

## **Next Generation Investment Strategies ICAV**

**(An umbrella fund with segregated liability between sub-funds)**

An open-ended Irish collective asset management vehicle which is constituted as an umbrella fund with segregated liability between sub-funds and with variable capital

The ICAV was registered under the laws of Ireland with registered number C169243

### **PROSPECTUS**

This Prospectus is dated 2 March 2020

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

The Directors accept responsibility accordingly.

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## 1. DEFINITIONS

**Accounting Period** means a calendar year ending 31 December.

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

**Administration Agreement** means the agreement dated 2 March 2020 between the ICAV, the Manager and the Administrator as amended, supplemented or otherwise modified from time to time.

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

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

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

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

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

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

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

**Business Day** means in relation to any Sub-Fund such day or days as is or are specified as such in the Supplement for the relevant Sub-Fund.

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

**Central Bank UCITS Regulations** means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2019 (S.I. No. 230 of 2019), as may be amended, supplemented or replaced from time to time and any guidance issued by the Central Bank from time to time affecting the ICAV and/or its Sub-Funds.

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

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

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

**CRS** means the Common Reporting Standard more fully described as 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 and any treaty, law or regulation of any other jurisdiction which facilitates the implementation of the Standard including Council Directive 2014/107/EU on the Administrative Cooperation in the Field of Taxation (DAC II).

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

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

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

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

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

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

**Delegated Discretionary Investment Management Agreement** means any investment management agreement between the Manager, the ICAV and a Delegated Discretionary Investment Manager as specified in the Supplement of each Sub-Fund, as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank.

**Depositary** means Credit Suisse (Luxembourg) S.A., Ireland Branch any successor thereto duly appointed as depositary in accordance with the requirements of the Central Bank and the Central Bank UCITS Regulations.

**Depositary Agreement** means the agreement dated 2 March 2020 between the ICAV, the Manager and the Depositary as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.

**Directors** mean the directors of the ICAV, each a **Director**.

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

**Distribution Agreement** means any agreement between the Manager and a Distributor as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank UCITS Regulations.

**Distributor** means such distributor appointed by the Manager and/or any successor thereto or additional entity duly appointed as a distributor for the ICAV in accordance with the requirements of the Central Bank and as specified in the Supplement for the relevant Sub-Fund.

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

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

**EU** means the European Union.

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

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

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

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

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

**FDI** means Financial Derivative Instruments.

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

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

**ICAV** means Next Generation Investment Strategies ICAV.

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

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

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

**in kind** means in specie.

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

**Manager** means KBA Consulting Management Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank.

**Management Agreement** means the management agreement between the ICAV and the Manager dated 2 March 2020, as substituted, amended, supplemented, novated or otherwise amended from time to time in accordance with the requirements of the Central Bank.

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

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

**Minimum Fund Size** means such amount (if any) as the Directors decide for each Sub-Fund and as set out in

the Supplement for the relevant Sub-Fund or as otherwise notified to Shareholders in that Sub-Fund.

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

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

**month** means a calendar month.

**Net Asset Value** or **Net Asset Value per Share** means in respect of the assets of a Sub-Fund or the Shares in a Sub-Fund, the amount determined in accordance with the principles set out in the section entitled **Calculation of Net Asset Value/Valuation of Assets** below as the Net Asset Value of a Sub-Fund or the Net Asset Value per Share.

**OECD** means the Organisation for European Co-operation and Development.

**OECD Member State** means a Member State of the OECD.

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

**Permitted Investor** means any person not disqualified from holding Shares by virtue of section 2 of the Prospectus.

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

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

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

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

**Regulations** means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) Regulations 2016 and as may be amended from time to time and any rules or notices made by the Central Bank pursuant to them which are applicable to the ICAV.

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

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

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

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

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

of the Central Bank.

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

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

- (1) a Foreign Person;
- (2) an intermediary, including a nominee, for a Foreign Person;
- (3) a qualifying management company within the meaning of section 739B TCA;
- (4) a specified company within the meaning of section 734 TCA;
- (5) an investment undertaking within the meaning of section 739B TCA;
- (6) an investment limited partnership within the meaning of section 739J TCA;
- (7) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;
- (8) a company carrying on life business within the meaning of section 706 TCA;
- (9) a special investment scheme within the meaning of section 737 TCA;
- (10) a unit trust to which section 731(5)(a) TCA applies;
- (11) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;
- (12) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA, section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);
- (13) the Courts Service;
- (14) a Credit Union;
- (15) a company within the charge to corporation tax under section 739 G(2) TCA, but only where the fund is a money market fund;
- (16) a company within the charge to corporation tax under section 110(2) TCA;
- (17) the National Asset Management Agency;
- (18) the National Treasury Management Agency or a fund investment vehicle within the meaning of section 739D(6)(kb) TCA;
- (19) the National Pensions Reserve Fund Commission or a Commission investment vehicle (within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 as amended);
- (20) the State acting through the National Pensions Reserve Fund Commission or a Commission investment vehicle within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 (as amended); and

