clearance by the Central Bank, provided however that separate Portfolios of Investments shall not be maintained with respect to individual Classes within a Fund.

Under the Articles, the Directors have power to issue Shares in a Fund. Each Fund may have one or more Classes. Different Classes may be issued from time to time with the prior notification to and clearance in advance by the Central Bank. Each Class represents interests in a Fund. Prior to the issue of any Shares, the Company will designate the Fund in relation to which such Shares will be issued. Each Share will represent a beneficial interest in respect of the Fund in which it is issued. A separate Portfolio with separate records and accounts will be maintained in respect of each Fund. Separate Portfolios will not be maintained in respect of different Classes.

A list of Funds of the Company is provided in an addendum to this Prospectus.

The Company's principal object, as set out in Clause 3 of the Memorandum of Association of the Company, is the collective investment in either or both transferable securities or other liquid financial assets of capital raised from the public, operating on the principal of risk-spreading.

Additional Funds may be added to the Company by the Directors from time to time with the prior approval of the Central Bank. Each Fund may have separate investment objectives and policies. The Company may issue Shares of more than one Class in each Fund. All Shares of each Class will rank *pari passu* inter se save as provided for herein. A segregated pool of assets will be maintained for each Fund and will be invested in accordance with the investment objectives and policies applicable to such Fund as set out in the relevant Supplement.

The Company is structured as an umbrella fund with segregated liability between Funds. Notwithstanding the segregation of assets and liabilities within each Fund, the Company is a single legal entity and no Fund constitutes a legal entity separate from the Company itself.

The Base Currency of the Company for accounting purposes will be US Dollars.

The Board of Directors is responsible for managing the business affairs of the Company. The Directors have delegated: (i) the management of the Company to the Manager; and (ii) the day-to-day administration of the Company's affairs (including the calculation of the Net Asset Value and the Net Asset Value per Share, Shareholder registration and transfer agency services and related services) to the Administrator. In turn, the Manager has delegated the management of the assets and investments of each Fund to the relevant Investment Manager.

## **5. INVESTMENT OBJECTIVE AND POLICIES**

The investment objectives and policies of each Fund of the Company will vary and full details thereof will be contained in the relevant Supplement hereto issued in respect of the relevant Fund.

### **(A) Investment Objectives**

The object for which the Company is established is to achieve long term capital growth and/or income through the collective investment in either or both transferable securities or other liquid financial assets of capital raised from the public, operating on the principle of risk-spreading. The Company aims to provide investors with the opportunity to invest in a variety of Funds.

### **(B) Amendment to the Investment Objectives and Strategy**

The investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of such Fund. Any changes to the investment objective of a Fund and/or material changes to the investment policy may not be made without the approval, on the basis of a majority of votes cast at a general meeting, of Shareholders. In the event of a change in investment objective and/or policy, a reasonable notification period will be provided by the Company to enable Shareholders to redeem their Shares prior to the implementation of such change. The assets of each Fund will be invested separately in accordance with the investment objective, policies and guidelines of that Fund which are set out in the relevant Supplement. Each Supplement will be approved by the Central Bank at the time of authorisation of the relevant Fund and in advance of any changes to the relevant Supplement.

The Company will adhere to the investment objective and approach set out above for a period of at least three years from the date of admission of the Shares to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange. Within those three years, such investment objective and approach may only be changed in exceptional circumstances and then only with the consent of a majority of Shareholders.

## 6. EFFICIENT PORTFOLIO MANAGEMENT

The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments (such as FDI) in which it invests for efficient portfolio management purposes, a list of which (if any) shall be set out in the relevant Supplement. The Company will employ an investment risk management process, which enables it to accurately monitor, measure and manage the risks attached to FDI positions. If FDI are to be utilised by any Fund full details will be provided in the relevant Supplement. A Fund will not use FDI until such time as a risk management process has been reviewed and cleared by the Central Bank in respect of that Fund. Use of such techniques and instruments will generally be made for one or more of the following reasons:

- (a) the reduction of risk;
- (b) the reduction of cost; or
- (c) the generation of additional capital or income for the Company with an appropriate level of risk, taking into account the risk profile of the Company and the risk diversification rules set out in the Central Bank Regulations.

Such techniques and instruments may include foreign exchange transactions which alter the currency characteristics of assets held by the relevant Fund.

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The Investment Manager may seek to mitigate this exchange rate risk by using FDI.

FDI which have not been included in the relevant Supplement will not be utilised until the Supplement and a risk management process incorporating those instruments has been submitted to and cleared by the Central Bank. A description of the main techniques and instruments that may be used at a future point, subject to the provisions of the above paragraph, for efficient portfolio management and/or investment purposes are set out below.

**Where specified in a Supplement to this Prospectus, each Fund may invest in FDI and/or utilise techniques and instruments for hedging and/or investment purposes and/or efficient portfolio management and/or to manage foreign exchange risks, subject to the conditions and within the limits laid down by the Central Bank. Any proposed investment in FDI is subject to a risk management process document being submitted to, and approved by the Central Bank in advance.**

The FDIs which may be used for hedging and/or investment purposes and/or efficient portfolio management and/or to manage foreign exchange risks include warrants, futures, options, contracts for difference, participation notes and equity linked notes with no embedded derivatives / leverage. Performance may be strongly influenced by movements in currency rates because a Fund may have exposure to a particular currency that is different to the currency in which the securities held by that Fund are denominated. Each Fund may utilise repurchase/reverse repurchase agreements for efficient portfolio management and/or to manage foreign exchange risks, subject to the conditions and within the limits laid down by the Central Bank.

A description of the main techniques and instruments that may be used for efficient portfolio management and/or investment purposes are set out below:

### **Warrants; including Equity Warrants, Bond Warrants and Fixed Index Warrants**

Warrants are a type of option issued by corporations giving the holder of the option the right to buy shares of the corporation for a pre-specified price. When exercised, the corporation is obligated to issue new shares of its stock and deliver these to the holder of the warrant in

exchange for the strike price. The main conceptual difference between a standard exchange traded option and a warrant is that the exercise of a warrant results in the issuance of new stock whereas the writer of an exchange traded option delivers previously issued stock upon exercise, which can result in a drop in the price of the underlying stock when the warrant is exercised (known as the dilution effect). Typically warrants possess a much longer life until expiry than regular options. Warrants may be used to gain exposure to the underlying equity or bond.

### **Participation Notes and Equity Linked Notes**

Participation and/or equity linked notes are purchased where access to an underlying security is difficult or more risk is involved in the local settlement process. The notes are only used to obtain access to a specific security, primarily in less liquid markets, including China, India, Brazil and Turkey. Normally such an investment will involve the purchase of the local security by a local branch of an internationally recognised investment bank/broker who will issue a note on the underlying security. The counterparty to a Fund is normally an internationally recognised investment bank/broker or else the note may be listed and traded through a Recognised Exchange.

### **Stock lending**

Stock lending entitles the lender to receive a payment equivalent to the income generated by the stock plus an additional fee from the borrower. Stock lending may be used as a means of increasing returns from assets.

### **Forwards**

A currency forward is a form of OTC derivative that obligates one party to purchase a currency from another party at a fixed future date for a price and currency specified in the terms of the contract. Initiating a position in a forward does not require any financial outlay, so allows for leveraged positions to be taken. Currency forwards may be used to increase or reduce exposure to currency price movements.

### **Contracts for Difference**

A contract for difference is a type of derivative, similar to a forward that either pays out or requires payment of the change in value of an underlying security between the time the contract was taken out and the time it was closed. The holder has the right to close the position at any time of their choosing. Contracts for differences may be used for liquidity and hedging purposes.

### **Futures**

Futures are a standardised form of exchange traded forward designed to simplify trading and to provide increased liquidity. They differ from forwards in that they have standardised terms, and are marked to market at the end of each trading day. Margin payments may be used to settle daily movements, and funds must retain sufficient liquidity to meet their margin requirements according to regulations governing likely future movements of the market. Futures may be used to increase or reduce bond, currency or equity market exposure.

### **Equity Futures, Equity Index Futures and Bond Index Futures**

The value of both equity and index futures remain in one-to-one correlation with their underlying. Settlement can be in the form of either cash or stock according to contractual terms. As with all futures contracts they may be used to improve liquidity, to take either long or short positions, to take positions in baskets of stocks (i.e. indexes), and to introduce leverage by taking an exposure without the need for initial contractual outlay, to hedge the underlying portfolio, and to effect more timely and cost efficient asset allocation.

### **Bond Futures**

The underlying instruments for intermediate and long-term interest rate futures are government notes and bonds. Their liquidity and capital properties are essentially the same as for short-term contracts. Bond futures may be used to increase or reduce exposure to currency price movements.

## **Options; including Currency Options, Equity Index Options, Bond Index Options, Equity Option, Bond Options, Interest Rate Options, Options on Bond Futures and Options on Interest Rates**

An option is a derivative contract that conveys to its purchaser the right (but not the obligation) to buy or sell the underlying at a pre-specified price (strike price) over a period that is defined within the terms of the contract. If the option is exercised, the writer of the contract is obliged to fulfil the terms and conditions of the contract through transfer of the underlying (or its cash equivalent, if so defined). If the option is not exercised, then it expires worthless, and the only transfer of cash would have been the premium paid by the purchaser at the time that the contract was written. Options exist as calls (the right to buy the underlying) and puts (the right to sell the underlying). Calls and puts can be either purchased or written to achieve a desired exposure to the underlying security without the capital constraint of physically purchasing that security. Unlike futures contracts, option contracts require an initial premium, for which they confer the right to pass up exercise if that remains within the purchaser's interests. An out-of-the-money option would expire worthless (with loss of premium) whilst an in-the-money-option would be exercised under contractual terms. There are no offsetting margin payments under option contracts. Similarly to futures contracts, the underlying can be any of a wide variety of securities or even other contracts such as futures. An option contract may be used to provide exposure to an underlying asset but offers increased liquidity, the ability to take either long or short positions, the ability to take positions in baskets of stocks (i.e. indexes), and the ability to introduce leverage through only minimal outlay, which would not be available through trading of the underlying itself. Each Fund may also combine different options contracts to achieve a variety of low risk exposures. For example, buying a call and a put with the same exercise price (known as a straddle) allows the Fund to benefit (less premium outlay) by either a rise or fall in the price of the underlying. If the Investment Manager expects the underlying price to be volatile then this (or a similar strategy) may be employed. Options can offer timely, low risk, and highly liquid solutions to otherwise unattainable portfolio rebalancing requirements.

## **Swaps**

A swap is an OTC agreement between two parties to exchange a series of cash flows or returns on an underlying financial instrument for a set period of time. Typical cash flow and return series exchanged in a swap include: fixed interest rate, inflation rate, total return of an instrument or index and floating interest rates. Swap legs can be denominated in the same or a different currency. Other swaps reference instrument characteristics such price volatility, variance, correlation, covariance and asset swap levels. These swaps have one active leg and a null second leg which means exposure is limited to change in the reference characteristic. Specifically, the use of Total Return Swaps by a Fund shall be subject to the requirements of SFTR.

## **Securities Financing Transactions**

Where disclosed in the Supplement for the relevant Fund, a Fund may use Securities Financing Transactions in accordance with normal market practice and subject to the requirements of SFTR and the Central Bank Rules. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the relevant Fund, including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities. Repurchase agreements are a type of securities lending transaction in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.

Any Fund that seeks to engage in securities lending should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

Any Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the Fund.

A Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Fund.

All the revenues arising from Securities Financing Transactions and any other efficient portfolio management techniques shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent), which shall not include hidden revenue, shall include fees and expenses payable to repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the Company from time to time. Such fees and expenses of any repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the Company, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the Company or the relevant Fund in respect of which the relevant party has been engaged. Details of Fund revenues arising and attendant direct and indirect operational costs and fees as well as the identity of any specific repurchase/reverse repurchase agreements counterparties and/or securities lending agents engaged by the Company from time to time shall be included in the semi-annual and annual reports.

While the Company will conduct appropriate due diligence in the selection of counterparties, including consideration of the legal status, country of origin, credit rating and minimum credit rating (where relevant), it is noted that, with the exception of Total Return Swaps, the Central Bank Rules do not prescribe any pre trade eligibility criteria for counterparties to a Fund's Securities Financing Transactions.

From time to time, a Fund may engage repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to section 12 "Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of UCITS Regulation 103 and UCITS Regulation 111 respectively.

The use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of the Fund or add substantial supplementary risks not covered in this Prospectus. Please refer to the section of this Prospectus entitled "Risk Factors" for more details on the risks related to efficient portfolio management and Securities Financing Transactions. The risks arising from the use of Securities Financing Transactions shall be adequately captured in the relevant Fund's risk management process.

## **Risk Management**

The Company, on behalf of each Fund, has filed with the Central Bank its risk management process which enables it to accurately measure, monitor and manage the various risks

associated with the use of FDI and Securities Financing Transactions, where appropriate. Any FDI not included in the risk management process will not be utilised until such time as a revised risk management process has been provided to and cleared by the Central Bank. The Company 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.

### **Eligible Counterparties**

A Fund may invest in OTC derivatives in accordance with the Central Bank Rules and provided that the counterparties to the OTC derivatives are Eligible Counterparties.

### **Collateral Policy**

In the context of efficient portfolio management techniques, Securities Financing Transactions and/or the use of FDI for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund. Any receipt or posting of collateral by a Fund will be conducted in accordance with the Central Bank Rules and the terms of the Company's collateral policy outlined below.

#### Collateral – received by a Fund

Collateral posted by a counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. Each Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Company's risk management process. A Fund receiving collateral for at least 30% of its assets should have an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the components set out in Regulation 24(8) of the Central Bank Regulations.

For the purpose of providing margin or collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund in accordance with normal market practice and the requirements outlined in the Central Bank Rules.

All assets received by a Fund in the context of Securities Financing Transactions shall be considered as collateral and must comply with the terms of the Company's collateral policy.

Any non-cash assets received by a Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) shall be held by the Depositary or a duly appointed sub-custodian. Assets provided by a Fund on a title transfer basis shall no longer belong to the Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

#### *Collateral*

Collateral received must, at all times, meet with the specific criteria outlined in the Central Bank Regulations, in particular, the Investment Manager, on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price



volatility, as well as the outcome of any stress tests performed as referred to above. The Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Investment Manager on an ongoing basis. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of Section 7 "Investment Restrictions" below.

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

Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles applicable to the ICAV. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value.

Non-cash collateral cannot be sold, pledged or re-invested.

#### *Cash Collateral*

Cash collateral may not be invested other than in the following:

- (i) deposits with Relevant Institutions;
- (ii) high-quality government bonds;
- (iii) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis;
- (iv) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash collateral. Cash collateral may not be placed on deposit with the relevant counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund.

#### Collateral – posted by a Fund

Collateral posted to a counterparty by or on behalf of a Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the Fund is able to legally enforce netting arrangements with the counterparty.

#### **Reference to Ratings**

The European Union (Alternative Investment Fund Managers) (Amendment) Regulations 2014 (S.I. No. 379 of 2014) (the "**Amending Regulations**") transpose the requirements of the Credit Ratings Agencies Directive (2013/14/EU) ("**CRAD**") into Irish Law. CRAD aims to restrict the reliance on ratings provided by credit rating agencies and to clarify the obligations for risk management. In accordance with the Amending Regulations and the CRAD, notwithstanding anything else in this Prospectus, the Investment Manager shall not solely or mechanistically rely on credit ratings in determining the credit quality of an issuer or counterparty.

## **7. INVESTMENT RESTRICTIONS**

The permitted investments and investment restrictions applying to the Company, in accordance with the qualifications and exemptions contained in the UCITS Regulations, and in the Central Bank Regulations, are set out below. The Directors may from time to time impose such further investment restrictions as shall be compatible with or in the interest of the Shareholders, in order to comply with the laws and regulations of the countries where Shares of the Company are placed. Any such further restrictions shall be in accordance with the Central Bank Rules.

### **(A) General**

#### **1. Permitted Investments**

Investments of a Fund are confined to:

- 1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange 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 stock exchange or other market (as described above) within a year.
- 1.3 Money Market Instruments other than those dealt on a regulated market.
- 1.4 Units/shares of UCITS.
- 1.5 Units/shares of AIFs.
- 1.6 Deposits with credit institutions.
- 1.7 FDI.

#### **2. Investment Restrictions**

- 2.1 Each Fund may invest no more than 10% of its Net Asset Value in transferable securities and Money Market Instruments other than those referred to in paragraph 1.
- 2.2 Each Fund may invest no more than 10% of its Net Asset Value in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by each Fund in certain US securities known as rule 144A securities provided that:
  - the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
  - the securities are not illiquid securities i.e. they may be realised by a Fund within seven days at the price, or approximately at the price, at which they are valued by a Fund.
- 2.3 Each Fund may invest no more than 10% of its Net Asset Value in transferable securities and 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 Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of a Fund. If a Fund intends to avail of this increased flexibility, it may only do so with the prior approval of the Central Bank.
- 2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or Money Market Instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6 The transferable securities and Money Market Instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7 Each Fund may not invest more than 20% of its Net Asset Value in deposits made with the same credit institution. Deposits with any one credit institution, other than credit institutions authorised in an EEA Member State or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July, 1988 or credit institutions located in the Channel Islands, Australia or New Zealand held as ancillary liquidity, must not exceed 10% of net assets. This limit may be raised to 20% in the case of deposits made with the Depositary.
- 2.8 The risk exposure of each Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value. 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.
- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 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 the Net Asset Value of a Fund:
- investments in transferable securities or Money Market Instruments;
  - deposits, and/or
  - counterparty risk exposures arising from OTC derivatives transactions.
- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of Net Asset Value.
- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of Net Asset Value may be applied to investment in transferable securities and Money Market Instruments within the same group.
- 2.12 Each Fund may invest up to 100% of its Net Asset Value in transferable securities and Money Market Instruments issued by or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members. The following are permitted issuers for the purpose of the investment restriction:
- OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the relevant issues are investment grade), Government of India (provided the issues are of investment grade), the European Investment Bank, the European Bank for Reconstruction and

Development, the International Finance Corporation, the International Monetary Fund, Euratom, the Asian Development Bank, the European Central Bank, the Council of Europe, Eurofima, the African Development Bank, the International Bank for Reconstruction and Development (The World Bank), the Inter-American Development Bank, the EU, the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), the Government National Mortgage Association (Ginnie Mae), the Student Loan Marketing Association (Sallie Mae), the Federal Home Loan Bank, the Federal Farm Credit Bank, the Tennessee Valley Authority, the Government of Singapore and Straight-A-Funding LLC.

However, a Fund must hold securities from at least six different issues, with securities from any one issue not exceeding 30% of the Net Asset Value of that Fund.

- 2.13 Each Fund will not take or seek to take legal or management control over any collective investment scheme in which it invests.

### **3. Investment in Collective Investment Schemes ("CIS")**

Save in respect of a Fund which has an investment objective and policy that is more restrictive in respect of its investment in CIS, the following will apply:

- 3.1 Each Fund may invest no more than 20% of its Net Asset Value, in any one CIS
- 3.2 Investment in AIFs may not, in aggregate, exceed 30% of its net assets.
- 3.3 The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
- 3.4 When a Fund invests in the shares/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 may not charge subscription, conversion or redemption fees on account of the a Fund's investment in the shares/units of such other CIS.
- 3.5 Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the units/shares of another CIS, this commission must be paid into the property of the relevant Fund.

### **4. Index Tracking UCITS**

- 4.1 Each Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Company is to replicate an index which satisfies the criteria set out in the Central Bank Rules.
- 4.2 The limit in paragraph 4.1 may be raised to 35%, and applied to a single issuer, where this is justified in exceptional market conditions.

### **5. General Provisions**

- 5.1 Each Fund may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 5.2 Each Fund may acquire no more than:
- (i) 10% of the non-voting shares of any single issuing body;
  - (ii) 10% of the debt securities of any single issuing body;
  - (iii) 25% of the shares/units of any single CIS;

- (iv) 10% of the Money Market Instruments of any single issuing body.

NOTE: The limits laid down in (ii), (iii) and (iv) 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 securities in issue cannot be calculated.

- 5.3 5.1 and 5.2 shall not be applicable to:
- (i) transferable securities and Money Market Instruments issued or guaranteed by a Member State or its local authorities;
  - (ii) transferable securities and Money Market Instruments issued or guaranteed by a non-Member State;
  - (iii) transferable securities and Money Market Instruments issued by public international bodies of which one or more Member States are members;
  - (iv) shares held by any Fund in the capital of a company incorporated in a non-State which invests its assets mainly in the securities of issuing bodies having 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 of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6 and provided that where these limits are exceeded, 5.5 and 5.6 are observed;
  - (v) 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 redemption of shares / units at shareholders / unitholders' request exclusively on their behalf.
- 5.4 Each Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or Money Market Instruments which form part of their assets.
- 5.5 The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1 and 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 5.6 If the limits laid down herein are exceeded for reasons beyond the control of any Fund, or as a result of the exercise of subscription rights, then that Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
- 5.7 Neither the Investment Manager, nor any of the Funds, may carry out uncovered sales of:
- transferable securities;
  - Money Market Instruments;\*
  - units of CIS; or
  - FDI.