(21) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the ICAV in respect of that Shareholder under Part 27 Chapter 1A of the TCA,

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

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

**transferable securities** shall have the meaning prescribed in the Central Bank UCITS Regulations.

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

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

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

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

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

**US Person** shall be defined as and include for the purposes of this prospectus, (i), a "United States person" as described in section 7701(a)(30) of the U.S. Internal Revenue Code of 1986, as amended (the "Code"), (ii), a "U.S. person" as such term is defined in Regulation S of the Securities Act of 1933, as amended, (iii) a person that is "in the United States" as defined in Rule 202(a)(30)-1 under the U.S. Investment Advisers Act of 1940, as amended, or (iv) a person that does not qualify as a "Non-United States Person" as such term is defined in U.S. Commodities Futures Trading Commission Rule 4.7.

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



## 2. INTRODUCTION

**If Applicants are in any doubt about the contents of this Prospectus and the relevant Supplement Applicants should consult a stockbroker, bank manager, solicitor, accountant or other financial adviser.**

The ICAV was registered as an umbrella Irish collective asset-management vehicle with segregated liability between sub-funds pursuant to Part 2, Chapter 1 of the Irish Collective Asset-management Vehicles Act 2015 (the **ICAV Act**) and is authorised by the Central Bank of Ireland (the **Central Bank**) pursuant to Regulations.

**This authorisation however, does not constitute a warranty by the Central Bank as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV. Authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank nor is the Central Bank responsible for the contents of the Prospectus and the Supplements.**

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

The ICAV has segregated liability between its Sub-Funds and accordingly any liability incurred on behalf of or attributable to any Sub-Fund shall be discharged solely out of the assets of that Sub-Fund, but please refer to the section headed **Risk Factors** below.

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

The Instrument of Incorporation gives the Directors the power to impose restrictions on the holding of Shares held directly or beneficially by a person or an entity who or in circumstances where in the opinion of the Directors such person or entity does not qualify as a permitted investor ("Permitted Investor"). Requests for the subscription and redemption of Shares are satisfied at the sole discretion of the Directors who may refuse or scale back such requests as they see fit.

Further, the Administrator is entitled to refuse any subscription, transfer or conversion application in whole or in part for any reason, and may in particular prohibit or limit the sale, transfer or exchange of Shares to individuals or corporate bodies in certain countries if such transaction might be detrimental to the ICAV or result in the Shares being held directly or indirectly by a person not qualifying as a Permitted Investor included but not limited to any U.S. Person) or if such subscription, transfer or exchange in the relevant country is in contravention of the local applicable laws. The subscription, transfer or exchange for Shares and any future transactions shall not be processed until the information required by the Administrator, included but not limited to know your customer and anti-money laundering checks, is received.

If the Directors discover at any time that any beneficial owner of the Shares is a person that does not qualify as a Permitted Investor either alone or in conjunction with any other person, whether directly or indirectly, the Directors may, in consultation with the Manager, at its discretion and without liability, compulsorily redeem the Shares in accordance with the rules set out in the Instrument of the ICAV, and upon redemption, the person not qualifying as Permitted Investor will cease to be the owner of those Shares.

The Directors may require any Shareholder of the ICAV to provide any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person not qualifying as a Permitted Investor. Further, Shareholders shall have the obligation to immediately inform the

ICAV to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a person not qualifying as a Permitted Investor.

The Directors has the right to refuse any transfer, assignment or sale of Shares, in its sole discretion, if the Directors reasonably determines that it would result in a person not qualifying as a Permitted Person holding Shares, either as an immediate consequence or in the future.

Any transfer of Shares may be rejected by the Central Administration and the transfer shall not become effective until the transferee has provided the required information under the applicable know your customer and anti-money laundering rules.