\*any short selling of Money Market Instruments by the Company is prohibited.

- 5.8 Each Fund may hold ancillary liquid assets.

## **6 FDI**

- 6.1 Each Fund's global exposure relating to FDI must not exceed its total Net Asset Value (this provision may not be applied to Funds that calculate their global exposure using the VaR methodology as disclosed in the relevant Supplement).

- 6.2 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 Rules. (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 Rules.)
- 6.3 Each 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.
- 6.4 Investment in FDIs is subject to the conditions and limits laid down by the Central Bank.

It is intended that any Fund should have power to avail of any change in the investment restrictions laid down in the UCITS Regulations which would permit investment by a Fund in securities, derivative instruments or in any other forms of investment in which investment is as at the date of this Prospectus, restricted or prohibited under the UCITS Regulations. Any change in investment restrictions will be reflected in an updated Prospectus.

**(B) Restrictions on Borrowing, Lending and Dealing**

- (1) Each Fund may only borrow an amount which in the aggregate does not exceed 10% of the Net Asset Value of a Fund. Such borrowings may, however, only be made on a temporary basis. The Depositary may give a charge over the assets of a Fund in order to secure borrowings. Furthermore, each Fund may not invest more than 10% of its Net Asset Value in partly paid securities.
- (2) Each Fund may acquire foreign currency by means of a "back-to-back" loan. Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions contained in the UCITS Regulations and (1) above, provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

However, where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purpose of Regulation 103 of the UCITS Regulations and (1) above. Where a Fund maintains the offsetting balance in a different currency to the underlying currency of the Fund, a currency exposure risk will exist

- (3) Each Fund may not, save as set out in (1) above, mortgage, hypothecate or in any manner transfer as security for indebtedness, any securities owned or held by a Fund provided that the purchase or sale of securities on a when-issued or delayed-delivery basis, and margin paid with respect to the writing of options or the purchase or sale of forward or futures contracts, are not deemed to be the pledge of the assets.
- (4) Without prejudice to the powers of each Fund to invest in transferable securities, each Fund may not lend or act as guarantor on behalf of third parties.
- (5) Each Fund may engage in stock lending for the purpose of efficient portfolio management, in accordance with the guidelines set out by the Central Bank.
- (6) Each Fund may not use borrowings to cover exposure to FDI.

## **8. RISK WARNINGS**

Potential investors should consider the following risks and any further risks set out in the relevant Supplement before investing in any of the Funds. The investment objectives and policies for each Fund are set forth in the relevant Supplement. Certain of the Funds' investment policies involve certain risks that a prospective investor should keep in mind. None of the Funds are intended to be a complete investment programme, and there is no assurance that any Fund will achieve its objective. However, these risk warnings are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment.

### **General Considerations**

It should be remembered that the price of Shares and the income from them may fall as well as rise, and that investors may not get back the amount they have invested. In addition to market factors, changes in exchange rates may cause the value of Shares to go up or down. Persons interested in purchasing Shares should inform themselves as to (a) the legal requirements within their own countries of residence for the purchase of Shares, (b) any foreign exchange restrictions which may be applicable, and (c) the income and other tax consequences of the purchase and redemption of Shares.

Investment in certain securities markets involves a greater degree of risk than usually associated with investment in the securities of other major securities markets. Potential investors should consider the following risks and any further risks set out in the relevant Supplement before investing in any of the Funds.

Should supplementary information be required in respect of risk management methods, to include internal investment limits applied by the Investment Manager's risk management team, and any recent developments in the risk and yield characteristics of the main category of FDI, such supplementary information will be available from the Company upon request by the Shareholder.

### **Availability of Investment Opportunities**

The business of identifying and structuring investments of the types contemplated by a Fund is competitive, and involves a high degree of uncertainty. Market conditions as well as economic and political factors will have an impact on the opportunities for investment. Accordingly, there can be no assurance that a Fund will be able to identify and complete attractive investments in the future or that it will be able to invest fully its subscriptions or commitments, as the case may be. The securities in which a Fund invests may also involve high levels of complexity and uncertainty. Even if attractive investment opportunities are identified by the Investment Manager, there is no certainty that it will be permitted to invest in such opportunity (or invest in such opportunity to the fullest extent desired). The Investment Manager or its affiliates may sponsor, manage or advise on other funds with investment strategies similar to the relevant Fund. The Investment Manager, its affiliates and such funds are under no obligation to offer the opportunities to the relevant Fund identified in connection with these funds.

### **Basis Risk**

Basis risk may exist when there is a divergence between the price of a derivative and that of the underlying instrument in the cash market. This may result in market exposures even in instances where derivatives positions have been taken to hedge underlying exposures, due to the unforeseen divergence of the derivative and underlying security prices. This is only relevant if the underlying instrument is traded prior to maturity.

## **Conflicts of Interest**

Conflicts of interest may exist in the structure and operation of the Company's business. The attention of investors is specifically drawn to the potential conflict of interest implicit in the method of valuation of OTC option contracts and similar tracts and derivative instruments other than spot and forward contracts where the Administrator relies on the counterparties to such contracts or instruments to provide a price for the relevant contract or instrument. See the section headed "Conflicts of Interest".

## **Counterparty Credit Risk**

Markets in which the Company and the Funds may effect their OTC transactions do not regulate participants to the same extent as "exchange-based" markets. Where a Fund carries out transactions in these markets they may be subject to a credit risk on the transaction counterparty and a risk of settlement default. Such transactions do not benefit from the same protections as exchange-based clearing organisation guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. This may subject a Fund to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract or because of a credit or liquidity problem. Such "counterparty risk" is increased for contracts with longer maturities when events may intervene to prevent settlement. The ability of a 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 by a Fund.

## **Counterparty Risk**

Each Fund may have credit exposure to counterparties by virtue of investment positions in options, forward exchange rate and other contracts held by a Fund. To the extent that a counterparty defaults on its obligation and a Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

## **Currency Risk**

Assets of a Fund may be denominated in a currency other than the Base Currency of a Fund. Changes in the exchange rate between the Base Currency and the currency of such assets may lead to a depreciation of the value of a Fund's assets as expressed in the Base Currency. A Fund's Investment Manager may or may not try to mitigate this risk by using financial instruments. Funds may from time to time enter into currency exchange transactions either on a spot (i.e. cash) basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. A Fund may enter into currency exchange transactions in an attempt to protect against changes in currency exchange rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions or for speculative purposes.

A Fund may also enter into forward contracts to hedge against a change in such currency exchange rates that would cause a decline in the value of existing investments denominated or principally traded in a currency other than the Base Currency of that Fund. For example, a Fund could enter into a forward contract to sell the currency in which the investment is denominated or principally traded in exchange for the Base Currency of that Fund. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency, at the same time they limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the forward contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities



between the date when the forward contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured.

### **Custodial Risk**

Market practices in relation to the settlement of securities transactions and the custody of assets could provide increased risk. In particular, some of the markets in which a Fund may invest do not provide for settlement on a delivery versus payment basis and the risk in relation to such settlements has to be borne by the Fund.

### **Derivative Instrument Risk**

A Fund may be invested in certain derivative instruments, which may involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

### **Effects of Substantial Redemptions**

Substantial voluntary redemptions of Shares by Shareholders within a limited period of time could require a Fund to liquidate interests in securities sooner than would otherwise be desirable. Regardless of the period of time in which redemptions occur, the resulting reduction in the Net Asset Value of a Fund and thus in its equity base, could make it more difficult for a Fund to diversify its holdings and achieve its investment objective. Under the Articles, if redemption requests on any Dealing Day equal or exceed 10% of the Net Asset Value of a Fund in issue on that Dealing Day, the Directors may limit redemptions to 10% of Net Asset Value on that Dealing Day as they deem necessary in their sole discretion. Any redemptions in excess of 10% of Net Asset Value may be held over to the next Dealing Day where they will be effected on a pro rata basis to redemption requests received subsequently.

### **Emerging Market Risk**

In emerging markets the legal, judicial and regulatory infrastructure is still developing and there is much legal uncertainty both for local market participants and their overseas counterparts. "Frontier Markets" are a subset of emerging markets, and are differentiated from other emerging markets in that they typically are considered to be somewhat less economically developed. Some markets carry significant risks for investors who should therefore ensure that, before investing, they understand the relevant risks and are satisfied that an investment is suitable.

Price volatility in emerging markets may be higher than in more developed markets. Price discrepancies can be common and market dislocation is not uncommon in such markets. Additionally, as news about a particular country becomes available, financial markets may react significantly in a very short period of time. Emerging markets generally lack the level of transparency, liquidity, efficiency and levels of regulation found in more developed markets. There may be a higher level of political risk attached to investing in emerging markets also.

The trading volume on emerging markets through which a Fund may invest may be substantially less than in the world's leading stock markets, accordingly the accumulation and disposal of holdings in some investments may be time-consuming and may need to be conducted at unfavourable prices. Liquidity in such markets may also be less and volatility of prices greater than in the leading markets as a result of a high degree of concentration of market capitalisation and trading volume in a small number of companies.

The value of a Fund's assets may be affected by uncertainties such as changes in government policies, taxation, interest rates, exchange rates, currency repatriation restrictions, social and religious instability and other political, economic or other developments in the law or regulations

of the countries in which a Fund may invest and, in particular, by changes in legislation relating to the level of foreign ownership in the companies in India and countries in which the Fund may invest.

### **Depository Risk**

If a Fund invests in assets that are financial instruments that can be held in custody ("**Custody Assets**"), the Depository is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it 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. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depository is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay.

If a Fund invests in assets that are not financial instruments that can be held in custody ("**Non-Custody Assets**"), the Depository is only required to verify the Fund's ownership of such assets and to maintain a record of those assets which the Depository is satisfied that the Fund holds ownership of. In the event of any loss of such assets, the Depository will only be liable to the extent the loss has occurred due to its negligent or intentional failure to properly fulfil its obligations.

As it is likely that the Funds may each invest in both Custody Assets and Non-Custody Assets, it should be noted that the safekeeping functions of the Depository in relation to the respective categories of assets and the corresponding standard of liability of the Depository applicable to such functions differs significantly.

The Funds enjoy a strong level of protection in terms of Depository liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater the proportion of a Fund invested in categories of Non-Custody Assets, the greater the risk that any loss of such assets that may occur may not be recoverable. While it will be determined on a case-by-case whether a specific investment by the Fund is a Custody Asset or a Non-Custody Asset, generally it should be noted that OTC derivatives traded by a Fund will be Non-Custody Assets. There may also be other asset types that a Fund invests in from time to time that would be treated similarly. Given the framework of depository liability under UCITS V, these Non-Custody Assets, from a safekeeping perspective, expose the Fund to a greater degree of risk than Custody Assets, such as publicly-traded equities and bonds.

### **Subscriptions/Redemptions Account**

The Company operates a Subscriptions/Redemptions Account for all of the Funds. Monies in the Subscriptions/Redemptions Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. There is a risk for investors to the extent that monies are held by the Company in the Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the Company.

### **FATCA**

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "**IGA**"). Under the IGA, an entity classified as a Foreign Financial Institution (an "**FFI**") that is treated as resident in Ireland is expected to provide the Revenue Commissioners with certain information in respect of its "account" holders (i.e. Shareholders). The IGA further provides for the automatic reporting and exchange of information between the Revenue

Commissioners and the IRS in relation to accounts held in Irish FFIs by US Persons, and the reciprocal exchange of information regarding US financial accounts held by Irish residents. Provided the Company complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and should not be required to impose FATCA withholding on payments which it makes.

In order for the Company to comply with its FATCA obligations, it may require Shareholders to provide or certify certain information in relation to their status for FATCA purposes and may require Shareholders to provide such other forms, documentation, information and confirmations as the Company may require.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by all Shareholders may be materially affected.

All prospective investors / Shareholders should consult with their own tax advisors regarding the possible implications of FATCA on an investment in the Company.

## **CRS**

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**").

The CRS, which has applied in Ireland since 1 January 2016, is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

The Company is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the Company will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the beneficial owners of the investor. The Company, or a person appointed by the Company, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

All prospective investors / Shareholders should consult with their own tax advisors regarding the possible CRS implications of an investment in the Company.

## **Fees and Expenses**

Whether or not the investment portfolio of a Fund is profitable, it is required to pay fixed fees and expenses including organisation and offering expenses, administrative and operating expenses and advisory fees.

Details of fees payable by the Company out of the assets of each Fund are disclosed in "Fees and Expenses" and relevant Supplement.

## **Financial Derivatives and Securities Financing Transactions Risks**

The use of derivatives and Securities Financing Transactions may result in greater returns but may entail greater risk for your investment. The prices of derivative instruments, including futures, options and swap prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest

rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, amongst other things, interest rate fluctuations. The use of these techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the price movements of the derivatives and price movements of related instruments, (3) the fact that skills needed to use these instruments are different from those needed to select the securities owned by any of the Funds, (4) the possible absence of a liquid market for any particular instrument at any particular time; which may result in possible impediments to effective portfolio management or the ability to meet redemption. Each Fund may invest in certain derivative instruments, which may involve the assumption of obligations as well as rights and assets. Assets deposited as margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy.

Each Fund may from time to time utilise both exchange traded and OTC credit derivatives, such as collateralised debt obligations or credit default swaps as part of its investment policy and for hedging purposes. These instruments may be volatile, involve certain special risks and expose investors to a high risk of loss. The low initial margin deposits normally required to establish a position in such instruments permit a high degree of leverage. As a result, a relatively small movement in the price of a contract may result in a profit or a loss that is high in proportion to the amount of the funds actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Furthermore, when used for hedging purposes there may be an imperfect correlation between these instruments and the investment or market sectors being hedged. Transactions in OTC derivatives, such as credit derivatives, may involve additional risk as there is no exchange market on which to close out an open position.

Securities Financing Transactions create several risks for the Company and its Shareholders, including (i) counterparty risk if the counterparty to a Securities Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Fund; (ii) liquidity risk if the Fund is unable to liquidate collateral provided to it to cover a counterparty default; (iii) legal risk that the legal documentation of the relevant OTC contract may not accurately reflect the intention of the parties; and (iv) operational risks such as mispricing or improper valuation or the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

### **Efficient Portfolio Management Risk**

The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising FDI, as disclosed in the sections entitled "Financial Derivatives, Techniques and Instruments Risks", and "Hedging Risk" in this section, will be equally relevant when employing such efficient portfolio management techniques. Investors should also be aware that from time to time, a Fund may engage with repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the Depository or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Depository or other service provider in respect of the Company. Please refer to section 12 "Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Repurchase Arrangements: As set out in section 6 above, a Fund may enter into repurchase arrangements for the purposes of efficient portfolio management. Accordingly, the Fund will bear a risk of loss in the event that the other party to the transaction defaults on its obligation and the Fund is delayed or prevented from exercising its rights to dispose of the underlying securities. The Fund will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Fund seeks to assert its right to them, the risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement.

### **Counterparty Rating Downgrade Risk**

The Company will enter into OTC derivative transactions and Securities Financing Transactions only with those counterparties that it believes to be sufficiently creditworthy.

If a counterparty (which is not a Relevant Institution) engaged by the Company, in respect of a Fund, is subject to a credit rating downgrade, this could potentially have significant implications for the relevant Fund both from a commercial perspective and a regulatory perspective. Pursuant to the Central Bank Rules, a rating downgrade for a counterparty to an OTC derivative transaction or a Securities Financing Transaction to A-2 or below (or a comparable rating) shall require the relevant Fund without delay to conduct a new credit assessment of that counterparty.

Regardless of the measures the Company, in respect of a Fund, may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the relevant Fund will not sustain losses on the transactions as a result.

### **Forward Trading Risk**

Each Fund as disclosed in the relevant Supplement, or the underlying investment funds in which a Fund may invest, may enter into forward contracts and options thereon. Forward contracts do not have standard terms and are not traded on exchanges. Each transaction is carried out by individual agreements, with banks and dealers acting as principals. Trading in forwards and "cash" trading are both largely unregulated; there is no limitation on daily price movements and speculative position limits are not applicable to the markets, which can be highly illiquid because the principals involved are not obliged to make markets in the currencies or commodities they trade. At times, participants in these markets have refused to quote prices for certain currencies or commodities or have quoted prices with an unusually wide spread between the price at which they were prepared to buy and that at which they were prepared to sell. Disruptions can occur in any market because of unusually high trading volume, political intervention or other factors. The imposition of controls by governmental authorities might also limit such forward (and futures) trading, to the possible detriment of a Fund. Market illiquidity or disruption could result in major losses to a Fund. A Fund may be exposed to credit risks on the counterparties and to risks associated with settlement default. Such risks could result in substantial losses to a Fund.

### **Futures and Options Risk**

The Investment Manager may engage in various portfolio strategies on behalf of each Fund through the use of futures and options. Due to the nature of futures, cash to meet margin monies will be held by a broker with whom each Fund has an open position. In the event of the insolvency or bankruptcy of the broker, there can be no guarantee that such monies will be returned to each Fund. On execution of an option, a Fund may pay a premium to a counterparty. In the event of the insolvency or bankruptcy of the counterparty, the option premium may be lost in addition to any unrealised gains where the contract is in the money.

### **Global Economic and Market Conditions – Emerging Markets Economies**

A Fund may invest in currencies, securities and instruments traded in various markets throughout the world, including in global emerging markets, some of which are highly controlled by governmental authorities. Such investments require consideration of certain risks typically not associated with investing in currencies or securities of developed markets. Such risks include, among other things, trade balances and imbalances and related economic policies, unfavourable currency exchange rate fluctuations, imposition of exchange control regulation by governments, withholding taxes, limitations on the removal of funds or other assets, policies of governments with respect to possible nationalisation of their industries, political difficulties, including expropriation of assets, confiscatory taxation and social, economic or political instability in foreign nations. These factors may affect the level and volatility of securities prices and the liquidity of the investments. Unexpected volatility or illiquidity could impair the investments and thus, the Company's profitability, or result in losses. The economies of countries differ 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 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 impose or negotiated by the countries with which they trade. The economies of certain 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.

### **Hedging Risk**

The adoption of a currency hedging strategy for a Class of Share may substantially limit the holders of such Class from benefiting if the currency of such Class depreciates against the currencies in which the assets of the relevant Fund are denominated.

Investments in any Fund in which the base currency is different to the Base Currency of a Fund or subscriptions or redemptions to a Class of Shares denominated other than in US Dollars means an exposure to possibly adverse currency fluctuations.

If the Company considers it appropriate, any Class of Shares that is not designated in the Base Currency of a Fund can be hedged as an overlay on a Funds Base Currency Net Asset Value. Therefore it cannot be assumed that there is no currency exposure.

Accordingly, any Class of Shares that is not designated in the Base Currency of the Fund will have an exposure to possible adverse currency fluctuations. For Hedged Classes the Investment Manager will hedge the foreign currency exposure of the Hedged Classes, by using techniques and instruments, including currency options and forward currency exchange contracts, in order that investors in these classes receive a return in the relevant class currency which is not materially affected by changes between the value of the relevant class currency and the Base Currency, although there is no guarantee that the Investment Manager will be successful in this regard. Investors in the Hedged Classes should be aware that this strategy may substantially limit them from benefiting if the relevant class currency falls against the Base Currency.

As the foreign exchange hedging will be utilised solely for the benefit of the Hedged Classes its cost and related liabilities and/or benefits will be for the account of each relevant Hedged Class only and the Net Asset Value of the Hedged Classes will be adjusted accordingly. The Investment Manager will limit hedging to the extent of the Hedged Classes' currency exposure and the Hedged Classes will not generally be leveraged as a result of the hedging. Although a Hedged Class may not generally be leveraged as a result of the use of such techniques and instruments, while not the intention of the Investment Manager, over-hedged positions may be up to but may not exceed 105% of the Net Asset Value attributable to the relevant Hedged Class, due to factors outside of the control of the Investment Manager. The Investment Manager does not intend to have under-hedged or over-hedged positions; however, due to market movements and factors outside the control of the Investment Manager, under-hedged

and over-hedged positions may arise from time to time. All such transactions will be clearly attributable to a specific class and currency exposures of different classes will not be combined or offset. The currency exposure of investments will not be allocated to any separate class. The periodic reports of the Company will show how these transactions have been utilized. The Investment Manager will monitor hedging to ensure that over-hedged positions do not exceed the permitted level and will reduce the level of hedging to ensure that it does not materially exceed 100% of the Net Asset Value attributable to the relevant Hedged Class at any month-end.

A Fund may employ various hedging techniques to reduce the risk of investment positions. A substantial risk remains, nonetheless, that such techniques will not always be available and when available, will not always be effective in limiting losses.

Where currency hedging takes place at class level, the performance of the hedged class is likely to move in line with the performance of the underlying assets and currency hedging at class level may substantially limit holders of Shares of a class denominated in a currency other than the base currency of the Fund from benefiting if the currency of the denomination of that class falls against the base currency of the Fund and/or the currency in which the assets of the Fund are denominated.

The costs arising as a result of hedging currency will be borne by the relevant Share class of the relevant Fund.

Please note that where the share class currency is unhedged, a currency conversion will take place on any subscription, redemption, switching and distributions at the prevailing exchange rates. Also such unhedged share classes expressed in the share class currency will be subject to exchange rate risk in relation to the base currency.

**A Fund may take substantial un-hedged positions. It is not the intention of the Company to use hedging techniques, however if such techniques are considered they will be described in the relevant Supplement for each Fund.**

### **Inadequate Return Risk**

There can be no assurance that the returns on a Fund's investment will be commensurate with the risk of an investment therein. Investors should not commit money to a Fund unless they have the resources to sustain the loss of their entire investment in a Fund.

### **Inside Information**

From time to time, the Investment Manager or its affiliates may come into possession of material, non-public information concerning an entity in which a Fund has invested, or proposes to invest. This may occur, for instance, where an entity solicits the opinions of significant shareholders in respect of major corporate events (acquisitions, rights issues, changes to the board of directors, etc.). In such cases the possession of such information may limit the ability of a Fund to buy or sell securities of such entity both for legal reasons and also because of the internal policies of the Investment Manager.

## **Interest Rate Risk**

The fixed and floating rate securities in which a Fund may invest may be interest rate sensitive, which means that their value and, consequently, the Net Asset Value of that Fund may fluctuate as interest rates fluctuate. An increase in interest rates will generally reduce the value of the fixed income securities. Such a Fund's performance, therefore, will depend in part on the Investment Manager's ability to anticipate and respond to such fluctuations in market interest rates and to utilise appropriate strategies to maximise returns to such a Fund while attempting to minimise the associated risks to its investment capital.

## **Investment in Structured Notes**

A Fund may invest in structured notes, the returns on which are linked to companies in which the relevant Fund will have a direct equity investment, or will be referable to the cash flow characteristics of a pool of assets such as auto loans, credit cards, rents receivable and/or government receivables. These notes may be listed or unlisted. The structured notes will be freely transferable, will not be leveraged and will comply with the Central Bank's conditions and criteria for investment in such securities. If the notes are unlisted a Fund may invest no more than 10% of its net assets in such securities.

## **Investment Manager Risk**

The Company may consult the Investment Manager with respect to the valuation of unlisted investments. Whilst there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of each Fund's investments and the Investment Manager's other duties and responsibilities in relation to the Funds, the Investment Manager has in place a pricing committee charged with reviewing all pricing procedures and which follows industry standard procedures for valuing unlisted investments.

The Company in respect of the Funds will rely on the Investment Manager in formulating its investment strategies. The bankruptcy or liquidation of the Investment Manager or the discontinuance of the Investment Manager's association with any of the parties or otherwise with the operations of the Company, may have an adverse impact on the Net Asset Value. The Investment Manager and their principals and affiliates are not required to devote all their business time to the Company's business.

## **Investment Selections**

When making investments, each Fund or the Investment Manager, as the case may be, is reliant on information and data made directly available to it through other sources. Although the Investment Manager may evaluate such information and data and seek independent corroboration when it considers it appropriate and available, the Investment Manager cannot confirm the completeness, genuineness or accuracy of such information and data.

## **Investment Strategies**

The success of the investment strategies depends upon the ability to asset allocate, and understand and evaluate the investment strategies of individual funds and investment managers. Any factor which would make it more difficult to perform such analysis would be detrimental to profitability. As the investment strategies may be modified and altered from time to time, it is possible that the investment strategies used in the future may be different from those presently in use. No assurance can be given that the investment strategies used or to be used will be successful under all or any market conditions.

## **Lack of Independent Representatives**

The Company has consulted with counsel, accountants and other experts regarding the



formation of the Company. Such personnel are accountable to the Company only and not to the Shareholders themselves. Each prospective investor should consult his own legal, tax and financial advisers regarding the desirability of an investment in the Company.

### **Legal and Documentation Risk**

This type of risk applies to OTC contracts. The risk of loss due to an unexpected application of a law or regulation, or because contracts are not legally enforceable or documented correctly.

### **Lending of Securities**

The Company may lend its securities to brokers, dealers and other financial institutions needing to borrow securities to complete certain transactions. The Company continues to be entitled to payments of amounts equal to the interest, dividends or other distributions payable in respect of the loaned securities, which affords the Company an opportunity to earn interest on the amount of the loan and on the loaned securities' collateral. In connection with any such transaction, the Company will receive collateral that will be marked to market on a daily basis and maintained at all times in an amount equal or exceeding 100% of the current market value of the loaned securities at all times. However, the Company might experience loss if the institution with which the Company has engaged in a portfolio loan transaction breaches its agreement with the Company. This may occur if the counterparty were to default at a time when the value of securities lent increased. In this case it is possible that the collateral held by the Fund would not cover the value of securities lost.

### **Liquidity Risk**

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day, no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Fund from liquidating unfavourable positions.

### **Market Risk**

Some of the Recognised Exchanges on which the Funds may invest may prove to be illiquid or highly volatile from time to time and this may affect the price at which a Fund may liquidate positions to meet redemption requests or other funding requirements. Potential investors should also note that some Funds may have exposure to the securities of small capitalisation companies which are less liquid than larger capitalisation companies and this may result in fluctuations in the price of the Shares of the relevant Fund.

### **OTC Markets Risk**

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

### **Past Performance Information Risk**

Market conditions and trading approaches are continually changing and the fact that any trading adviser or investment manager happened to be successful in the past may largely be irrelevant to its prospects for future profitability. The past investment performance of the Investment Manager may not be construed as an indicator of the future results of an investment in any Fund.

## **Political Risks**

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

### **Changes in the UK political environment**

Changes in the UK political environment, including a possible UK exit from the EU following the UK referendum scheduled before the end of 2017, could lead to political, legal, tax and economic uncertainty. The outcome of such a referendum is not known and could impact general economic conditions in the UK. It is not clear whether and to what extent EU regulations generally would apply with respect to the Investment Manager in the case of a UK exit, but it is possible that investors would be subject to fewer regulatory protections than would otherwise be the case. A UK exit could adversely affect the Investment Manager's ability to access markets, make investments, attract and retain employees or enter into agreements (on its own behalf or on behalf of the Company or the Funds) or continue to work with non-UK counterparties and service providers, all of which could result in increased costs to the Company and/or the Funds.

### **Eurozone Crisis**

As a result of the crisis of confidence in the markets which has caused bond yield spreads (the cost of borrowing in the debt capital markets) and credit default spreads (the cost of purchasing credit protection) to increase, most notably in relation to certain Eurozone countries, certain countries in the EU have had to accept "bailouts" from banks and lines of credit from supra-governmental agencies such as the International Monetary Fund and the recently created European Financial Service Facility. The European Central Bank has also been intervening to purchase Eurozone debt in an attempt to stabilise markets and reduce borrowing costs. In December 2011, leaders of the countries in the Eurozone, as well as the leaders of certain other countries in the EU, met in Brussels and agreed a "fiscal compact" which includes a commitment to a new fiscal rule, to be introduced into the legal systems of the relevant countries, as well as acceleration of the entry into force of the European Stability Mechanism treaty.

Notwithstanding the measures described above, and future measures which may be introduced, it is possible that a country may leave the Eurozone and return to a national currency, and as a result may leave the EU and/or that the Euro, the European single currency, will cease to exist in its current form and/or lose its legal status in one or more countries in which it currently has such status. The effect of such potential events on the Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe is impossible to predict.

### **Possible Indemnification Obligations**

The Company in respect of the Funds has agreed, or may agree to indemnify the Directors, the Manager, the Investment Manager, the Global Distributor, the Distributor(s), the Administrator, the Depositary, and banks, brokers and dealers under its Articles and various agreements entered into with such persons against certain liabilities they or their respective directors, officers, affiliates or agents may incur in connection with their relationship with the Company in respect of the Funds. These indemnity obligations may not be limited in the case of negligence, bad faith, wilful default or fraud or such higher standard as may be required by applicable law and set out in the relevant agreement.

### **Regulatory and Accounting Standards Risks**

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

### **Settlement Risk**

The risk that the counterparty to a Fund will fail to deliver the terms of a contract at the time of the settlement. Settlement risk can be risk associated with default at settlement and any timing differences in settlement between two parties.

### **Settlement and Credit Risks**

The trading and settlement practices of some of the stock exchanges or markets on which the Funds may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by the Funds. In addition, Funds will be exposed to credit risk on parties with whom they trade and will bear the risk of settlement default. The Depositary may be instructed by the Investment Manager or the Subsidiary to settle transactions on a delivery free of payment basis where the Investment Manager believes that this form of settlement is appropriate. Shareholders should be aware, however, that this may result in a loss to a Fund if a transaction fails to settle and the Depositary will not be liable to a Fund or to the Shareholders for such a loss if the Depositary is acting pursuant to specific proper instructions and where this settlement is standard market practice.

### **Taxation Risk**

Any change in the Company's tax status or in taxation legislation could affect the value of the investments held by the Company and affect the Company's ability to provide the Investor returns. Potential investors and Shareholders should note that the statements on taxation which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely. The attention of potential investors is drawn to the tax risk associated with investing in the company. See section headed 'TAXATION'.

### **Umbrella Structure of the Company and Cross-Liability Risk**

Each Fund will be responsible for paying its fees and expenses, regardless of the level of its profitability. The Company is an umbrella fund with segregated liability between Funds and under Irish law the Company will not be liable as a whole to third parties and there will not be the potential for cross-liability between the Funds. Notwithstanding the foregoing, there can be no assurance that, should an action be brought against the Company in the courts of another jurisdiction, the segregated nature of the Funds would necessarily be upheld.

### **Valuation Risk**

Funds may invest some of their assets in unquoted securities or quoted securities for which there is no reliable price source available. Such investments will be valued at the probable

realisation value as determined in accordance with the provisions set out in the section "Valuation and Prices". Estimates of the fair value of such investments are inherently difficult to establish and are the subject of substantial uncertainty. A Fund may, for the purpose of efficient portfolio management, invest in derivative instruments and there can be no assurance that the value as determined in accordance with the section "Valuation and Prices" reflects the exact amount at which those instruments may be "closed out". A Fund may not invest in derivative instruments unless and until a risk management process is filed and approved by the Central Bank.

### **Borrowings**

Under the UCITS Regulations, a Fund may borrow up to 10% of its Net asset Value, provided this borrowing is on a temporary basis. Such borrowings may increase the risks attached to an investment in Shares of a Fund.

### **Investment of Collateral**

Invested cash collateral is held at the credit risk of the relevant Fund. Although the Fund only invests cash collateral in the relatively low risk asset classes as set out in this Prospectus, there can be no assurance that there is no risk of loss of some or all of the sums invested in such asset classes. The Fund will also be exposed to a credit risk in relation to the counterparties with whom they trade and may also bear the risk of settlement default

### **Repurchase/Reverse Repurchase Agreements and Securities Lending Agreements**

In the event of insolvency, bankruptcy or default of the seller under a repurchase agreement or securities lending agreement, a Fund may experience both delays in liquidating the underlying securities and losses, including the possible decline in the value of securities, during the period while it seeks to enforce its rights thereto, possible sub-normal levels of income and lack of access to income during the period and expenses in enforcing its rights.

### **Money Market Funds**

An investment in a Money Market Fund ("**MMF**") is not a deposit in a bank and is not insured or guaranteed by a government deposit insurance or any other governmental agency. Although a MMF seeks to preserve the value of your investment at a constant price per share, you may lose money by investing in a MMF. The risks associated with an investment in a MMF can increase during times of significant market volatility.

### **Payment for Shares**

Payment in respect of the issue of Shares must be made within three days of the relevant Dealing Day however, with the agreement of the Administrator and the Company, settlement proceeds may be accepted at a later date.

If payment in full has not been received within three days of the Settlement Date, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Administrator, be cancelled, or, alternatively, the Administrator may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full or of cleared funds. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund.

Delays in settlement could result in a credit risk to the Company.

### **Internet Fraud**

The Company's delegates use numerous computerised systems in their administration of the Company and its Funds. Due to the growth of cyber fraud, hacking and other internet based criminal activities there is a risk that the Company's delegates' computer systems may be targeted and/or breached in order that information can be stolen or obtained in this way. While the Company's delegates have systems in place to protect all data stored by them there remains a possibility that their systems may be breached in this manner and information belonging to the Company may be obtained by third parties and cause a loss to the Company. Shareholders should also beware that their personal information and identity could be used to fraudulently pose as that Shareholder for the purposes of interacting with the Company's delegates and Shareholders should take precautions to protect themselves against identity theft in this regard. Shareholders should note that while the Company's delegates will always aim to verify the identity of Shareholders prior to any interaction with them theft of their identity could cause the relevant Shareholder a direct loss.

## **Brexit**

The United Kingdom's referendum held on 23 June 2016 resulted in a majority voting in favour of the UK leaving the EU. As of now, the UK is still a part of the EU notwithstanding that vote. The UK prime minister formally started the process to leave the EU on 29 March 2017 and the process is likely to take at least two years. The UK will continue to be a member of the EU until the end of this exit process.

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

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

## **Buying and Redeeming Shares through a Clearing System**

Application for and redemptions of certain Shares can be made indirectly through a Clearing System. Investors holding shares through a Clearing System should note that they may be bound by terms and conditions that govern their relationship with the Clearing System and/or the broker that conduct trades on it on their behalf. Such terms and conditions may involve the payment of fees by or on behalf of the investor, the exercise of voting rights attaching to the Shares, different subscription and redemption procedures and different settlement rules. In certain circumstances shares are held by a nominee, in which case, the investor is not the shareholder in the register of shareholders of the Company and hence cannot directly enforce rights attaching to the Shares against the Company. Such an investor would be dependent upon the nominee doing so on its behalf.

In the event of an error or omission by a nominee/ broker, the investor's recourse would be to the nominee/ broker as its appointed nominee. The investor will not have direct recourse to the Company as it is not the shareholder in the Company's register of shareholders. Recourse by the investor against the nominee/broker would be subject to the terms agreed between the investor or its agent and the broker. Investors are advised to seek appropriate legal advice before investing through a nominee/ broker.

An investor should note that they may be unable to subscribe for or redeem shares via a Clearing System on days that such Clearing System is not open for business, notwithstanding

that such days may be Business Days for the Fund in question. Investors should contact the relevant Clearing System or their broker directly to obtain details of any such terms and conditions in advance of making any such investment.

**The foregoing list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Company. Prospective shareholders should read this entire Prospectus, the Articles and consult with their own advisers before deciding whether to invest in the Company.**

## **9. SUBSCRIPTION AND REDEMPTION OF SHARES**

The mechanisms for subscribing and redeeming Shares of the Company are as set out in this section.

### **(A) Application Procedure**

Applications should be sent to the Administrator, on the Application Form (together with supporting documentation relating to money laundering prevention checks and any documentation deemed necessary for regulatory or taxation purposes), initially by fax with the signed originals to be sent promptly thereafter.

No transfer or redemption payment may be made until the original Application Form and any documentation deemed necessary for regulatory or taxation purposes has been received by the Administrator and all necessary anti-money laundering checks have been completed. All applications must be received (by letter or by fax) or such other means as may be prescribed by the Directors from time to time and in accordance with the Central Bank Rules by the Administrator at its business address no later than the Dealing Deadline in respect of the relevant Dealing Day. Any application received after that time will be dealt with on the following Dealing Day. The settlement monies must normally be paid in cleared funds in the designated currency of the relevant Class by telegraphic transfer to the Subscriptions/Redemptions Account specified in the relevant Application Form within three days of the relevant Dealing Day however, with the agreement of the Administrator and the Company, settlement proceeds may be accepted at a later date. In the event that settlement monies are subsequently not paid, all costs and expenses will be borne by the applicant and the Shares will be cancelled. Any amendment to a Shareholder's details, and any amendment to standard payment instructions, will only be made on receipt of original signed documents from the Shareholder.

Upon receipt into the Subscriptions/Redemptions Account, subscription monies will become the property of the relevant Fund and accordingly an investor will be treated as a general creditor of the relevant Fund during the period between receipt of subscription monies into the Subscriptions/Redemptions Account and the issue of Shares.

The Company reserves the right to cancel without notice any application for Shares for which payment has not been received by the settlement date and to recover any losses costs or expenses incurred from the applicant. Amendments to an investor's registration details and payment details will only be effected on receipt of original documentation. Purchase contract notes will be issued after the allotment of Shares. Share certificates will not be issued.

### **(B) Subscriptions**

Shares may be issued by the Company on any Dealing Day in respect of applications which are received prior to the Dealing Deadline in respect of the relevant Dealing Day. All applications must be received by the Administrator no later than the Dealing Deadline in respect of the relevant Dealing Day. Subscription requests may be submitted by fax to the Administrator (in Ireland). Applications should be made on the Application Form (and supporting documentation relating to money laundering prevention checks and any documentation deemed necessary for regulatory or taxation purposes) and the originals must be sent promptly to the Administrator. Applications received after the Dealing Deadline will be held over to the next Dealing Day. However, in exceptional circumstances only, a subscription request received after the Dealing Deadline in respect of a particular Dealing Day may be accepted for dealing on that Dealing Day (at the discretion of the Directors or their delegates) provided that any such request is received prior to the Valuation Point for such Dealing Day. The Directors reserve the right to charge interest at a reasonable commercial rate on subscriptions which are settled late. No interest will be paid on early subscriptions.

Initial or subsequent subscriptions for Shares can also be made through a Clearing System for onward transmission to the Administrator. The Clearing System or its participant may provide a nominee service for investors purchasing Shares through them and investors may elect to make use of such service pursuant to which the nominee will hold Shares in its name for and on behalf of the investors. Shares may be issued to and registered in the name of a Clearing System (or its participant or nominee thereof) nominated by or on behalf of an investor, or third party nominee service provider, as the case may be, that is recognised and accepted by the Administrator. Investors may incur fees normally payable in respect of the maintenance and operation of accounts in a Clearing System (or nominee). Different subscription procedures and time limits may apply if applications for Shares are made via a Clearing System although the ultimate deadline with the Administrator remains unaffected. Investors should note that they may be unable to purchase or redeem Shares subscribed through a Clearing System on days that a Clearing System is not open for business but the Company is.

No Shares may be issued during any period of any suspension of the determination of the Net Asset Value of the relevant Fund (for details see section 9(G)). Unless the applicant has made arrangements with the Company to make payment in some other currency or by some other method, payment must be made in the currency in which the Shares are denominated by telegraphic transfer to the account set out in the Application Form.

Each potential investor will be obligated to represent and warrant in an application that, among other things, such investor is purchasing Shares for its own account and that such investor is able to acquire Shares without violating applicable laws and failure to do so may result in the suspension of the processing of such application or any subsequent redemption request and that the investor has received and reviewed the applicable key investor information document. It is not the intention of the Directors to offer shares to US persons. However, should a US Person invest in a Fund, each potential investor that is a US person as defined in Regulation S under the 1933 Act or a person that is not a Non-United States person as defined in Part 4 of the CFTC's regulations (collectively, a "US Person") will be required to represent and warrant, among other things, that such investor is acquiring the Shares for investment purposes only and not with a view to, or for offer or resale in connection with, any distribution in violation of the 1933 Act or other applicable securities law; that such investor is an accredited investor as defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the 1933 Act (an "Institutional Accredited Investor") who is also a Qualified Purchaser, and that such investor agrees to certain restrictions on transfer applicable to the Shares.

The Company reserves the right to reject any application for Shares in whole or in part for any reason. If any application is not accepted in whole or in part, the application monies or (where an application is accepted in part only) the balance thereof will be returned (without interest) in the same currency in which the application monies for such Shares were received by telegraphic transfer to the account from which monies were received at the discretion of the Company and at the expense of the applicant.