**The ICAV's shares shall not be offered or sold directly or indirectly to any ultimate beneficial owner that constitutes a US Person as defined in Section 1 Definitions. As such, the Shares may not be directly or indirectly offered or sold to or the benefit of a US Person.**

**The ICAV's Shares have not been, and will not be, registered under the United States Securities Act of 1933 ("1933 Act"), any of the securities laws of any of the states of the United States. The Company has not been and will not be registered under the United States Investment Company Act of 1940, as amended, nor under any other US federal laws. Therefore, the Shares in the Sub-Funds described in this Prospectus may not be offered or sold directly or indirectly in the United States of America, except pursuant to an exemption from the registration requirements of the 1933 Act.**

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised. In particular, the Directors may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or might result in legal, fiscal, regulatory, pecuniary, taxation or material administrative disadvantage to the ICAV, a Fund or Class or Shareholders as a whole.

Any restrictions applicable to Shares or a particular Class shall be specified in this Prospectus or the relevant Supplement. Any person who is holding Shares in contravention of the restrictions set out in this Prospectus or relevant Supplement or, by virtue of his holding, is in breach of the laws and regulations of any jurisdiction shall indemnify the ICAV, the Directors, the Manager the Delegated Discretionary Investment Manager, any Distributor, the Administrator, the Depositary and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the ICAV.

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

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

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

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

**Where there is a Preliminary Charge and a Redemption Charge payable on the issue and redemption of Shares, an investment in Shares should be viewed as medium to long term. A Preliminary Charge and/or a Redemption Charge may be charged by a Sub-Fund, as set out in the relevant Supplement. The maximum preliminary charge and/or redemption charge, if any, will not exceed 3%.**

**As distributions may be made out of the capital of the ICAV, there is a greater risk that capital will be eroded and 'income' will be achieved by foregoing the potential for future capital growth of your investment and the value of future returns may also be diminished. This cycle may continue until all capital is depleted. Please note that distributions out of capital may have different tax implications to distributions of income and you are recommended to seek advice in this regard.**

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

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

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

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

The ICAV is required to and will comply with the Central Bank UCITS Regulations (as defined herein).

Shares may not be offered or sold in the United Kingdom except as permitted by the Financial Services and Markets Act 2000 ("FSMA") and the regulations made under it, and this Prospectus must not be communicated to any person in the United Kingdom except in circumstances permitted by FSMA or those regulations or to a person to whom this Prospectus may otherwise lawfully be issued in the United Kingdom.

The ICAV notified the FCA in the UK pursuant to section 264 of the FSMA and is a recognised scheme in the UK for the purposes of the FSMA. It is registered with the FCA under the number 795891.

UK investors are advised that the rules made by the FCA under the FSMA do not in general apply to the ICAV in relation to its investment business. In particular, the rules made under the Act for the protection of private customers (for example, those conferring rights to cancel or withdraw from certain investment agreements) do not apply, and the Financial Services Compensation Scheme will not be available, in connection with an investment in the ICAV. In addition, the protections available under the Financial Ombudsman Service will not be available in connection with an investment in the ICAV.

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

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

### 3. SUB-FUNDS

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

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

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

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

#### 3.1. *Investment Objective and Policies*

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

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

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

#### 3.2. *Investment Restrictions*

The investment restrictions for each Sub-Fund will be formulated by the Directors, in consultation with the Manager, at the time of the creation of the Sub-Fund. The Instrument of Incorporation provides that investments

may only be made as permitted by the Instrument of Incorporation and the Regulations. In any event, each Sub-Fund will comply with the Central Bank UCITS Regulations.

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

### 3.3. *Permitted Investments*

Investments of a Sub-Fund must be confined to:

- 3.3.1. transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State and is listed in Appendix I;
- 3.3.2. recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
- 3.3.3. money market instruments other than those dealt in on a Regulated Market;
- 3.3.4. shares or units of UCITS;
- 3.3.5. shares or units of AIFs;
- 3.3.6. deposits with credit institutions; and
- 3.3.7. financial derivative instruments.

### 3.4. *Investment Limits*

- 3.4.1. A Sub-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 3.3 above.
- 3.4.2. Subject to paragraph 3.4, a Sub-Fund shall not invest more than 10% of its Net Asset Value in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011 apply (i.e. recently issued transferable securities). This restriction will not apply in relation to investment by a Sub-Fund in U.S. securities known as Rule 144A securities provided that the relevant securities are issued with an undertaking to register with the U.S. Securities and Exchange Commission within one year of issue and the securities are not illiquid securities, i.e. they may be realised by the Sub-Fund within seven days at the price, or approximately at the price, at which they are valued by the Sub-Fund.
- 3.4.3. A Sub-Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 3.4.4. Subject to the prior approval of the Central Bank, the limit of 10% (as described in paragraph 3.4.3 above) 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 Sub-Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Sub-Fund.
- 3.4.5. The limit of 10% (as described in paragraph 3.4.3 above) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its

local authorities or by a non-Member State or public international body of which one or more Member States are members.