The Directors may in their absolute discretion, provided that they and the Depositary are satisfied that there is unlikely to be any material prejudice to any existing Shareholders and subject to the provisions of the Act, allot Shares of any Class against the vesting in the Depositary on behalf of the Company or its nominee or sub-custodian to the Depositary's satisfaction of assets consistent with the investment objectives, policies and restrictions of the relevant Fund, which assets would form part of the Investments of the relevant Fund. The number of Shares to be issued in this way shall be the number which would have been issued for cash against the payment of a sum equal to the value of the Investments transferred, such value to be determined on the date the Shares are issued, less such sum as the Directors may consider represents an appropriate provision for any fiscal, brokerage, registration or other expenses as aforesaid to be paid out of the assets of the relevant Fund in connection with the vesting of such investments. The value of the investments to be vested shall be calculated on such basis as the Directors may decide, but such value cannot exceed the highest amount on



the relevant Dealing Day at which they would be valued by applying the valuation methods described in under the heading "Valuation and Prices".

Where the amount subscribed is not equivalent to an exact number of shares, fractions of Shares may be issued.

Shares shall be issued at the initial offer price during the initial offer period, and thereafter at the Net Asset Value per Share, plus any charges, as specified in the relevant Supplement. All Shares will be registered in inscribed form and evidenced by entry on the Company's register of shareholders. Share certificates will not be issued. Each Shareholder will be sent a written trade confirmation confirming ownership of the relevant Shares.

Investment in the Funds is intended for medium to long-term purposes only. Excessive, short-term (or market timing) or other abusive trading practices may disrupt portfolio management strategies, increase expenses and harm Fund performance for all Shareholders and the Company will take all reasonable steps to prevent such activity. To minimise harm to a Fund and its Shareholders, the Administrator as the delegate of the Directors, working in conjunction with the designated anti-money laundering reporting officer, reserves the right to reject any subscription (including any transfer) from any investor whom it believes has a history of abusive trading or whose trading, in its judgement, has been or may be disruptive to a Fund. In making this judgement, the Administrator may consider trading done in multiple accounts under common ownership or control.

### **Anti-Money Laundering Regulations**

Measures aimed at the prevention of money laundering and counter terrorism require prospective investors to verify their identity and address. The Directors and the Administrator reserve the right to request from the applicant such documentation as is necessary to comply with all applicable European and Irish legislation. The Directors have authorised the Administrator to request such information and documentation as it considers is necessary to verify the identity and address of any applicant. This obligation is absolute except where the subscription is being made through a regulated intermediary and the intermediary operates within a country recognized by applicable law as having anti-money laundering regulations equivalent to Ireland. The Administrator will require written representations from the regulated intermediary with respect to the underlying prospective investor.

The Administrator will notify prospective investors as to the types of evidence of their identity that are required. By way of example only, an individual shall be required to produce a copy of a passport or identification card duly certified by a public authority (such as a lawyer or notary public), together with evidence of their address (such as a utility bill or bank statement). A corporate subscriber must produce a certified copy of its certificate of incorporation (including any name change) and memorandum and articles of association (or equivalent) as well as the names and residential and business addresses of all directors and certain beneficial owners.

The details given above are by way of example only and the Administrator will request such information and documentation as it considers is necessary to verify the identity and address of each applicant. In the event of delay or failure by the applicant to produce any information required by the Administrator to verify the applicant's identity, the Administrator may refuse to accept the application and the subscription funds relating thereto, and will, in any event, refuse to pay out redemption proceeds and will block the account for switches, transfers and payment of dividends, until proper information has been provided. Any subscription funds received will be returned without interest to the account from which such funds were originally debited. Prospective investors should note specifically that where redemption proceeds are requested to be remitted to an account which is not in the name of the investor, the Administrator reserves the right to request such information as may be reasonably necessary in order to verify the identity and address of the investor and the owner of the account to which the redemption

proceeds will be paid. Redemption proceeds will not be paid to a third party account if the investor and owner of the account fails to provide such information.

Each applicant acknowledges and agrees that the Administrator shall be held harmless against any loss arising as a result of a failure to process such investor's Application Form or redemption request if such information and documentation as has been requested by the Administrator has not been provided by such applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Directors or the Administrator on their behalf may refuse to accept the application or cancel any Shares issued. The applicant shall bear any cost, loss or expense suffered by the Directors or the Administrator as a result of the applicant failing to provide the required information.

### **Market Timing**

The Directors may in their absolute discretion refuse to accept a new subscription. In particular, the Directors, or the Administrator as their delegate, may exercise this discretion if they believe the Shareholder has been or intends to engage in market timing activities. For these purposes, market timing activities include investment techniques which involve short term trading in and out of Shares in a Fund generally to take advantage of variations in the price of Shares between the daily valuation points of the Funds. Short term trading of this nature may often be detrimental to long term Shareholders; in particular the frequency of dealing may lead to additional dealing costs which can affect long term performance. Investments may be made into the Funds via nominee or similar omnibus accounts.

### **(C) Redemption**

Shareholders may request a Fund to redeem their Shares on or with effect from any Dealing Day at the Net Asset Value per Share, less any applicable charges as set out in the relevant Supplement.

Each request should be sent to the Administrator, in advance of the relevant Dealing Deadline, should be given in writing or by facsimile and must specify the number of Shares to be redeemed. In order for a redemption request to take effect on a particular Dealing Day, the redemption request must be received by the Administrator not later than the Dealing Deadline on the relevant Dealing Day. Redemption requests received after such time will be processed on the next following Dealing Day. However, in exceptional circumstances only, a redemption request received after the Dealing deadline in respect of a particular Dealing Day may be accepted for dealing on that Dealing Day (at the discretion of the Directors or their delegates) provided that any such request is received prior to the Valuation Point for such Dealing Day.

All requests for the redemption of Shares should be made to the Company c/o the Administrator in writing or by fax and must quote the relevant account number, the relevant Fund(s) and Class of Share (if applicable), and be signed by or on behalf of the Shareholder before payment of redemption proceeds can be made. Redemption requests by facsimile will be treated as definite orders. No payment of redemption proceeds will be made without receipt of the original signed Application Form and all requested AML documentation and any documentation deemed necessary for regulatory or taxation purposes and the anti-money laundering procedures have been completed. Shareholders' proceeds will normally be transmitted within 5 Business Days of the Dealing Day. Payments will only be made to the account of record specified in the Application Form or amended subsequently in the manner described in section 9 (A) above.

Investors should note that any redemption proceeds being paid out by a Fund and held for any time in the Subscriptions/Redemptions Account shall remain an asset of the relevant Fund until such time as the proceeds are released to the investor. This would include, for example, cases where redemption proceeds are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the Company or the Administrator – enhancing the need to address these issues promptly so that the proceeds may be released. It

should also be noted that the investor shall have ceased being considered a Shareholder and instead will rank as a general unsecured creditor of the Company.

If a redemption would cause the value of a Shareholder's Shares to fall below the minimum initial subscription amount for each share class, then at the discretion of the Directors, they will have the right to compel the redemption of all Shares held by such Shareholder. The Directors, upon 7 days' prior written notice to a Shareholder, may compel redemption of all of a Shareholder's Shares at any time where such shareholding may, in the opinion of the Directors, result in regulatory, pecuniary, legal, taxation or material administrative disadvantage to the Company, relevant Fund or its Shareholders as a whole.

The redemption of Shares will be suspended whenever the calculation of the Net Asset Value is suspended. Any such suspension will be notified immediately to the Irish Stock Exchange (if such Shares are listed), the Central Bank and, where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

Unless the Directors consent to the withdrawal of any redemption request, a redemption request will be irrevocable. If at any time the determination of Net Asset Value is suspended and redemption rights are also suspended, then, during the period of suspension, the redemption request may be withdrawn but if not so withdrawn, then redemption will take place on the next Dealing Day following the end of the period of suspension.

Payment of redemption proceeds will ordinarily be effected in accordance with the instructions given by the redeeming Shareholder, normally within 5 Business Days of the Dealing Day by wire transfer upon the request of the redeeming Shareholder. No interest will be paid on the redemption proceeds between the relevant Dealing Day and the date of actual payment

A Shareholder redeeming Shares will, except as referred to below, be paid an amount equal to the Redemption Price per Share calculated in the manner described below under the section headed "Valuation and Prices".

The Net Asset Value calculations shall be final, save in the case of manifest error.

Redemption proceeds will be paid in the currency in which the Shares are denominated by telegraphic transfer at the cost and risk of the redeeming Shareholder to the bank account specified in the name of the Shareholder.

All costs of effecting any telegraphic transfer will be borne by the Shareholder and may be deducted from the monies to be paid. No redemption of Shares may be effected during the period of any suspension of the determination of the Net Asset Value (for details see the section headed "Valuation and Prices").

#### **(D) Substantial Redemptions**

The Directors may in their discretion limit the number of Shares of any Fund redeemed on any Dealing Day to Shares representing not more than 10% of the Net Asset Value of that Fund on that Dealing Day. In this event, the Directors may scale down the number of Shares to be redeemed to such extent as may be necessary to ensure such limit is not exceeded. The limitation will apply pro rata so that all Shareholders wishing to have Shares of that Fund redeemed on that Dealing Day realise the same proportion of their Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with on a pro rata basis to redemption requests received subsequently.

The Articles contain special provisions whereby the Directors may, with the consent of the redeeming Shareholder, satisfy a redemption request by a distribution of Investments of the relevant Fund in specie, provided that such a distribution would not be materially prejudicial to

the interests of the remaining Shareholders of that Fund and the allocation of the Investments to be distributed is subject to the prior approval of the Depositary.

The Articles also contain special provisions where a redemption request received from a Shareholder would result in Shares representing more than 5% of the Net Asset Value of any Fund being redeemed by the Company on any Dealing Day. In such a case, the Company may in its sole discretion satisfy the redemption request in whole or in part by a distribution of investments of the relevant Fund in specie, provided that such a distribution would not be materially prejudicial to the interests of the remaining Shareholders of that Fund and the allocation of the investments to be distributed is subject to the prior approval of the Depositary. Where a Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets, the Shareholder may require that the Company, instead of transferring those assets, arrange for their sale at the cost of the redeeming Shareholder and the payment of the net proceeds of sale to that Shareholder.

In calculating the subscription/ redemption price for the Company the Directors may on any Dealing Day when there are net subscriptions/redemptions adjust the subscription/redemption price by adding/ deducting and anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the Company.

#### **(E) Switching**

Shareholders can switch between Funds and different Classes within the same Fund. Subject to the minimum investment and holding requirements of the relevant Class, Shareholders may switch some or all of their Shares in one Fund to Shares in another Fund or another Class in the same Fund. Shares switched will be issued and redeemed (as appropriate) at the Net Asset Value per Share subject to any applicable charges as set out in the relevant Supplement. Instructions to switch Shares between Funds or Classes within a Fund may be made to the Administrator by letter, facsimile or by such other means as the Administrator may prescribe from time to time (where such means are in accordance with the Central Bank Rules). Instructions to switch should include full details of the number of Shares to be switched between named Funds or Classes within a Fund.

Unless otherwise stated in the relevant Supplement, switching instructions received by the Administrator up to the Dealing Deadline for a Dealing Day will be dealt with on that Dealing Day. Instructions received after the aforesaid time will be dealt with on the following Dealing Day.

The number of Shares will be rounded up or down to the nearest four decimal places.

#### **(F) Transfer of Shares**

The Shares issued by the Company are freely transferable except in certain circumstances (e.g. to a US Person) and, subject to the differences between different Classes, are entitled to participate equally in the profits and dividends of the relevant Fund and in its assets upon liquidation. The Shares, which are of no par value and which must be fully paid up on issue, carry no preferential or pre-emptive rights and are entitled to one vote each on a poll at all meetings of the Shareholders. Where there are Shares of a different Class in a Fund, the Net Asset Value per Share amongst such Classes may differ to reflect the fact that income has been reinvested or been distributed, that there are differing charges of fees and expenses, that they are designated in different currencies, or that the gains/losses on and if applicable, costs of different financial instruments employed for currency hedging between the currencies in which the assets of a Fund are designated and the designated currency of the Shares are attributed to them. All references to Shares include a fraction of a Share calculated to the nearest one-hundredth. Save as provided herein, all Shares of each Class within a Fund will rank *pari passu*. The Company may issue different Classes in each Fund which may be differentiated at the discretion of the Company, details of which will be set out in the relevant Supplement. Such

Classes may be subject to different fees than those which apply to existing Classes. The fees applying to such Classes may be lower or higher than fees applying to existing Classes or such Classes may not be subject to any fees. The creation of additional Classes in a Fund will be notified in advance to and cleared by the Central Bank.

#### **(G) Suspension of the determination of the Net Asset Value, Redemptions and Switching Rights**

The Directors may at any time with the prior notification to the Depositary declare a temporary suspension of the determination of the Net Asset Value of a Fund and the issue, redemption and switching of Shares and the payment of redemption proceeds during (i) any period when any of the principal markets or stock exchanges on which a substantial portion of the direct or indirect Investments of the relevant Fund are quoted is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of the Investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of a Fund, cannot be fairly calculated; (iii) any breakdown in the means of communication normally employed in determining the price of any of the relevant Funds' Investments and other assets or when for any other reason the current prices on any market or stock exchange of any assets of the relevant Fund cannot be promptly and accurately ascertained; (iv) any period during which any transfer of funds involved in the realisation or acquisition of Investments or payments due on redemption of shares cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; (v) any period when the Company is unable to repatriate funds required for the purpose of making payments due on the redemption of Shares in the relevant Fund; (vi) any period when in the opinion of the Directors such suspension is justified having regard to the interests of the Company and/or the relevant Fund; (vii) following the circulation to the relevant Shareholders of a notice of a general meeting at which a resolution proposing to wind up the Company or terminate the relevant Fund is to be considered.

The Company will notify Shareholders and the Central Bank of any suspension immediately. The Company will, whenever possible, take all reasonable steps to bring any period of suspension to an end as soon as possible.

Any such suspension shall take effect at such time as the Directors shall declare and thereafter there shall be no determination of the Net Asset Value of the relevant Fund and no issues, redemptions or switches of Shares of the relevant Fund and no redemption proceeds paid until the Directors shall declare the suspension at an end.

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

#### **(H) Compulsory Redemption**

Shares may be compulsorily redeemed or transferred if it comes to the notice of the Company that those Shares are owned directly or beneficially by any person in breach of any law or requirement of any country or governmental authority, by any person who shall belong to or be comprised within any class of persons from time to time determined by the Directors or in circumstances (whether directly or indirectly) which, in the opinion of the Directors, may result in regulatory, pecuniary, legal or material administrative or other material disadvantage for the Company, relevant Fund or its Shareholders as a whole.

As mentioned above, if a redemption would cause the value of a Shareholder's Shares to fall below a certain level, which will be decided upon for each Fund at the discretion of the Directors, then the Directors will also have the right to compel redemption of all Shares held by such Shareholder.

Any Fund may be terminated by the Directors, at their discretion, by notice in writing to the Depositary and the holders of Shares in such Fund if the Net Asset Value of the relevant Fund is below the Minimum Fund Size, or below a level specified by the Directors in their discretion. In addition, the Directors may at their discretion decide to terminate any Fund if the Net Asset Value of such Fund falls below a specified amount after a specified period of time as may be disclosed in the relevant Supplement. With effect from the date as at which any Fund is to terminate, no Shares of the relevant Fund or Class or Classes within that Fund may be issued or redeemed by the Company and neither the Company nor any holder of the relevant Shares shall have any right to require the redemption of any such Shares.

The Investment Manager shall, on the instructions of the Directors, realise all the Investments then comprised in the relevant Fund. The net proceeds of such sale shall then be distributed (upon production of written confirmation of entry or other evidence as to title relating to the Shares as the Company may require) to the relevant Shareholders in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of the relevant Fund, subject to the retention of any monies in its hands as part of the relevant Fund to pay full provisions for all liabilities, costs, charges, expenses, claims and dividends incurred, made or apprehended by the Company or the Directors in connection with or arising out of the termination of the relevant Fund.

Any unclaimed proceeds or other cash held by the Company, at all times held in an account under the control of the Depositary, hereunder may, at the expiration of twelve months from the date upon which the same were payable, be paid into a bank account subject to the right of the Company to deduct such expenses there from as is necessary to make such payment.

#### **(l) Use of a Subscriptions/Redemptions Account**

The Company operates a single, omnibus Subscriptions/Redemptions Account for all of the Funds, in accordance with the Central Bank's requirements relating to umbrella fund cash accounts. Accordingly, monies in the Subscriptions/Redemptions Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. It should be noted however that the Depositary will monitor the Subscriptions/Redemptions Account in performing its cash monitoring obligations and ensuring effective and proper monitoring of the Company's cash flows in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors to the extent that monies are held by the Company in the Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the Company.

The Company in conjunction with Depositary shall establish a policy to govern the operation of the Subscriptions/Redemptions Account, in accordance with the Central Bank's guidance in this area. This policy shall be reviewed by the Company and the Depositary at least annually.

## **10. MANAGEMENT AND ADMINISTRATION**

### **(A) The Directors**

The Company's affairs are supervised by the Directors, whose details are set out below. The Directors are all non-executive directors of the Company.

At the date of this Prospectus, the Directors of the Company are:

Stuart Alexander (British)  
Conor Hoey (Irish)  
Michael Hooper (British)  
Adrian Waters (Irish) – Chairman

#### **Details of the Directors of the Company**

##### **Adrian Waters – Chairman (Independent)**

Mr. Adrian Waters (Irish), resident in Ireland, is a Fellow of The Institute of Chartered Accountants in Ireland and of The Institute of Directors. He is a Chartered Director (UK Institute of Directors) and he specializes in risk management and governance. He has over 25 years' experience in the funds industry. From 1993 to 2001, he held various executive positions within The BISYS Group, Inc. (now part of the Citi Group), including Chief Executive Officer of BISYS Fund Services (Ireland) Limited and finally as Senior Vice President – Europe for BISYS Investment Services out of London. From 1989 to 1993, he was employed by the Investment Services Group of PricewaterhouseCoopers in New York and prior to that by Oliver Freaney and Company, Chartered Accountants, in Dublin. Mr. Waters holds a Bachelor of Commerce degree and a Post Graduate Diploma in Corporate Governance both received from University College Dublin in 1985 and 2005, respectively. Additionally, in 2013, he has received a Master of Science degree in Risk Management from the Stern Business School at New York University.

##### **Conor Hoey**

Having graduated from Trinity College Dublin (1991), Conor Hoey joined Prudential Corporation in London as a graduate trainee and worked in a range of areas from UK Sales and Marketing to Corporate Strategy, being a key part of the team that set up the UK's first Internet Bank, Egg, in 1998. He then worked in Investment Consultancy for Bacon & Woodrow (Hewitt), advising asset managers on DC pension strategies and The UK Financial Services Authority on investment performance. He joined Mellon Bank in 2000 and Headed up their UK and Irish Sales & Relationship team in the Fund Administration arena, thereby having his first foray into the Irish funds sector. Following a short spell as a Director at Capita PLC in the mid-2000s, he joined Royal Bank of Canada in 2008 and headed up their Sales and Relationship team in the UK, in particular focusing on growing RBC's business in Ireland. Having lived in the UK from 1992, Mr. Hoey moved back to Dublin in August 2015. Mr. Hoey is a holder of the Investment Management Certificate and is a Certified Investment Fund Director with the Irish Institute of Banking.

##### **Stuart Alexander**

Stuart Alexander is Co-Founder and Managing Director of the Global Distributor, authorised and regulated by the FCA, which commenced business in 2009. He has over 20 years' experience in the fund management industry and previously was Managing Director, Close Investments (2005-2007), HBOS's Asset Management, Director (2001-2005), Invesco Fund Managers Ltd, Sales Director (1996-2001), Singer & Friedlander Investment Management Ltd, Director (1992-1996), Morgan Grenfell (1988-1992) and Gartmore (1986-1988).

## Michael Hooper

Michael Hooper is the Chief Operating Officer and Head of Finance of the Manager. Mr. Hooper has established and maintains detailed governance over outsourced operations, legal, risk and compliance services and has oversight of fund budgets and financial forecasts. Mr. Hooper has over 25 years' experience in the fund management industry, having been formerly employed as managing director at Allianz Global Investors and a director of Henderson Global Investors. Mr. Hooper previously served on the Global Executive of RCM, the active equity management company of Allianz Global Investors, and chaired the Global Operations Committee setting the operations strategy with accountability for the oversight of all legal, compliance and risk issues impacting RCM globally. Prior to his time at Allianz, Mr. Hooper acted as Head of Compliance at Henderson Global Investors. Mr. Hooper is a qualified Chartered Accountant and has also served on many UCITS and AIF boards in Ireland, UK, Luxembourg and the Cayman Islands. Mr. Hooper has completed the General Management Program at Harvard Business School, is a fellow of the Institute of Chartered Accountants in England and Wales, holds an M.Litt from the University of Aberdeen, Scotland and a BA from Simon Fraser University, B.C., Canada.

The Articles provide that every Director and officer of the Company shall be indemnified out of the assets of the Company against any liability incurred as a result of any act or failure to act in carrying out his or her functions other than such liability (if any) that may be incurred by reason of the fraud or wilful default of such Director or officer. The Articles also provide that no such Director or officer shall be liable to the Company for any loss or damage in carrying out his or her functions unless that liability arises through the negligence, fraud, wilful default or dishonesty of such Director or officer.

No Director has:

- (i) any unspent convictions in relation to indictable offences; or
- (ii) been bankrupt or the subject of an involuntary arrangement, or the subject to an individual voluntary arrangement, or has had a receiver appointed to any asset of such Director; or
- (iii) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, administration or company voluntary arrangements, or made any composition or arrangements with its creditors generally or with any class of its creditors; or
- (iv) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset; or
- (v) had any public incrimination and/or sanctions by statutory or regulatory authorities (including recognised professional bodies); or
- (vi) been disqualified by a court from acting as a director or from acting in the management or conduct of the affairs of any company.

Save for the information disclosed herein no further information is required to be given in respect of the Directors pursuant to the listing requirements of the Irish Stock Exchange.

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



## **(B) The Manager**

The Manager is a private company limited by shares, incorporated in Ireland on 29 March 2016 with registration number 579677 and has its registered office at 4th Floor, 76 Baggot Street Lower, Dublin 2, Ireland, and its head office at 32 Mount Street Upper, Dublin 2. The Manager is part of the Gemini Group and is a wholly owned subsidiary of Gemini Investment Management Limited.

The company secretary of the Manager is Sanne and has its registered office at 4th Floor, 76 Baggot Street Lower, Dublin 2, Ireland.

The Manager was approved by the Central Bank with effect from 24 November 2016 to act as a management company for UCITS Irish authorised collective investment schemes pursuant to the UCITS Regulations. Its principal business is acting as manager of investment funds and it currently manages regulated investment funds authorised by the Central Bank.

The directors of the Manager are as follows:

Stuart Alexander  
Conor Hoey  
Michael Hooper  
Adrian Waters (Chairman)

Please see their biographies on pages 51-52 of the Prospectus for further information.

The Central Bank Regulations introduce the concept of the *responsible person*, being the party responsible for compliance with the relevant requirements of the Central Bank Regulations on behalf of a particular Irish authorised UCITS. The directors of the Manager collectively (as opposed to any director or other office individually) assume the role of the *responsible person* for the Company.

The Management Agreement is effective as of 21 December 2016 (the "**Effective Date**") and shall remain in effect from the Effective Date. Thereafter the Management Agreement may be terminated by any party by written notice of at least ninety days. In certain circumstances (e.g. the insolvency of any party, un-remedied breach after notice, etc.) the Management Agreement may be terminated forthwith by notice in writing by either party to the other.

The Management Agreement contains indemnities in favour of the Manager, its directors, officers, employees, delegates, sub-delegates, sub-contractors, servants or agents excluding matters arising by reasons of the wilful default, recklessness, fraud, bad faith negligence in the performance of its or their duties and obligations under the Management Agreement and also contains provisions regarding the Manager's legal responsibilities.

## **(C) Investment Managers and Investment Advisors**

Details of the Investment Manager relating to each Fund are set out in the relevant Supplement.

An Investment Advisor may be appointed in respect of a Fund in order to provide investment advice in respect of a Fund. Details on any such Investment Advisor are set out in the relevant Supplement. Alternatively, where such Investment Advisors are not paid directly out of the assets of the Company or the relevant Fund, disclosure of such entities will be provided to the Shareholders on request and details thereof will be disclosed in the periodic reports.

## **(D) Global Distributor and UK Facilities Agent**

Unless otherwise set out in the Supplement for the relevant Fund, the Global Distributor of the Company and each Fund is Gemini Investment Management Limited. Gemini Investment

Management Limited is authorised and regulated by the FCA under number 503402 having its offices at Longcroft House, 2-8 Victoria Avenue, London, EC2M 4NS, United Kingdom and has also been appointed UK Facilities Agent to the Company. Gemini Investment Management Limited was incorporated on 20 January 2009 as a private limited company in England and Wales.

Gemini Investment Management Limited is also the entity that primarily promotes the Company.

Under the terms of the Global Distribution Agreement, the Global Distributor will market and promote the sale and distribution of the Shares of Funds in such jurisdictions as it considers appropriate in accordance with the laws of such jurisdictions.

The Company may terminate the appointment of the Global Distributor at any time by giving not less than 90 days' notice in writing to the Global Distributor.

Under the terms of the Global Distribution Agreement, the Global Distributor will market and promote the sale and distribution of the Shares in the United Kingdom only to Professional Clients and Eligible Counterparties. The Global Distributor will not provide investment advice or distribute the Company to private customers.

The following documents may be inspected and obtained from the address of the UK Facilities Agent:

1. the Articles;
2. any instrument amending the instrument constituting the scheme;
3. the latest Prospectus;
4. the key investor information document(s); and
5. the latest annual and half-yearly accounts.

Information in English about prices of Shares can be obtained from the address of the UK Facilities Agent and on the following web site: <http://www.gemini-im.com>.

An up-to-date version of the key investor information document(s) shall be made available for access in an electronic format on a website designated by the Company for this purpose. In the event that the Company proposes to register one or more Funds for public offering in other EU Member States, it shall make the following additional documentation available on such website:

- (a) this Prospectus;
- (b) once published, the latest annual and half yearly reports of the Company; and
- (c) the Articles.

An investor may arrange for redemption of units in the scheme and obtain payment for such redemption at the address of the UK Facilities Agent. The scheme is a non-certificated scheme. Any complaint with regard to the operation of the scheme should be submitted to Gemini Investment Management Limited at the address noted above.

#### **(E) Depositary**

RBC Investor Services Bank S.A., Dublin Branch has been appointed as depositary of all the assets of each Fund pursuant to the Depositary Agreement. The Depositary is RBC Investor Services Bank S.A., which is a company incorporated with limited liability in Luxembourg, operating through its Dublin Branch. The Depositary is a wholly-owned subsidiary of the Royal Bank of Canada Group and its head office is 14, Porte de France L 4360 Esch sur Alzette Luxembourg, Luxembourg. The Depositary has been approved by the Central Bank to act as depositary for the Company.

The Depositary shall carry out functions in respect of the Company including but not limited to the following:

- (i) the Depositary shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary;
- (ii) the Depositary shall verify the Company's ownership of all any assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Company;
- (iii) the Depositary shall ensure effective and proper monitoring of the Company's cash flows;
- (iv) the Depositary shall be responsible for certain oversight obligations in respect of the Company – see "Summary of Oversight Obligations" below.

Duties and functions in relation to (iii) and (iv) above may not be delegated by the Depositary.

#### Summary of Oversight Obligations:

The Depositary is obliged to ensure, among other things, that:

- (i) the sale, issue, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the UCITS Regulations and the Articles;
- (ii) the value of Shares is calculated in accordance with the UCITS Regulations and the Articles;
- (iii) in transactions involving the Company's assets, any consideration is remitted to it within the usual time limits;
- (iv) the Company's and each Fund's income is applied in accordance with the UCITS Regulations and the Articles;
- (v) the instructions of the Company are carried out unless they conflict with the UCITS Regulations or the Articles;
- (vi) it has enquired into the conduct of the Company in each Accounting Period and reports thereon to the Shareholders. The Depositary's report will be delivered to the Directors in good time to enable the Directors to include a copy of the report in the annual report of the Company. The Depositary's report will state whether, in the Depositary's opinion, each Fund has been managed in that period:
  - (a) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Articles and by the UCITS Regulations; and
  - (b) otherwise in accordance with the provisions of the Articles and the UCITS Regulations.

If the Company has not been managed in accordance with (a) or (b) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation;

- (vii) notify the Central Bank promptly of any material breach by the Company or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates; and

- (viii) notify the Central Bank promptly of any non-material breach by the Company or the Depositary of any requirement, obligation or document to which Regulation 114(2) of the Central Bank Regulations relates where such breach is not resolved within 4 weeks of the Depositary becoming aware of such non-material breach.

The duties provided for above may not be delegated by the Depositary to a third party.

As at the date of this Prospectus, the Depositary has delegated responsibility for the safekeeping of certain of the Company's assets to the sub-delegates set out in Appendix B. The liability of the Depositary will not be affected by the fact that it has delegated to a third party certain of its safekeeping functions in respect of the Company's assets.

In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders. Up-to-date information in relation to the Depositary's duties, any safekeeping duties delegated by the Depositary and any conflicts of interest (as outlined below) will be made available to Shareholders on request.

The Depositary Agreement may be terminated by any party upon 180 (one hundred eighty) days' prior written notice to the other party, unless mutually agreed by the parties to terminate the Depositary Agreement on earlier notice. The Depositary Agreement may be terminated immediately upon the occurrence of certain circumstances as set out therein.

The Depositary shall be liable to the Company for any loss incurred by the Company arising from the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to UCITS V or the Depositary Agreement. In the absence of negligent or intentional failure to properly fulfil such obligations, the Depositary shall not be liable to the Company or any other person with respect to any act or omission in connection with the services provided under the Depositary Agreement. Subject to applicable law, the Depositary shall not be liable to the Company or any other person for special, indirect or consequential damages arising out of or in connection with the performance or non-performance of its duties and obligations.

The Depositary shall be liable to the Company and its Shareholders for the loss, by the Depositary (or any third party delegate), of a financial instrument held in custody. In such circumstances the Depositary shall return a financial instrument of identical type or the corresponding amount to the relevant Fund without undue delay. The Depositary shall not be liable if it 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. In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

#### **(F) Administrator**

The Company has appointed RBC Investor Services Ireland Limited to act as administrator of each Fund to pursuant to the Administration Agreement.

The Administrator is a company incorporated with limited liability in Ireland on 31st January 1997 with its registered office at 4th Floor, One George's Quay Plaza George's Quay, Dublin 2, Ireland and is authorised by the Central Bank under the Investment Intermediaries Act 1995. The Administrator is a wholly-owned subsidiary of the Royal Bank of Canada Group.

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

The Administration Agreement is effective as of 26 August 2013 (the "**Effective Date**") and shall

remain in effect from the Effective Date. Thereafter the Agreement may be terminated by any party by written notice of at least ninety days. In certain circumstances (e.g. the insolvency of any party, un-remedied breach after notice, etc.) the Agreement may be terminated forthwith by notice in writing by either party to the other.

The Administration Agreement contains indemnities in favour of the Administrator, its directors, officers, employees, servants or agents excluding matters arising by reasons of the negligence, bad faith or fraud in the performance of its or their duties and obligations under the Administration Agreement and also contains provisions regarding the Administrator's legal responsibilities.

**(G) Auditor**

Deloitte and Touche has been appointed to act as the auditor for the Company. The responsibility of the auditor is to audit and express an opinion on the financial statements of the Company/ its Funds in accordance with Irish law and International Financial Reporting Standards.

**(H) Paying Agents/Representatives/Distributors**

Local laws or regulations in certain EEA jurisdictions may require that the Company and/or the Manager appoints a local Paying Agent and/or other local representatives. The role of the Paying Agent may entail, for example maintaining accounts through which subscription and redemption proceeds and dividends are paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via the intermediary entity rather than directly to the Administrator or the Manager bear a credit risk against that entity with respect to a) subscription monies to the transmission of such monies to the Depository for the account of the Company and b) redemption monies payable by such intermediate entity to the relevant investor. The appointment of a Paying Agent (including a summary of the agreement appointing such Paying Agent) may be detailed in a country supplement.

Fees and expenses of Paying Agents (including the Global Distributor and any Distributor) and/or other local representatives, which will be at normal commercial rates, will be borne by the relevant Fund(s). Fees payable to the Paying Agents and/or other local representatives which are based on Net Asset Value will be payable only from the Net Asset Value of the relevant Fund(s) attributable to the relevant Class(es), all Shareholders of which Class(es) are entitled to avail of the services of the Paying Agents and/or other local representatives.

Investors who do not themselves wish to be registered as Shareholders may use the services of a nominee. Where Shares are held through a nominee, those underlying investors who avail of the services of such nominee may be obliged to pay a fee directly to it in relation to the subscription, repurchase or conversion of Shares, details of which will be provided by the nominee. Regard must be had to the anti-money laundering requirements set out in Section 9, "Subscription and Redemption of Shares".

## **11. FEES AND EXPENSES**

### **Subscription Fee**

On subscription for Shares in a Fund, the Subscription Price may include a subscription fee of up to 5.00% of the Subscription Price for the A Shares classes, which will be payable to the Global Distributor. At its discretion, the Global Distributor may pay some or all of the subscription fee to financial intermediaries, in respect of investments made into a Fund through these intermediaries, or any Distributor of Shares. The Global Distributor has the right to determine that all or any part of such subscription fee may be waived in respect of any investor.

### **The Manager's Fee**

Details of the fees and expenses payable to the Manager relating to each Fund are set out in the relevant Supplement.

### **Rebate of the Manager's Fee**

The Manager may, from time to time at its sole discretion and in accordance with applicable law and regulation, rebate to the relevant Fund part or all of the Manager's fees set out in the relevant Supplement charged to any Shareholder.

### **The Investment Manager's Fee**

Details of the fees and expenses payable to the Investment Manager relating to each Fund are set out in the relevant Supplement.

### **Rebate of Investment Manager's Fees**

The Investment Manager may, from time to time at its sole discretion and out of its own resources, decide to rebate to some or all Shareholders, part or all of the investment management fee owing to the Investment Manager. In addition the Investment Manager and the Global Distributor may also, out of their fees and/or initial charge, decide to pay commissions to third parties in respect of arranging the introduction of investors to the benefit of the Company. These fee rebates as outlined may be paid directly from the assets of the Company to the intermediaries at the instruction of the Manager and/or the relevant Investment Manager and/or the Global Distributor.

### **The Administrator's Fee**

Details of the fees and expenses payable to the Administrator relating to each Fund are set out in the relevant Supplement

### **The Depositary's Fee**

The Depositary is entitled to receive an annual oversight fee, accrued on each Dealing Day and calculated and payable monthly in arrears, at an annual rate of up to 0.03% of the Net Asset Value per Fund (plus VAT thereon, if any).

The Depositary is also entitled to receive out of the assets of each Fund, an annual transaction and safekeeping fee accrued daily and payable monthly in arrears at a rate, depending on the custody markets, ranging from 0.005% up to 1.08% of the Net Asset Value per Fund.

The Depositary fees are subject to a total of all of the minimum annual fees for each Fund of €19,800 (plus VAT, if any). These fees accrue and are calculated on each Dealing Day and payable monthly in arrears.

The Depositary is also entitled to be reimbursed for the fees paid by the Depositary to any sub-custodian and agreed upon transactions charges (which in all cases shall be charged at normal commercial rates) and other out-of-pocket expenses (plus VAT thereon, if any).

### **UK Facilities Agent Fee**

The Company will discharge the fees and expenses of the UK Facilities Agent.

### **Global Distributor Fee**

Details of the fees and expenses payable to the Global Distributor relating to each Fund are set out in the relevant Supplement.

### **Distributor Fee**

Details of the fees and expenses payable to any Distributor relating to each Fund are set out in the relevant Supplement.

### **Directors' Fees**

The Directors will be entitled to remuneration for their services as Directors which will be accrued at the Valuation Point and paid quarterly provided however that the aggregate emoluments of such Directors in respect of any twelve month Accounting Period shall not exceed €200,000 plus any VAT or such other amount as the Directors may determine from time to time and notify to Shareholders in advance. The Directors will be entitled to be reimbursed for their reasonable out of pocket expenses (including travelling expenses) incurred in discharging their duties as directors.

### **Formation and Organisation Costs**

The costs of forming the Company (and the original Subsidiary), including the fees and expenses of legal advisers, product development fees and expenses, regulatory and listing fees and expenses and any other fees and expenses arising on the formation and launch of the Company have been expensed by the Company. In the event that new Funds are created within the Company, the formation and organisation costs relating to each new Fund, as determined by the Directors, will be charged to the new Fund and amortised over a period of five financial years

### **Ongoing Charges and Expenses**

The Company may also pay the following expenses out of the property of any one or more of the Funds:

- (a) expenses incurred in acquiring and disposing of Investments;
- (b) expenses incurred in distributing income to Shareholders;
- (c) fees in respect of the publication and circulation of details of the Net Asset Value of each Fund and each Class of Shares of each Fund;
- (d) the fees and expenses of the auditors, facilitator and legal, tax, accounting, financial, regulatory, compliance, fiduciary and other professional advisers of the Company and of the Directors;
- (e) all brokerage fees, bank fees, charges and commissions incurred by or on behalf of the Company in the course of its business and any payments to a research payment account in accordance with Article 13 of the MiFID II Delegated Directive;

- (f) the costs of convening and holding meetings of Shareholders (including meetings of Shareholders in any particular Fund or in any particular Class within a Fund);
- (g) the costs of printing and distributing reports, accounts and any Prospectus;
- (h) the costs of publishing prices and other information which the Company is required by law to publish and any other administrative expenses;
- (i) taxes and duties payable by the Company;
- (j) interest on and charges incurred in relation to borrowings;
- (k) fees and expenses in connection with obtaining and maintaining the listing of the Shares on the Irish Stock Exchange and any other exchange, including the fees of any sponsoring broker;
- (l) any costs incurred in modifying the Articles or the Prospectus;
- (m) insurance which the Company may purchase and/or maintain for the benefit of and against any liability incurred by any Director of the Company in the performance of his or her duties;
- (n) liabilities on amalgamation or reconstruction arising where the property of a body corporate or another collective investment scheme is transferred to the Depositary in consideration for the issue of Shares to the shareholders in that body or to participants in that other scheme, provided that any liability arising after the transfer could have been paid out of that other property had it arisen before the transfer and, in the absence of any express provision in the Articles forbidding such payment, the Directors are of the opinion that proper provision was made for meeting such liabilities as were known or could reasonably have been anticipated at the time of transfer;
- (o) any costs incurred in forming a Fund or a Class of Shares (details of which will be set out in the relevant Supplement);
- (p) any other costs or expenses that may be taken out of the Company's property in accordance with the Articles;
- (q) any fees payable to the Central Bank;
- (r) any costs incurred in relation to the verification of securities prices;
- (s) the costs of liquidation or winding up the Company or terminating any Fund; and
- (t) any administrative costs associated with compliance with local companies legislation and tax residency where required by the Company or any Fund.



## 12. CONFLICTS OF INTEREST

Investors' attention is drawn to the following potential conflicts of interest:

The Manager, the Investment Managers, the Global Distributor, the Distributor(s), the Administrator and the Depositary and any of their directors, officers, employees, agents, affiliates and the Directors ("**Interested Parties**") may be involved in other financial, investment or other professional activities which may on occasion cause conflicts of interest with the Company. These include management of other funds, purchases and sales of securities, investment and management advisory services, brokerage services, and serving as directors, officers, advisers, or agents of other funds or other companies. In particular it is envisaged that the Investment Managers may be involved in advising other investment funds which may have similar or overlapping investment objectives to or with the Company. The Investment Managers may provide services to third parties similar to those provided to the Company and shall not be liable to account for any profit earned from any such services. Where a conflict arises, each Investment Manager will endeavour to ensure that it is resolved fairly. In relation to the allocation of investment opportunities to different clients, including the Company, the Investment Managers may be faced with conflicts of interest with regard to such duties; however, they will ensure that investment opportunities in those circumstances will be allocated fairly. The appointment of the Investment Managers, the Administrator and the Depositary in their primary capacity as service providers to the Company are excluded from the scope these requirements for Interested Parties.

Transactions and dealings in the Investments of any Fund may take place with entities related to the Manager, the Depositary, the Administrator, the Investment Managers or any agent of any of them. The Investment Managers may buy and deal in Shares and sell securities and other property from and to the Company. Banking and similar transactions may also be undertaken with or through the Depositary or any associate of the Depositary. Any transaction carried out with the Company by the Manager, the Investment Managers, the Global Distributor, the Distributor(s), the Depositary, the Administrator, the Investment Advisor(s) and/or associated or group companies of these ("**connected parties**") must be carried out as if negotiated at arm's length. Transactions must be in the best interests of the Shareholders.

Transactions permitted are subject to:

- (i) certified valuation by a person approved by the Depositary, or the Company in the case of transactions involving the Depositary, as independent and competent; or
- (ii) execution on best terms on organised investment exchanges under their rules; or
- (iii) where (i) and (ii) are not practical, execution on terms which the Depositary, or the Company in the case of transactions involving the Depositary, is satisfied conform to normal commercial terms negotiated at arm's length and in the best interests of the shareholders of the Company.