- 3.4.6. The transferable securities and money market instruments referred to in paragraphs 3.4.4 and 3.4.5 above shall not be taken into account for the purpose of applying the limit of 40% referred to in paragraph 3.4.3.
- 3.4.7. Cash booked in accounts and held as ancillary liquidity shall not exceed:
- (1) 10% of Net Asset Value of the Sub-Fund; or
  - (2) Where the deposit is made with the Depository, 20% of the Net Asset Value of the Sub-Fund.
- 3.4.8. The risk exposure of a Sub-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 credit institutions authorised in the EEA, credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 3.4.9. Notwithstanding paragraphs 3.4.3, 3.4.7 and 3.4.8 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 a Sub-Fund's Net Asset Value:
- (i) investments in transferable securities or money market instruments;
  - (ii) deposits; and/or
  - (iii) risk exposures arising from OTC derivatives transactions.
- 3.4.10. The limits referred to in paragraphs 3.4.3, 3.4.4, 3.4.5, 3.4.7, 3.4.8 and 3.4.9 above may not be combined, so that exposure to a single body shall not exceed 35% of a Sub-Fund's Net Asset Value.
- 3.4.11. Group companies are regarded as a single issuer for the purposes of paragraphs 3.4.3, 3.4.4, 3.4.5, 3.4.7, 3.4.8 and 3.4.9. However, a limit of 20% of a Sub-Fund's Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group.
- 3.4.12. A Sub-Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member State or public international body of which one or more Member States are members.

The individual issuers may be drawn from the following list:

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

(Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.

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

### 3.5. *Investment in Other Collective Investment Schemes*

- 3.5.1. A Sub-Fund may not invest more than 20% of its Net Asset Value in any one CIS.
- 3.5.2. Investment in AIFs may not, in aggregate, exceed 30% of the Sub-Fund's Net Asset Value.
- 3.5.3. The CIS are prohibited from investing more than 10% of its net assets in other open ended CIS.
- 3.5.4. When a Sub-Fund invests in the shares or units of other CIS that are managed, directly or by delegation, by the manager or Delegated Discretionary Investment Manager or by any other company with which the Manager or Delegated Discretionary Investment Manager is linked by common management or control, or by a substantial direct or indirect holding, the Manager or Delegated Discretionary Investment Manager or other company may not charge subscription, switching or redemption fees on account of the investment by the Sub-Fund in the shares or units of such other CIS.
- 3.5.5. Where a commission (including a rebated commission) is received by the Delegated Discretionary Investment Manager by virtue of an investment in the shares or units of another CIS, this commission must be paid into the property of the Sub-Fund.

### 3.6. *Index Tracking UCITS*

- 3.6.1. A Sub-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 Sub-Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.
- 3.6.2. The limit referred to above may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

### 3.7. *General Provisions*

- 3.7.1. The ICAV and/or its Manager acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.
- 3.7.2. A Sub-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 or units of any single CIS;
  - (iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in sub-paragraphs (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 the securities in issue cannot be calculated.

- 3.7.3. Paragraphs 3.7.1 and 3.7.2 above 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 a Sub-Fund in the capital of a company incorporated in a non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that non-Member State, where under the legislation of that non-Member State such a holding represents the only way in which the Sub-Fund can invest in the securities of issuing bodies of that non-Member State. This waiver is applicable only if in its investment strategies the company from the non-Member State complies with the limits laid down in paragraphs 3.4.3 to 3.4.11, 3.5.1, 3.5.2, 3.7.1, 3.7.2 above and paragraphs 3.7.4, 3.7.5 and 3.7.6 below, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below 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 repurchase of shares or units at the request of share or unit holders exclusively on their behalf.
- 3.7.4. A Sub-Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments that form part of their assets.
- 3.7.5. The Central Bank may allow recently authorised Sub-Funds to derogate from the provisions of paragraphs 3.4.3 to 3.4.12, 3.5.1, 3.5.2, 3.6.1 and 3.6.2 above for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 3.7.6. If the limits laid down herein are exceeded for reasons beyond the control of a Sub-Fund, or as a result of the exercise of subscription rights, the Sub-Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.
- 3.7.7. The ICAV may not carry out uncovered sales of transferable securities; money market instruments (any short selling of money market instruments by the ICAV is prohibited); shares or units of CIS; or financial derivative instruments.
- 3.7.8. A Sub-Fund may hold ancillary liquid assets.