The Depositary (or in the case of a transaction involving the Depositary, the Directors) shall document how it complied with paragraphs (i), (ii) and (iii) above and where transactions are conducted in accordance with paragraph (iii), the Depositary (or in the case of a transaction involving the Depositary, the Directors), must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

Potential conflicts of interest may arise from time to time from the provision by the Depositary and/or its affiliates of other services to the Company and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary, trustee, custodian and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its affiliates) act.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed. Such potential conflicts of interest are identified, managed and monitored in various other ways including, without limitation, the hierarchical and functional separation of the Depositary's functions from its other potentially conflicting tasks and by the Depositary adhering to its conflicts of interest policy.

The Depositary may hold funds for the Company subject to the provisions of Section 30 of the Central Bank Act 1989. Funds held by a Depositary for the Company must be held on terms which comply with the provisions of (i)-(iii) above.

The Directors, the Manager, the Investment Managers, the Depositary, the Administrator, the Global Distributor, the Distributor and/or associated or group companies of any of them may buy, hold and deal in any Investments of any kind, nature or description whatsoever notwithstanding that similar Investments may be held by the Company, provided that any such dealings are carried out as if negotiated at arm's length.

Any Interested Party may contract or enter into any financial or other transaction with any Shareholder or with any entity any of whose securities are held by or for the account of the Company, or is interested in any such contract or transaction. Furthermore, any Interested Party may receive commissions and benefits which it may negotiate in relation to any sale or purchase of any investments of the Company effected by it for the account of the Company and which may or may not be for the benefit of the Company.

Certain of the Directors are also directors of related parties and other collective investment schemes. The fiduciary duties of the Directors may compete with or be different from the interests of the Company. Only the Directors or the Manager may terminate the services of the Investment Managers and other agents of the Company. The Directors and the service providers may have conflicts of interest in relation to their duties to the Company. However, each shall, at all times, pay regard to its obligation to act in the best interests of the Company and the Directors will endeavour to ensure that all such potential conflicts of interest are resolved fairly and in the interests of Shareholders.

An Investment Manager may effect transactions with or through the agency of another person with whom the Investment Manager or an entity affiliated to the Investment Manager has arrangements under which that person will, from time to time, provide to or procure for the Investment Manager and/or an affiliated party goods, services or other benefits such as research and advisory services, specialised computer hardware or software. No direct payment may be made for such goods or services but the Investment Manager may undertake to place business with that person provided that person has agreed to provide best execution with respect to such business and the services provided must be of a type which assists in the provision of investment services to the Company. A report will be included in the Company's annual reports describing each Investment Manager's soft commission practices. Where appropriate, any such arrangements will comply with the requirements of Article 11 of the MiFID II Delegated Directive.

Where a "competent person" appointed to value unlisted securities is a related party to the Company, a conflict of interest may arise where the valuation provided by an Investment Manager increases because the Investment Manager's fee will increase as the value of the asset for the Fund increases.

### **13. DIVIDENDS, REPORTS, STATEMENTS AND MEETINGS**

#### **(A) Dividends**

Dividends will, unless otherwise stated in the relevant Supplement, normally be declared and paid within four months of the Accounting Period to which they relate. The amount available for distribution shall depend on the profits, being the net income together with the net realised and unrealised capital gains (net of realised and unrealised losses) of the relevant Fund in respect of the relevant Shares. The amount available for distribution may be appropriately adjusted so to prevent any subscriptions or redemptions during the period distorting the result. Dividends may be declared out of the capital of any Fund.

Dividends will normally be paid by telegraphic transfer.

All unclaimed dividends will be held in a distribution account until claimed. Payment by the Company of any unclaimed dividend into a separate account shall not constitute the Company a trustee in respect thereof. Any dividend unclaimed after six years from the date when it first became payable shall be forfeited automatically and shall revert back to the relevant Fund without the necessity for any declaration or other action by the Company.

Investors should note that any dividend income being paid out by a Fund and held in the Subscriptions/Redemptions Account shall remain an asset of the relevant Fund until such time as the income is released to the investor and that during this time the investor will rank as a general unsecured creditor of the Company.

If the dividend policy is changed in respect of any Fund or Class within a Fund in the future, full details will be provided in the relevant Supplement to the Prospectus and all Shareholders of a Fund or Class will be notified in advance.

#### **(B) Reports, Statements and General Meetings**

The annual accounting period of the Company will end on 31 December. Annual reports of the Company will be published within four months following the end of the annual accounting period. Half-yearly reports for the period to 30 June will be published within two months following the end of the half-yearly accounting period. Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the Investments comprised therein as at the year-end or the end of such semi-annual period.

The annual audited financial reports for the Company will be sent to Shareholders and prospective investors upon request. The financial statements of the Company will be prepared in accordance with the International Financial Reporting Standards.

Annual reports for the Company will be sent to the Central Bank and the Irish Stock Exchange within four months of the end of the period to which they relate and semi-annual reports will be sent to the Central Bank and the Irish Stock Exchange within two months of the period to which they relate.

General meetings of the Company may be convened from time to time by the Directors by notice in writing to Shareholders.

All financial statements (if requested by shareholders), notices and other documents will be sent, in the case of joint holders of Shares, to the holder who is named first in the Register of Members of the Company at his registered address by the Administrator.

## 14. TAXATION

### General

**The following is a summary of relevant Irish, United Kingdom and United States tax law. It does not purport to be a complete analysis of all tax considerations relating to the holding of Shares. Shareholders and potential investors are advised to consult their professional advisors concerning possible taxation or other consequences of purchasing, holding, selling, exchanging or otherwise disposing of Shares under the laws of their country of incorporation, establishment, citizenship, residence, ordinary residence or domicile.**

The following statements on taxation are with regard to the law and practice in force in Ireland at the date of this document and do not constitute legal or tax advice to Shareholders or prospective Shareholders. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely, as the basis for and rates of taxation can fluctuate.

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

The Directors recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the Company and any investment returns from those Shares.

The receipt of dividends (if any) by Shareholders, the redemption, exchange or transfer of Shares, the conversion of Series Class Shares into Conversion Series of Shares and any distribution on a winding-up of the Fund may result in a tax liability for the Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Shareholders resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability to tax on the undistributed income and gains of the Company, or Funds. The Directors, the Company, the Funds, and each of the Funds' agents shall have no liability in respect of the individual tax affairs of Shareholders.

The following statements on taxation are based on an assumption that the Company is not an Irish Real Estate Fund ("**IREF**") (as defined in Section 739K TCA). An investment undertaking or sub-fund of an investment undertaking in which 25% or more of the value of the assets at the end of the immediately preceding accounting period is derived from Irish real estate (or related assets), or the main purpose of the investment undertaking or sub-fund, or one of the main purposes of which, is to acquire such assets will constitute an IREF and will be subject to specific tax rules. These rules are not described below.

The Directors have been advised that the Company is not, and does not intend to be, an IREF. If the Company is an IREF there may be additional withholding tax arising on certain events, including distributions to Shareholders. Purchasers of Shares may be obliged to withhold tax on the transfer of Shares and there will be additional certification and tax reporting obligations in respect of the Company.

### Irish Taxation

#### ***Taxation of the Company***

##### *General*

The Directors have been advised that the Company is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income

or relevant gains so long as the Company is resident for tax purposes in Ireland. The Company will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the Directors of the Company will conduct the affairs of the Company in a manner that will allow for this.

Notwithstanding the above, a charge to tax may arise for the Company in respect of Shareholders on the happening of a "Chargeable Event" in the Company.

*Tax arising on occurrence of a "Chargeable Event"*

Tax may arise for the Company on the happening of a "**Chargeable Event**" in respect of Shareholders of the Company.

A Chargeable Event includes:

- (i) any payment to a Shareholder by the Company in respect of their Shares;
- (ii) any transfer, cancellation, redemption or repurchase of Shares; and
- (iii) any deemed disposal by a Shareholder of their Shares at the end of a "relevant period" (a "**Deemed Disposal**").

A "relevant period" is a period of 8 years beginning with the acquisition of Shares by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a recognised clearing system as designated by order of the Revenue Commissioners (e.g. Euroclear/Clearstream);
- (ii) any exchange by a Shareholder effected by way of a bargain made at arm's length by the Company, of Shares in the Company for other Shares in the Company;
- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking; or
- (v) the cancellation of shares in the company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

On the happening of a Chargeable Event, the Company shall be entitled to deduct the appropriate amount of tax on any payment made to a Shareholder in respect of the Chargeable Event. On the occurrence of a Chargeable Event where no payment is made by the Company to the Shareholder, the Company may appropriate or cancel the required number of Shares to meet the tax liability.

No Irish tax will arise in respect of a Chargeable Events where (a) the Shareholder is neither resident nor ordinarily resident in Ireland and has made the necessary declaration to that effect or, (b) the Shareholder is an Exempt Irish Shareholder as defined below and has made the necessary declaration to that effect. In the absence of a signed and completed declaration being in the possession of the Company at the relevant time, there is a presumption that the Shareholder is Irish Resident and is not an Exempt Irish Shareholder.

Where the Chargeable Event is a Deemed Disposal and the value of Shares held by Irish Resident Shareholders in the Company is less than 10% of the total value of Shares in the Company (or a sub-fund) and the Company has made an election to the Revenue Commissioners to report annually certain details for each Irish Resident Shareholder, the

Company will not be required to deduct the appropriate tax and the Irish Resident Shareholder (and not the Company) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Company or the Shareholder on any previous Deemed Disposal. On the eventual disposal by the Shareholder of the Shares, a refund of any unutilised credit will be payable.

### ***Taxation of Shareholders***

#### Non-Irish Resident Shareholders

Non-Irish Resident Shareholders will not be chargeable to Irish tax on the happening of a Chargeable Event provided that either:

- (i) the Company is in possession of a completed Relevant Declaration to the effect that the Shareholder is not an Irish Resident, or
- (ii) the Company is in possession of written notice of approval from the Revenue Commissioners to the effect that the requirement to provide a Relevant Declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn by the Revenue Commissioners.

In the circumstances outlined at (ii) above, Relevant Declarations are not required to be held by a company in respect of each individual shareholder in order to prevent tax arising on occurrence of a Chargeable Event. In order to avoid the need to hold a Relevant Declaration for each non-Irish resident Shareholder, a fund must operate "equivalent measures" i.e. confirm a number of matters to the Revenue Commissioners including that the fund will not actively promote the shares concerned to Irish investors and the fund will not actively distribute any offering material in connection with the shares in Ireland.

If the Company is not in possession of a Relevant Declaration or the Company is in possession of information which would reasonably suggest that the Relevant Declaration is not or is no longer materially correct, the Company must deduct tax on the happening of a Chargeable Event in relation to such Shareholder. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Shareholders can claim the same exemption on behalf of the Shareholders for whom they are acting. The intermediary must complete a Relevant Declaration that it is acting on behalf of a non-Irish Resident Shareholder.

A non-Irish Resident corporate Shareholder which holds Shares directly or indirectly by or for a trading branch or agency of the Shareholder in Ireland, will be liable for Irish corporation tax on income from the Shares or gains made on the disposal of the Shares.

#### Exempt Irish Shareholders

The Company is not required to deduct tax in respect of an Exempt Irish Shareholder so long as the Company is in possession of a completed Relevant Declaration from those persons and the Company has no reason to believe that the Relevant Declaration is materially incorrect. The Exempt Irish Shareholder must notify the Company if it ceases to be an Exempt Irish Shareholder. Exempt Irish Shareholders in respect of whom the Company is not in possession of a Relevant Declaration will be treated by the Company as if they are not Exempt Irish Shareholders.

While the Company is not required to deduct tax in respect of Exempt Irish Shareholders, those Shareholders may themselves be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Shares or dividends or distributions or other payments in respect of their Shares depending on their circumstances. It is the obligation of the Exempt Irish Shareholder to account for such tax to the Revenue Commissioners.

### Irish Resident Shareholders

Irish Resident Shareholders (who are not Exempt Irish Shareholders) will be liable to tax on the happening of a Chargeable Event. Tax at the rate of 41% will be deducted by the Company on payments made to the Shareholder in relation to the Shares or on the sale, transfer, Deemed Disposal (subject to the 10% threshold outlined above), cancellation, redemption or repurchase of Shares or the making of any other payment in respect of the Shares.

An Irish Resident Shareholder who is not a company and is not an Exempt Irish Shareholder will not be liable to any further income or capital gains tax in respect of any sale, transfer, Deemed Disposal, cancellation, redemption or repurchase, of Shares or the making of any other payment in respect of their Shares.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted. The rate of tax applicable to a Chargeable Event in respect of any Irish tax resident corporate investor in this instance is 25% provided the corporate investor has made a declaration to the Company including its Irish tax reference number.

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is taxable as trading income under Schedule D Case I, the following provisions apply:

- (i) the amount received by the Shareholder is increased by any amount of tax deducted by the Company and will be treated as income of the Shareholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Shares, such income will be reduced by the amount of consideration in money or money's worth given by the Shareholder for the acquisition of those Shares; and
- (iii) the amount of tax deducted by the Company will be set off against the Irish corporation tax assessable on the Shareholder in respect of the chargeable period in which the payment is made.

### Personal Portfolio Investment Undertaking

An investment undertaking will be considered to be a personal portfolio investment undertaking (PPIU) in relation to a specific Irish Resident Shareholder where that Irish Resident Shareholder can influence the selection of some or all of the property of the undertaking. The undertaking will only be a PPIU in respect of those Irish Resident Shareholders who can influence the selection. A gain arising on a chargeable event in relation to a PPIU will be taxed at the rate of 60%. An undertaking will not be considered to be a PPIU where certain conditions are complied with as set out in section 739BA TCA.

### *Currency Gains*

Where a currency gain is made by an Irish Resident Shareholder on the disposal of Shares, that Shareholder may be liable to capital gains tax in respect of any chargeable gain made on the disposal.

### *Stamp Duty*

On the basis that the Company qualifies as an investment undertaking within the meaning of section 739B TCA, no Irish stamp duty will be payable on the subscription, transfer or repurchase of Shares. The stamp duty implications for subscriptions for Shares or transfer or repurchase of Shares in specie should be considered on a case by case basis.

### *Capital Acquisitions Tax*

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

- (i) at the date of the disposition the transferor of the Shares is neither domiciled nor ordinarily resident in Ireland, and, at the date of the gift or inheritance the transferee of the Shares is neither domiciled nor ordinarily resident in Ireland; and
- (ii) the Shares are comprised in the gift or inheritance at the date of the gift or inheritance and at the valuation date.

The current rate of capital acquisitions tax is 33%.

### **Other Tax Matters**

The income and capital gains received by the Company from securities issued in countries other than Ireland or assets located in countries other than Ireland may be subject to taxes including withholding tax in the countries where such income and gains arise. The Company may not be able to benefit from reduced rates of withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries. The Directors will have sole discretion as to whether the Company will apply for such benefits and may decide not to apply for such benefits if they determine that it may be administratively burdensome, cost prohibitive or otherwise impractical.

In the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the Company will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment.

### **Automatic Exchange of Information**

The Company is obliged, pursuant to the IGA, Council Directive 2011/16/EU, section 891E, section 891F and section 891G of the TCA and regulations made pursuant to those sections, to collect certain information about its investors.

The Company will be required to provide certain information to the Revenue Commissioners in relation to the investors (including information in respect of the investor's tax residence status) and also in relation to accounts held by investors. For further information on FATCA or CRS please refer to the website of the Revenue Commissioners at [www.revenue.ie/en/business/aeoi/index.html](http://www.revenue.ie/en/business/aeoi/index.html).

Further detail in respect of FATCA and CRS is set out below.

#### *FATCA Implementation in Ireland*

On 21 December 2012, the governments of Ireland and the U.S. signed the IGA.

The IGA significantly increases the amount of tax information automatically exchanged between Ireland and the U.S. It provides for the automatic reporting and exchange of information in relation to accounts held in Irish "financial institutions" by U.S. persons and the reciprocal



exchange of information regarding U.S. financial accounts held by Irish Residents. The Company is subject to these rules. Complying with such requirements will require the Company to request and obtain certain information and documentation from its Shareholders, other account holders and (where applicable) the beneficial owners of its Shareholders and to provide any information and documentation indicating direct or indirect ownership by U.S. Persons to the competent authorities in Ireland. Shareholders and other account holders will be required to comply with these requirements, and non-complying Shareholders may be subject to compulsory redemption and/ or U.S withholding tax of 30% on withholdable payments and/or other monetary penalties.

The IGA provides that Irish financial institutions will report to the Revenue Commissioners in respect of U.S. account-holders and, in exchange, U.S. financial institutions will be required to report to the IRS in respect of any Irish-resident account-holders. The two tax authorities will then automatically exchange this information on an annual basis.

The Company (and/or any of its duly appointed agents) shall be entitled to require Shareholders to provide any information regarding their tax status, identity or residency in order to satisfy any reporting requirements which the Company may have as a result of the IGA or any legislation promulgated in connection with the IGA and Shareholders will be deemed, by their subscription for or holding of Shares to have authorised the automatic disclosure of such information by the Company or any other person to the relevant tax authorities.

#### *OECD Common Reporting Standard*

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the CRS Regulations.

CRS is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. The Company is required to provide certain information to the Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

The Company, or a person appointed by the Company, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The Company, or a person appointed by the Company, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions. Ireland introduced CRS Regulations in December 2015 and implementation of CRS among early adopting countries (including Ireland) occurred with effect from 1 January 2016.

#### **Certain Irish Tax Definitions**

##### Residence – Company (which includes any body corporate, including an ICAV)

A company which has its central management and control in Ireland is 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 resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country. In certain limited circumstances, companies incorporated in Ireland but managed and controlled outside of a double taxation treaty territory may not be regarded as resident in Ireland. Specific rules may apply to companies incorporated prior to 1 January 2015.

## Residence – Individual

The Irish tax year operates on a calendar year basis.

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

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

Presence in a tax year by an individual of not more than 30 days in Ireland, will not be reckoned for the purpose of applying the two year test. Presence in Ireland for a day means the personal presence of an individual at any point in time during the particular day in question.

## Ordinary Residence – Individual

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

An individual who has been resident in 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 that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2017 will remain ordinarily resident in Ireland until the end of the tax year 2020.

## Intermediary

means a person who:

- (i) carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or
- (ii) holds shares in an investment undertaking on behalf of other persons.

## **The United Kingdom**

### General

Brief details of the taxation treatment in the United Kingdom are set out below. The summary is relevant only to persons holding Shares who are resident for tax purposes in the United Kingdom (except in so far as express reference is made to the treatment of non-United Kingdom residents). The application of the information set out below can vary according to individual circumstances of Shareholders in the Company and is subject to change. It is intended as a guide as at the tax regime as at the date of this Prospectus only and not as a substitute for professional advice. It does not purport to be a complete analysis of all tax considerations relating to the holding of Shares, nor does it constitute legal or tax advice. Prospective Shareholders should therefore consult their own professional advisers as to the overall legal and tax implications of subscribing for, purchasing, holding, switching or disposing of Shares under the laws of any jurisdiction in which they may be subject to tax.

This summary in particular does not address the tax consequences for non UK resident persons who hold the shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch, agency or permanent establishment). In addition, the summary only addresses the tax consequences for UK Shareholders holding Shares as an investment and not

as trading stock. It does not deal with the position of individuals who are UK resident but non UK domiciled.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The statements below are based on current UK tax legislation, together with HM Revenue & Customs ("**HMRC**") practice as at the date of this Prospectus and are subject to change at any time, possibly with retrospective effect.

#### Taxation of The Company

The Directors intend to conduct the affairs of the Company so that it does not become resident in the United Kingdom and does not carry on a trade within the United Kingdom for United Kingdom taxation purposes. Accordingly, whilst the position cannot be guaranteed, the Company should not be subject to United Kingdom income tax or corporation tax other than on certain United Kingdom source income.

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

If the Company invests in UK investments, any UK source income arising on those investments may be subject to a deduction of UK withholding tax at source. The entitlement of the Company to reclaim any such withholding tax from HMRC will depend on the nature of those investments and whether the Company can make a valid treaty claim to avoid or minimise such withholding tax.

#### Taxation of Shareholders who are resident for tax purposes in the United Kingdom

Each Share Class of the Company should be treated as an "offshore fund" for the purposes of the UK tax regime, as set out in Section 355 of the UK Taxation (International and Other Provisions) Act 2010. The UK reporting fund regime, as set out in the UK Offshore Funds (Tax) Regulations 2009 (Statutory Instrument 2009/3001) therefore applies separately to each of the Share Classes of the Company.

A list of the Share Classes which currently have 'reporting fund' status is available at <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>.

The tax treatment applicable to a UK tax resident Shareholder in the Company will depend on whether the Shareholder is a taxable UK resident Shareholder and also whether the Share Class in which the Shareholder has an interest has received certification as a reporting fund from HMRC. Prospective Shareholders should consult a professional advisor as to the implications of this on their specific situation.

#### Overview of the UK reporting fund regime

Under the UK reporting fund regime, taxable UK resident Shareholders can secure capital gains tax treatment on disposal of their investment in Shares of the Company, where the Share Class has been certified by HMRC as a "reporting fund" through the entire period over which the taxable UK resident Shareholder held their investment. Otherwise, an offshore income gain is likely to arise.

It is important to note that no assurance can be given as to whether approval as a reporting fund will, in practice, be granted in the first instance, and retained in respect of any particular

accounting period, especially since the exact conditions that must be fulfilled for the Company to obtain that reporting fund status may be affected by changes in HM Revenue & Customs practice or by subsequent changes to the relevant provisions of UK tax legislation. Reporting fund status must be maintained on an annual basis by each Share Class which has received approval as such. If reporting fund status is revoked by HMRC for any Share Class which has received approval, that Share Class will be unable to regain reporting fund status and will thereafter be permanently outside the reporting fund regime.

In the event that any future Share Class does not apply to HMRC for UK reporting fund status for the period of account in which the Share Class is launched it should be noted that UK reporting fund status cannot be obtained retrospectively for any period and would therefore generally only be available from the period in which the Directors made the appropriate applications to HMRC (and future periods).

#### *Taxation of UK registered pension scheme investors*

UK registered pension funds are broadly exempt from:

- (i) UK income tax on income derived from investments/deposits held for the purposes of the registered pension scheme (Section 186 UK Finance Act 2004), and
- (ii) UK capital gains tax on gains accruing on investments held for the purposes of the registered pension scheme (Section 271 (1A) UK Taxation of Chargeable Gains Act 1992).

However, there are a number of exceptions/exclusions to these general exemptions from UK tax for UK registered pension schemes. These circumstances are relatively limited, but do include, amongst other exceptions, all trading related activity. Shareholders and potential investors who are concerned as to the potential application of such legislation should consult their tax advisors for more details.

In certain circumstances, the sale of Shares in the Company that are capital assets in the hands of a Shareholder could give rise to an 'offshore income gain' rather than a capital gain for UK tax purposes. However, HMRC guidance indicates that: "*if a UK registered pension scheme...disposes of an interest in a non-reporting fund, any (offshore income) gain arising will be exempt from the charge to tax*" – again, subject to any of the exceptions/exclusions referred to above applying. Therefore, if the Shares are viewed as capital assets in the hands of a UK resident, HMRC registered UK pension fund Shareholder, gains on sale should be exempt from tax, irrespective of whether they are viewed as capital or offshore income gains for UK tax purposes.

#### *Taxation of UK resident taxable individual investors in a reporting fund Share Class*

The relevance of reporting fund status for UK investors is that gains realized by investors on disposals of investments in reporting funds, which retain their reporting fund status for the entire period in which the investors holds the investment, will in most circumstances be treated as a 'capital disposal' for UK taxation purposes.

Shareholders who are resident or, if applicable, ordinarily resident in the UK for tax purposes may therefore be liable to capital gains tax (as opposed to income tax) in respect of capital disposals of their Shares where those shares are in a Share Class which has received approval as a reporting fund.

Any capital increase in the value of the Shares realised on eventual sale (when compared to deductible costs) is likely to be taxable under the UK capital gains code, subject to the availability of various exemptions and/ or reliefs. Deductible costs should include the amount

initially paid for the Shares, as well as any accumulated and not distributed amounts that have been taxable as income in the hands of the individual on the basis set out below.

There are currently three rates of UK income tax charged on dividends received by UK individuals.

An investor will be taxed on income accruing in a Reporting Fund Share Class ("**RFSC**") on an annual basis irrespective of whether any income is physically distributed/ accumulated to a RFSC shareholder in any period in respect of his/ her holding.

UK investors will be viewed as receiving income equivalent to their proportionate share of the "reportable income" of the RFSC; which will be the excess of the reportable income over any distributions actually made by the RFSC in respect of that reporting period. If actual dividends received by the Investor for any period exceed their proportionate share of the "reportable income" of the share class for that period then the UK investor will be taxed on the higher amount.

The tax point for distributions actually received by investors should be the date such distributions were paid. The tax point for any "reportable income" should be the date falling 6 months after the end of the reporting period (i.e. 30 June each year on the basis that the year end of the Company remains 31 December).

For any share class that is not a 'bond fund' (discussed in greater detail below) the excess of reportable income over actual distributions should be viewed as foreign dividends for UK taxation purposes. For any share class that is a 'bond fund' the excess of reportable income over actual distributions should be viewed as interest income for UK taxation purposes.

In certain specified circumstances, investors in receipt of dividends can be viewed as receiving trading income. The above summary assumes that all investors will be viewed as holding the shares as investment assets and that the dividends are treated as investment, rather than trading, income for tax purposes.

#### *Taxation of UK resident taxable individual investors in a non-reporting fund*

Shareholders who are resident or, if applicable, ordinarily resident in the UK for tax purposes may be liable to capital gains tax in respect of capital disposals of Shares which have not been approved as reporting funds. However, gains realised on disposals of investments in non-reporting fund Share Classes are likely to be taxable as an income receipt (without credit for any indexation which would otherwise be available) in the hands of the investors as an offshore income gain under the UK offshore fund regime and any amounts taxable as an income receipt should be deducted from the proceeds from a capital gains tax perspective.

A UK resident investor in a non-reporting fund Share Class should only have a potential liability to UK tax in respect of actual distributions received. The tax point for such distributions is likely to be the date on which such distributions were paid. These distributions should be viewed as foreign dividend income for UK individual investors.

Dividends and other income distributions paid or deemed to be paid to UK resident and domiciled individual Shareholders in respect of Shares in the Company which are deemed to be 'bond funds' (discussed below) may instead be taxed as 'interest' (as opposed to 'dividends').

#### *Taxation of UK corporate investors*

UK corporate investors in reporting fund share classes may be exempt from UK corporation tax on the excess of reportable income over actual distributions if any actual distribution would fall within one of the dividend exemption categories for corporate recipients. If the deemed

dividends do not fall within one of the dividend exemption categories, they are likely to represent taxable income in the hands of the corporate investor.

Deemed distributions received by the corporate investor throughout their period of ownership of reporting fund Shares may in certain circumstances represent additional base cost on sale of Shares in a Share Class which has been approved as a reporting fund.

UK corporate investors may be liable to UK corporation tax in respect of capital disposals of Shares in a Share Class which has received approval as a reporting fund.

Similarly, UK corporate investors may be exempt from UK corporation tax on distributions in respect of non-reporting fund Shares if they fall within one of the dividend exemption categories. If the distributions do not fall within one of the dividend exemption categories, then they are likely to represent taxable income in the hands of the corporate investor at their marginal rate of UK corporation tax.

UK resident corporate Shareholders within the charge to UK corporation tax should note that under the loan relationships regime, if at any time in an accounting period they hold an interest in a 'bond fund' (discussed below) that interest will be treated for that period as if it were rights under a creditor relationship for the purposes of the regime – which is likely to mean total returns from the share class are subject to corporation tax on a mark-to-market basis, and the offshore income gain regime should not apply.

#### *Overview of taxation of investors in 'bond funds'*

The general comments set out above are prepared on the basis that no Share Class in the Company which receive certification as reporting funds are categorised as 'bond funds' under the relevant UK legislation.

Broadly speaking, a Share Class is likely to be viewed as a 'bond fund' under UK tax legislation for an accounting period if at any time in that accounting period the market value of its 'qualifying investments' being broadly government and corporate debt, securities or cash on deposit (other than cash awaiting investment) or certain derivative contracts or holdings in other funds which at any time in the relevant accounting period are categorised as 'bond funds' exceed more than 60% of the market value of its total assets.

Whether a reporting fund Share Class is a 'bond fund' for any period would need to be formally confirmed on an annual basis by review of the proportional weighting of the 'qualifying investments' to total assets throughout that period on a sub-fund basis (as a separate pool of assets is maintained for each sub-fund).

There are specific rules applicable to investors in 'bond funds'. Under these rules, dividends and other income distributions paid or deemed to be paid to UK resident and domiciled individual Shareholders in respect of Shares in the Company which are deemed to be 'bond funds' may instead be taxed as 'interest' (as opposed to 'dividends').

UK resident corporate Shareholders within the charge to UK corporation tax should note that under the loan relationships regime, if at any time in an accounting period they hold an interest in a 'bond fund' that interest will be treated for that period as if it were rights under a creditor relationship for the purposes of the regime – which is likely to mean total returns from the share class are subject to corporation tax on a mark-to-market basis, and the offshore income gain regime should not apply.

#### Certain UK anti-avoidance legislation

UK tax legislation contains a wide range of anti-avoidance legislation which could, depending on the specific circumstances of an investor, apply to Shareholdings in the company. The

comments below are not intended to be an exhaustive list of such anti-avoidance legislation, or a comprehensive summary of any of the provisions referred to. Investors who are concerned about the potential application of these provisions, or any other UK anti-avoidance provisions should seek detailed tax advice based on their own circumstances. However, as a high level guide the attention of prospective investors resident or ordinarily resident in the United Kingdom for taxation purposes is particularly drawn to the following anti-avoidance provisions.

*i) Section 13 of the UK Taxation of Chargeable Gains Act 1992 ("Section 13")*

Section 13 applies to a "participator" in a Company for UK taxation purposes (the term "participator" includes, but is not limited to, a Shareholder) if were it a body corporate resident in the UK for taxation purposes, it would be meet the definition of a "close company".

CTA 2010 s439 states that a close company is a company that is:

- Controlled by either 5 or fewer participators; or
- Any number of participator directors.

If at any time when (i) a gain accrues to the Company which constitutes a chargeable gain for UK purposes (such as on a disposal by the Company of any of its investments) and (ii) the provisions of Section 13 apply; a participator can be treated for the purposes of UK taxation as if a part of any chargeable gain accruing to the Company had accrued to that Shareholder directly. The gain accruing to the Shareholder is equal to the proportion of the gain that corresponds to that Shareholder's proportionate interest in the Company as a participator. A Shareholder could therefore incur a liability to tax even if the gain accruing to the Company had not been distributed by the Company. No liability under Section 13 will be incurred by such a Shareholder, however, where the proportionate interest of the Shareholder in the company, together with their associates, means that 25% or less of the chargeable gain is apportioned to them under the Section 13 rules.

*ii) Chapter 2 of Part 13 of the United Kingdom Income Tax Act 2007 (transfer of assets abroad)*

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

*iii) Transaction in Securities*

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

## UK Stamp Duty

The following comments are intended as a guide to the general UK stamp duty position and may not relate to persons such as market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

No UK stamp duty will be payable on the issue of the Shares. Legal instruments transferring the Shares should not be subject to UK stamp duty provided that such instruments are executed outside the UK and do not relate to matters done or to be done in the UK.



## **15. VALUATION AND PRICES**

### **(A) Calculation of Net Asset Value**

The Net Asset Value for each Fund and the Net Asset Value of each Fund attributable to each Class shall be determined separately by reference to the Portfolio appertaining to that Fund and to each such determination the following provisions shall apply.

In respect of each Dealing Day, the Net Asset Value of each Fund shall be determined and shall be equal to the value as at the Valuation Point for that Dealing Day of all the Investments, less all the liabilities, of that Fund.

The Investments of a Fund shall be deemed to include:

- (i) all cash in hand, on loan or on deposit, or on call including any interest accrued thereon,
- (ii) all bills, demand notes, promissory notes and accounts receivable,
- (iii) all bonds, certificates of deposit, shares, stock, debentures, debentures stock, subscription rights, warrants, options and other Investments and securities owned and contracted for, (other than rights and securities issued by it),
- (iv) all stock and cash dividends and cash distributions which the Directors consider will be received by the Company in respect of the Portfolio but which have not yet been received by it but have been declared payable to stockholders of record on a date before the day as of which the investments are being valued,
- (v) all interest accrued on any interest-bearing securities forming part of the Portfolio,
- (vi) all prepaid expenses relating to that Fund and a proportion of any prepaid expenses relating to the Company generally, such prepaid expenses to be valued and defined from time to time by the Directors.

Any expense or liability of the Company may be amortised over such period as the Directors (with the approval of the Auditors) may determine (and the Directors may at any time and from time to time determine with the approval of the auditors to lengthen or shorten any such period), and the unamortised amount thereof at any time shall also be deemed to be an asset of the Company.

The Articles provide for the method of valuation of the assets and liabilities of each Fund. Assets shall be valued as follows:

- (a) The value of any Investment which is quoted, listed or traded on a recognised exchange (other than those referred to at (e) below) for which market quotations are readily available shall be valued at the last traded price. Where a security is listed or dealt in on more than one recognised exchange, the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the Directors determine provides the fairest criteria in determining a value for the relevant investment. Securities listed or traded on a recognised exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point provided that the Depositary shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.
- (b) The value of any Investment which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt but for which no such quotation or value

is available, or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the Directors or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined using matrix methodology compiled by the Directors or competent person whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.

- (c) Cash in hand or on deposit will be valued at its nominal/face value plus accrued interest or less debit interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (d) Notwithstanding paragraph (a) above, units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or, if listed or traded on a recognised exchange, in accordance with (a) above.
- (e) Exchange-traded derivative instruments will be valued based on the settlement price as determined by the market where the instrument is traded. If such settlement price is not available, such value shall be calculated in accordance with (b) above, i.e. being the probable realisation value estimated with care and in good faith by a competent person appointed by the Directors (and approved for such purpose by the Depositary).
- (f) OTC derivative instruments will be valued at the latest valuation for such instruments as at the Valuation Point for the relevant Dealing Day as provided by the counterparty on a daily basis and verified on a weekly basis by a competent person (being independent from the counterparty) approved for such purpose by the Depositary. Alternatively, the value of any OTC derivative contract may be the quotation from an independent pricing vendor or that calculated by the Directors or their delegate and shall also be valued daily. Where this alternative valuation is used, the Directors or their delegate must follow international best practice and adhere to specific principles on such valuations established by bodies such as IOSCO and AIMA. Any such alternative valuation must be provided by a competent person (which may include the Investment Manager) appointed by the Directors and approved for the purpose by the Depositary, or a valuation by any other means provided that the method is approved by the Depositary. Any such alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise, the Administrator shall bring this to the attention of the Directors and the Directors shall ensure that these are promptly investigated and explained.
- (g) Notwithstanding the provisions of paragraphs (a) to (f) above:
  - (i) The Directors or their delegate shall, at their discretion in relation to any particular Fund which is a short-term money market fund, have in place an escalation procedure to ensure that any material discrepancy between the market value and the amortised cost value of a money market instrument is brought to the attention of the Investment Manager or a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank Rules; and
  - (ii) Where it is not the intention or objective of the Directors to apply amortised cost valuation to the portfolio of the Fund as a whole, a money market instrument within such a portfolio shall only be valued on an amortised basis if the money market instrument has a residual maturity of less than 3 months and does not

have any specific sensitivity to market parameters, including credit risk.

- (h) Notwithstanding the generality of the foregoing, the Directors may, with the approval of the Depositary, adjust the value of any investment if, taking into account currency, marketability and/or such other considerations as they may deem relevant, such as applicable rate of interest, anticipated rate of dividend, maturity or liquidity, they consider that such adjustment is required to reflect the fair value thereof. The rationale for adjusting the value must be clearly documented.
- (i) Any value expressed otherwise than in the Base Currency of the relevant Fund shall be converted into the Base Currency of the relevant Fund at the prevailing exchange rate which the Directors or their delegate shall determine to be appropriate.
- (j) If the Directors deem it necessary a specific investment may be valued under an alternative method of valuation chosen by the Directors and approved by the Depositary and the rationale/methodologies used must be clearly documented.

In calculating the value of any investment the Directors, or the Administrator as their delegate, may rely upon such automatic pricing services as it may in its absolute discretion determine. The Directors or the Administrator as their delegate shall not, in any circumstances, be liable for any loss suffered by reason of any error in the calculation of the value of any investment resulting from any inaccuracy in the information provided by any such pricing service, broker, market maker or other intermediary. The Directors have delegated to the Administrator the determination of Net Asset Value of a Fund and the exercise of its discretion in relation thereto.

In the case of a Fund having more than one Class of Shares, the Net Asset Value of a Fund attributable to each Class of Shares within such Fund shall be determined by taking into account such adjustments to the Net Asset Value of the relevant Portfolio as the Directors shall specify by reference to the different rights attaching to each such Class of Shares and the Net Asset Value per Share per Class shall be determined by dividing the resulting Net Asset Value of the Portfolio attributable to the particular Class by the total number of Shares of such Class then in issue.

In respect of any Class of Shares, the Net Asset Value Per Share, before incentive fees, for any relevant Valuation Day will be determined by dividing the Net Asset Value of the relevant Class of Shares as at the Valuation Point on that Dealing Day by the number of Shares of the relevant Class then in issue. The Net Asset Value will be rounded naturally to four decimal places.

In the absence of negligence, fraud or wilful default, every decision taken by the Administrator, the Directors or any committee of the Directors or any duly authorised person on behalf of the Company in calculating the Net Asset Value of a Fund or Class or the Net Asset Value per Share shall be final and binding on the Company and on present, past or future Shareholders.

#### **(B) Notification of Prices**

The up-to-date Net Asset Value per Share of each Class in each Fund will be available from the Administrator, Bloomberg and on [www.gemini-im.com](http://www.gemini-im.com) and [www.gemini-capital.ie](http://www.gemini-capital.ie) and will be notified without delay to the Irish Stock Exchange following calculation (if listed).

## **16. MEMORANDUM AND ARTICLES OF ASSOCIATION**

The Articles comprise the constitution of the Company.

### **(A) Memorandum of Association**

The objects of the Company are set out in full in Clause 3 of the Memorandum of Association.

### **(B) Articles of Association**

The Articles provide, *inter alia*, as follows:

### **(C) Incorporation and Share Capital**

The Company was incorporated as umbrella type open-ended investment company with variable capital incorporated with limited liability under the laws of Ireland with registered number 485081 and segregated liability between Funds. The Company is authorised in Ireland as an investment company pursuant to the UCITS Regulations.

The authorised share capital of the Company is 2 Subscriber Shares of €1 each and 1,000,000,000,000 shares of no par value initially designated as unclassified participating shares.

The Articles provide un-issued Shares are at the disposal of the Directors who may offer, allot, issue, grant options over or otherwise dispose of them to such persons, at such times, for such consideration and on such terms and conditions as the Directors see fit.

The Company may by ordinary resolution increase its share capital, consolidate its Shares or subdivide any of them into Shares of a smaller amount or cancel authorised but unissued Shares.

The holders of Shares shall:

- (i) have the right to vote at a general meeting. On a show of hands, be entitled to one vote per holder and, on a poll, be entitled to one vote per share;
- (ii) be entitled to such dividends as the Directors may from time to time declare; and
- (iii) in the event of a winding up or dissolution of the Company, have the entitlements referred to under "Liquidation" below.

### **(D) Variation of Rights**

The rights attached to any separate Class of Shares may, subject to the laws of Ireland and unless otherwise provided by the terms of issue of the shares of that Class, be varied or abrogated with the consent in writing of the holders of three fourths of the issued Shares of that Class or with the sanction of a special resolution passed at a separate meeting of the holders of the Shares of the Class. The rights attached to the Shares of the Class are deemed not to be varied by the creation or issue of any other separate Class of shares or by the creation or issue of any shares of the same Class ranking *pari passu* with them.

### **(E) Fund**

Each Share when allotted and issued must be designated by reference to a Fund and the proceeds from the allotment and issue of each such share shall be applied in the books of the Company to a Fund established for that share and designated by reference to it. The assets and liabilities and income and expenditure attributable thereto shall be applied to each Fund by the Directors.

The assets of each Fund shall belong exclusively to the relevant Fund and shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund and shall not be available for such purpose.

**(F) Quorum and Voting rights**

If the Company has only one Shareholder entitled to vote at a general meeting the quorum shall be that one Shareholder present in person or by proxy or (in the case of a corporation or other non- natural person) by a duly authorised representative. In all other cases at least two Shareholders present in person or by proxy who are entitled to vote shall be a quorum for all purposes at any general meeting of the Company.

Subject to any special terms as to voting for the time being attached to any Shares, at any general meeting on a show of hands every holder of a share who is present in person shall have one vote and on a poll every member who is present in person or by proxy shall have one vote for every share held by him.

**(G) Dividends**

Dividends shall only be payable to the holders of Shares and out of the assets of the relevant Fund lawfully available therefore including the share premium account. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the Company.

**(H) Directors**

The Directors shall be entitled to such sums (if any) by way of fees as shall from time to time be determined by the Directors. Such sums shall be divided among the Directors as the Directors may determine.

Each Director may be paid his reasonable travelling, hotel and incidental expenses of attending and returning from meetings of the Directors or committees of the Directors or general and Class meetings and shall be paid all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director.

A Director may hold any other office or place of profit under the Company (other than the office of Depositary or Auditor) in conjunction with his office of Director, or may act in a professional capacity to the Company, on such terms as to tenure of office, remuneration and otherwise as the Directors may determine.

No Director or intending Director shall be disqualified from his office by contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office, or of the fiduciary relationship thereby established, provided that the nature of his interest shall be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement, then at the next meeting of the Directors held after he becomes so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made then at the first meeting of the Directors held after he becomes so interested.

The chairman of a director's meeting shall have a casting vote at any meetings of the Directors.

The Directors may exercise the Company's powers to borrow and to charge its assets.

**(I) Alteration of the Articles**

The Articles may at any time be altered or added to by resolution of the Shareholders and in accordance with the Central Bank Rules.

**(J) Termination of a Fund**

Any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Depository in any of the following events:

- (i) if at any time the Net Asset Value of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund;
- (ii) if any Fund shall cease to be authorised or otherwise officially approved;
- (iii) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund;
- (iv) if there is a change in material aspects of the business, in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the investments of a Fund; or
- (v) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions and the best interests of the Shareholders.

The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Fund pursuant to the Articles or otherwise.

**(K) Liquidation**

The Articles contain provisions to the following effect:

- (i) If the Company shall be wound up the liquidator shall, subject to the provisions of the Act, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund.
- (ii) The assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Class of Share shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Class of Shares in issue as at the date of commencement to wind up, secondly, in the payment to the holder(s) of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not attributable to any Class of Share. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to each Class of Shares; and thirdly, any balance then remaining and not attributable to any of the Classes of Shares shall be apportioned pro-rata as between the Classes of Shares based on the Net Asset Value attributable to each Class of Shares as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Class of Shares held by them.
- (iii) A Fund may be wound up pursuant to section 1406 of the Act and in such event the winding up provisions of the Articles shall apply mutatis mutandis in respect of that Fund.

- (iv) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant Shareholders and any other sanction required by the Act, divide among the holders of Shares of any Class or Classes within a Fund in specie the whole or any part of the assets of the Company relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more Class or Classes of property, and may determine how such division shall be carried out as between all the Shareholders of the Company or the holders of different Classes of Shares in a Fund. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Shareholder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may request the liquidator, instead of transferring the assets in specie to it, to arrange for a sale of them and to pay the Shareholder the net sales proceeds of same instead.

## **17. GENERAL INFORMATION**

The Company or the Manager may appoint an Investment Manager to provide securities lending services on the Company's behalf. The Investment Managers will be authorised to lend the securities of the Company subject to the limitations referred to in Section 6(C). Details of the value of securities on loan by the Company, the value of collateral held by the Company, and income earned by the Company from stocklending activities are disclosed in the annual report of the Company.

None of the Shares of the Company are under option, or agreed, conditionally or unconditionally to be put under option.

As at the date of this Prospectus the Company has no loan capital (including term loans) outstanding or created but unissued, and no outstanding mortgages, charges, debentures or other borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

### **(A) Material Contracts**

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Company and are, or may be, material:

- (i) the Management Agreement;
- (ii) the Administration Agreement pursuant to which the Administrator was appointed as Administrator of the Company as described in this Prospectus;
- (iii) the Depositary Agreement pursuant to which the Depositary was appointed as depositary to the Company as described in this Prospectus;
- (iv) the Distribution and UK Facilities Agent Agreement pursuant to which the Global Distributor was appointed as global distributor to the Company as described in this Prospectus; and
- (v) the risk services agreement between the Company and Maraging Funds Limited trading as RiskSystem dated 4 April 2014 in respect of risk advisory services to be provided to the Company.

### **(B) Indemnity**

Article 106 of the Articles contains provisions indemnifying the Directors, Secretary and other officers and servants of the Company from liability in certain circumstances.

### **(C) Miscellaneous**

The Company has not established and does not intend to establish a place of business in the United Kingdom or the United States.

### **(D) Litigation**

The Company is not engaged in any litigation or arbitration and no litigation or claim is known to the Directors to be pending or threatened by or against the Company.



## **(E) Directors**

Since the incorporation of the Company the Company has not provided any guarantee for the benefit of any Director. Save as disclosed elsewhere herein:

- (i) no Director has any interest, direct or indirect, in the promotion of or in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company;
- (ii) no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature or significant in relation to the business of the Company; and
- (iii) no Director (nor any spouse or child under 18 of a Director or any Person Closely Associated to a Director the existence of which is known or could with reasonable diligence be ascertained by that Director) has been granted any options or has any interests in respect of Shares of the Company. Such persons may acquire Shares on the same terms as other investors.

The Directors may vote on any transaction in which they have a material interest if they first disclose the nature of their interest to the Company. The Articles contain no provision requiring Directors to retire on attaining a particular age.

## **(F) Remuneration Policy**

The Manager has remuneration policies and practices in place consistent with the requirements of the UCITS Regulations and will also comply with the requirements of the ESMA Guidelines, as required and when applicable. The Manager will procure that any delegate, including the Investment Managers, to whom such requirements also apply pursuant to the ESMA Guidelines will have equivalent remuneration policies and practices in place as required and when applicable.

The remuneration policy reflects the Manager's objective for good corporate governance, promotes sound and effective risk management and does not encourage risk-taking which is inconsistent with the risk profile of the Funds or the Instrument. It is also aligned with the investment objectives of the each Fund and includes measures to avoid conflicts of interest. The remuneration policy is reviewed on an annual basis (or more frequently, if required) by the board of directors of the Manager, led by the independent non-executive chairman of the Manager, to ensure that the overall remuneration system operates as intended and that the remuneration pay-outs are appropriate for each Fund. This review will also ensure that the policy reflects best practice guidelines and regulatory requirements, as may be amended from time to time.

Details of the up-to-date remuneration policy will be available by means of a website [www.gemini-im.com](http://www.gemini-im.com) and [www.gemini-capital.ie](http://www.gemini-capital.ie) and a paper copy will be made available to Shareholders free of charge upon request as soon as it becomes available.

## **(G) Inspection of Documents**

Copies of this Prospectus, the key investor information document(s), the Articles, the Act, the reports of the auditors, the annual reports and half-yearly reports of the Company, a list of past and current directorships and partnerships held by each Director over the last 5 years and the agreements with the Manager, the Investment Managers, the Global Distributor, the Distributor(s), the Administrator and the Depositary summarised herein may be inspected and copies are obtainable from the office of the Company Secretary at the address set out in the Directory in Section 1 by Shareholders and prospective investors, free of charge, during normal business hours on weekdays (Saturdays, Sundays and public holidays excepted).

## **18. SELLING RESTRICTIONS**

This Prospectus does not constitute, and may not be used for the purposes of, an offer or an invitation to subscribe for any shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; or (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) to any person to whom it is unlawful to make such offer or invitation.

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

The Articles give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to redemption Shares held by), or the transfer of Shares to, any United States Persons or by any person who appears to be in breach of the laws or requirements of any country or government authority or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company, relevant Fund or its Shareholders as a whole, incurring any liability to taxation or suffering any other pecuniary, regulatory legal or material administrative disadvantage which the Company, relevant Fund or its Shareholders as a whole might not otherwise have incurred or suffered. The Articles also permit the Directors where necessary to redeem and cancel Shares (including fractions thereof) held by a person who is Irish Resident on the occurrence of a Chargeable Event for Irish taxation purposes.

### **United Kingdom**

The Company is a recognised scheme for distribution in the UK by the Financial Conduct Authority under Section 264 of the Financial Services and Markets Act, 2000 of the United Kingdom. Most or all of the protection provided by the United Kingdom regulatory structure will not apply. The rights of Shareholders may not be protected by the Financial Services Compensation Scheme established in the United Kingdom.

### **United States**

The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States. The Shares may not be offered, sold, transferred, pledged or delivered, directly or indirectly, in or into the United States or to or for the account or benefit of any US Person except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the 1933 Act and any applicable state laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. Applicants for Shares will be required to certify whether they are a "US Person". The Shares may not be offered, sold, transferred, pledged or delivered except (i) outside the United States to non-US Persons in reliance on Regulation S under the 1933 Act or (ii) inside the United States or to US Persons to a limited number of Institutional Accredited Investors who are also Qualified Purchasers in a transaction not involving any public offering within the meaning of Section 4(2) of the 1933 Act, in each case in accordance with any applicable securities laws of any state or other jurisdiction of the United States.

The Company has not been and will not be registered under the 1940 Act and Shareholders will not be entitled to the benefits of those Acts. Based on interpretations of the 1940 Act by the staff of the SEC relating to foreign investment companies, if the Company limits its beneficial owners who are US Persons to Qualified Purchasers within the meaning of the 1940 Act, it will not become subject to the registration requirements under the 1940 Act. The Directors will not

knowingly permit investments by US Persons that are not Qualified Purchasers. To ensure this requirement is maintained the Directors may require the mandatory redemption of Shares beneficially owned by US Persons.

Since the Company may invest in exchange-traded futures contracts and options thereon, the Company may be viewed as subject to regulation as a commodity pool under the US Commodity Exchange Act and the rules of the CFTC. However, because the Shares are being offered and sold in a transaction which is exempt from registration under the 1933 Act, are offered and sold without marketing to the public in the United States and are only sold to US Persons believed to be Qualified Purchasers, the Investment Manager is exempt from having to register as a commodity pool operator pursuant to CFTC Rule 4.13(a) (4). As a result, the Investment Manager, unlike a registered commodity pool operator, is not required to deliver a Disclosure Document (as described in CFTC Rule 4.21) and a certified annual report to the Shareholders.

The Company may arrange or permit the private sale of a portion of the Shares to tax-exempt Institutional Accredited Investors that are Qualified Purchasers in the United States or US Persons under restrictions and other circumstances designed to preclude a distribution that would otherwise require registration of the Shares under the 1933 Act, cause the Company to become subject to the registration requirements of the 1940 Act or cause the assets of the Company to be "plan assets" for the purposes of ERISA. Each prospective purchaser of the Shares who is located in the United States or is a US Person, and each subsequent purchaser of such Shares who is located in the United States or a US Person, will be required to sign the US Application Form in the form attached hereto representing that it is acquiring the Shares for investment purposes only and not with a view to, or for offer or resale in connection with, any distribution in violation of the 1933 Act or other applicable securities law; confirming his or her status as an Institutional Accredited Investor who is also a Qualified Purchaser and agreeing to certain restrictions on transfer applicable to the Shares.

Persons receiving this Prospectus are responsible for informing themselves about and complying with restrictions on the transfer of the Shares.

The Company is an umbrella type open-ended investment company with variable capital incorporated with limited liability under the laws of Ireland. The Directors are non-residents of the United States and such persons are located outside the United States. As a result it may not be possible for Shareholders to effect service of process within the United States upon the Company or such persons or to enforce against any of them in the US courts judgments obtained in US courts, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state or territory within the United States.

The Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Shares. Any representation to the contrary is a criminal offence in the United States.

## APPENDIX A – RECOGNISED EXCHANGES

With the exception of permitted investments in unlisted securities and FDI, investments will be restricted to the following stock exchanges and markets listed below in accordance with the regulatory criteria as defined in the Central Bank Regulations. For the purposes of this Appendix I, reference to "unlisted securities" may include securities that are listed on a market or exchange where such exchange is not set out in the below list in accordance with Regulation 68(1)(c) and 68(2)(a) of the Regulations. The Central Bank does not issue a list of approved stock exchanges or markets.

- (i) Any stock exchange or multilateral trading facility in the EU and any investments listed, quoted or dealt in on any stock exchange in Australia, Canada, Japan, New Zealand, Norway or Switzerland which is a stock exchange within the meaning of the law of the country concerned relating to stock exchanges.
- (ii) Any exchange registered with the SEC as a National Stock Exchange, NASDAQ, the OTC market in the US regulated by the Financial Industry Regulatory Authority, Inc.; the market known as the "Grey Book Market", that is the market conducted by those persons for the time being included in the list maintained by the FCA for the purposes of section 43 of the Financial Services Act, 1986 under the conditions imposed by the FCA under that section conducted by listed money market institutions as described in the Bank of England publication entitled "The Regulation of the Wholesale Cash and OTC Derivatives Markets in Sterling, Foreign Exchange and Bullion" dated April, 1988 (as amended or revised from time to time); the OTC market in Tokyo regulated by the Securities Dealers Association of Japan; the market organised by the International Capital Markets Association; the market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank in New York; the French market for "Titres de Créances Négociables" (OTC market in negotiable debt instruments) and the OTC market in Canadian government bonds, regulated by the Investment Dealers Association of Canada.
- (iii) All of the following stock exchanges and markets:
  - the Hong Kong Stock Exchange,
  - the Bombay Stock Exchange,
  - the Kuala Lumpur Stock Exchange,
  - the Singapore Stock Exchange,
  - the Taiwan Stock Exchange,
  - the Stock Exchange of Thailand,
  - the Korea Stock Exchange,
  - the Shanghai Stock Exchange,
  - the Philippines Stock Exchange,
  - the Johannesburg Stock Exchange,
  - the Shenzhen Stock Exchange (SZSE),
  - the Cairo and Alexandria Stock Exchange,
  - the National Stock Exchange of India,
  - the Jakarta Stock Exchange,
  - the Amman Financial Market,
  - the Nairobi Stock Exchange,
  - the Bolsa Mexicana de Valores,
  - the Casablanca Stock Exchange,
  - the Namibia Stock Exchange,
  - the Nigeria Stock Exchange,
  - the Karachi Stock Exchange,
  - the Moscow Exchange,
  - the Colombo Stock Exchange,
  - the Zimbabwe Stock Exchange,

- the Bogota Stock Exchange,
- the Medellin Stock Exchange,
- the Lima Stock Exchange,
- the Caracas Stock Exchange,
- the Valencia Stock Exchange,
- the Santiago Stock Exchange,
- the Bolsa Electronica de Chile,
- the Sao Paulo Stock Exchange,
- the Rio de Janeiro Stock Exchange,
- the Stock Exchange of Mauritius Ltd.,
- the Istanbul Stock Exchange,
- the Botswana Stock Exchange,
- the Lahore Stock Exchange,
- the Ho Chi Minh Stock Exchange,
- the Ghana Stock Exchange,
- the Tunis Stock Exchange,
- the Ukrainian Stock Exchange,
- the Chittagong Stock Exchange,
- the Dhaka Stock Exchange,
- the Tel Aviv Stock Exchange,
- the Uganda Securities Exchange,
- the Belgrade Stock Exchange,
- the Lusaka Stock Exchange,
- the market organised by the International Capital Markets Association,
- the OTC market in the US conducted by primary and secondary dealers regulated by the SEC and by the Financial Industry Regulatory Authority, Inc. and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation,
- the market conducted by listed money market institutions as described in the Corporation,
- the market conducted by listed money market institutions as described in the FCA publication entitled "The Regulation of the Wholesale Cash and OTC Derivatives Markets": "The Grey Paper" (as amended or revised from time to time),
- the OTC market in Japan regulated by the Securities Dealers Association of Japan;
- AIM – the Alternative Investment Market in the UK, regulated by the London Stock Exchange,
- the French Market for Titres de Créances Négociables (OTC market in negotiable debt instruments),
- the OTC market in Canadian Government Bonds regulated by the Investment Dealers Association of Canada; and

(iv) for investments in FDIs:

- CME Group,
- NASDAQ OMX Group,
- Chicago Board of Trade,
- Chicago Mercantile Exchange,
- New York Mercantile Exchange,
- American Stock Exchange,
- New York Futures Exchange,
- New York Stock Exchange,
- NYSE Arca,
- Chicago Board Options Exchange,
- NASDAQ OMX NLX,
- NASDAQ OMX PHLX,
- Philadelphia Board of Trade,
- Kansas City Board of Trade,

- CBOE Futures Exchange,
- CME Europe,
- Eurex,
- Euronext (Amsterdam, Brussels, Lisbon, Paris),
- ICE Futures Europe,
- ICE Futures Canada,
- ICE Futures US,
- Australian Stock Exchange,
- Sydney Futures exchange,
- New Zealand Exchange,
- Toronto Stock Exchange,
- Montreal Stock Exchange,
- Bolsa Mercadorias & Futuros,
- Bolsa Mexicana de Valores,
- Hong Kong Exchange,
- Johannesburg Stock Exchange,
- MEFF Renta Variable (Madrid),
- Barcelona MEFF Rent Fija,
- OMX Nordic Exchange Copenhagen,
- OMX Exchange Helsinki,
- OMX Nordic Exchange Stockholm,
- Osaka Exchange,
- Singapore Exchange,
- Tokyo Financial Exchange,
- Tokyo Stock Exchange,
- Korea Exchange,
- London Stock Exchange,
- NASDAQ OMX Sweden,
- ERIS Exchange,
- Global Markets Exchange,
- ELX Futures.

## APPENDIX B – DEPOSITARY SUB-DELEGATES

Market	Sub-Custodian
Australia	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Limited
Bangladesh	Standard Chartered Bank
Belgium	BNP Paribas Belgium
Bermuda	HSBC Securities Services
Bosnia & Herzegovina	UniCredit Bank Austria AG
Botswana	Standard Chartered Bank Botswana Ltd
Brazil	BNP Paribas Brazil
Bulgaria	UniCredit Bulbank AD
Canada	Royal Bank of Canada
Chile	Banco de Chile (Citibank N.A.)
China – A Shares	Citibank (China) Co. Ltd
China – Shanghai	HSBC Bank (China) Company Limited
China – Shenzhen	HSBC Bank (China) Company Limited
Colombia	Cititrust Colombia S.A.
Croatia	UniCredit Bank Austria AG
Cyprus	HSBC Bank plc
Czech Republic	UniCredit Bank Czech Republic a.s.
Denmark	Danske Bank A/S
Egypt	HSBC Bank Egypt S.A.E.
Estonia	Swedbank
Euromarket	Clearstream Banking S.A.
Finland	Nordea Bank Finland Plc
France	Deutsche Bank A.G.
Germany	Deutsche Bank A.G.
Ghana	Standard Chartered Bank Ghana Ltd.
Greece	HSBC Bank Plc Greece
Hong Kong	Standard Chartered Bank (Hong Kong) Limited
Hungary	UniCredit Bank Hungary Zrt.
India	The Hongkong and Shanghai Banking Corporation Limited
Indonesia	Standard Chartered Bank
Ireland	Citibank Ireland
Israel	Citibank N.A. Tel Aviv Branch
Italy	BNP Paribas Securities Services
Japan	Citibank, Tokyo
Jordan	Standard Chartered Bank
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya
Kuwait	HSBC Bank Middle East Limited
Latvia	Swedbank
Lithuania	Swedbank
Luxembourg	Clearstream
Malaysia	Standard Chartered Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited
Mexico	Banamex S.A.
Morocco	Société Générale Marocaine de Banques
Namibia	Standard Bank Namibia Ltd

Nasdaq Dubai Ltd	HSBC Bank Middle East Limited
Netherlands	BNP Paribas Securities Services
New Zealand	The Hongkong and Shanghai Banking Corporation Limited
Nigeria	Citibank Nigeria Limited
Norway	DNB Bank ASA
Oman	HSBC Bank Middle East Limited
Pakistan	Deutsche Bank A.G.
Peru	Citibank del Peru S.A.
Philippines	Standard Chartered Bank
Poland	Bank Polska Kasa Opieki S.A.
Portugal	BNP Paribas Securities Services
Qatar	HSBC Bank Middle East Limited
Romania	UniCredit Tiriatic Bank S.A.
Russia	Societe Generale, Rosbank
Saudi Arabia	HSBC Saudi Arabia
Serbia	UniCredit Bank Austria AG
Singapore	DBS Bank Ltd
Slovak Republic	UniCredit Bank Slovakia a.s.
Slovenia	UniCredit Bank Austria AG
South Africa	Société Générale
South Korea	The Hong Kong and Shanghai Banking Corporation Limited
Spain	RBC Investor Services España S.A.
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited
Sweden	Skandinaviska Enskilda Banken AB (publ)
Switzerland	Credit Suisse AG
Taiwan	HSBC Bank (Taiwan) Limited
Thailand	Standard Chartered Bank (Thai) Pcl
Tunisia	Societe Generale Securities Service UIB Tunisia
Turkey	Citibank A.S.
UAE – Abu Dhabi	HSBC Bank Middle East Limited
UAE – Dubai	HSBC Bank Middle East Limited
UK	The Bank of New York Mellon
Ukraine	Public Joint Stock Company UniCredit Bank
Uruguay	Banco Itaú Uruguay S.A.
USA	The Bank of New York Mellon
Vietnam	HSBC Bank (Vietnam) Ltd
Zambia	Standard Chartered Bank Zambia PLC