### 3.8. *Financial Derivative Instruments (FDI)*

The ICAV may use FDIs in respect of its Sub-Funds for the purposes set out in the Supplement for the relevant Sub-Fund. In accordance with the Central Bank's requirements, prior to establishing a Sub-Fund which may use FDIs, the ICAV will adopt a risk management process relating to the use of such derivatives on behalf of the relevant Sub-Funds which enables it to accurately measure, monitor and manage the various risks associated with FDIs. The ICAV shall not utilise any derivative that is not included in the risk management process which has been cleared by the Central Bank. While the prudent use of FDIs can be beneficial, FDI also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments. Investors should refer to the section entitled "Derivatives Risk" under the Risk Factors Section further below.

To the extent that the ICAV established Sub-Funds which will use FDIs in the future, it 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 of the Sub-Funds. Investments in FDI are subject to the conditions and limits laid down by the Central Bank.

A Sub-Fund's global exposure relating to FDI must not exceed its total net asset value.

Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations).

A Sub-Fund may invest in FDI dealt in over-the-counter (OTC) provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

The following is a description of the types of FDI which may be used by a Sub-Fund and will be provided for in the relevant Supplement:

(1) Currency Swaps

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

(2) Equity Swaps

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

(3) Futures

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

(4) Options

There are two forms of options, put and call options. Put options are contracts sold for a premium that gives one party (the buyer) the right, but not the obligation, to sell to the other party (the seller) to the contract, a specific quantity of a particular product or financial instrument at a specified price. Call options are similar contracts sold for a premium that gives the buyer the right, but not the obligation, to buy from the seller of the option at a specified price. Options may also be cash settled. The Sub-Fund may be a seller or buyer of put and call options (including index equity options). The Sub-Fund may purchase or sell these instruments either individually or in combinations. This would allow the Sub-Fund to benefit from any upside in the performance, while limiting its overall exposure to the original premium paid by the Sub-Fund. Currency options may be used to express positional views on the direction of

currency movements and volatility. Bond options may be used to express similar positional views as would be the case as buying or selling the underlying bond or alternatively to express the Delegated Discretionary Investment Manager's view on the bond's volatility. The Sub-Fund may also enter into options on interest rate or bond futures to reflect its view that interest rate risk may change in a particular way or alternatively, to reflect its view on interest rate volatility. The Delegated Discretionary Investment Manager may also buy put options on equity indices or equity exchange traded funds for hedging purposes.

#### (5) Forward Foreign Exchange Contracts

The Sub-Fund may also enter into forward foreign exchange contracts. A forward contract locks-in the price at which an index or asset may be purchased or sold on a future date. In currency forward contracts, the contract holders are obligated to buy or sell the currency at a specified price, at a specified quantity and on a specified future date.

Forward foreign exchange contracts may be used to hedge, at the discretion of the Delegated Discretionary Investment Manager, any currency exposure back to the Base Currency. They may also be used to change the currency compositions all or part of the Sub-Fund without necessarily hedging back to the Base Currency.

The Delegated Discretionary Investment Manager may also buy put options on equity indices for hedging purposes. The Sub-Fund may purchase or sell these instruments either individually or in combinations

### 3.9. *Borrowing, Leverage, Lending Powers and Restrictions*

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

Without prejudice to the powers of the ICAV to invest in transferable securities, money market instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions under the heading Permitted Investments above, the ICAV may not lend to, or act as guarantor on behalf of, third parties.

A Sub-Fund may acquire transferable securities, money market instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions above which are not fully paid. The ICAV may not carry out uncovered sales of transferable securities, money market instruments and other financial instruments.

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

### 3.10. *Changes to Investment and Borrowing Restrictions*

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

### 3.11. *Efficient Portfolio Management*

A Sub-Fund may employ investment techniques and instruments (including securities lending) relating to transferable securities and/or other financial instruments in which it invests for efficient portfolio management purposes in accordance with the investment strategy of the relevant Sub-Fund and subject to the conditions and limits set out in the Central Bank UCITS Regulations. The specific techniques and instruments to be utilised by each Sub-Fund (if any) are set out in the Supplement for the relevant Sub-Fund. Any such technique or instrument should be reasonably believed by the Delegated Discretionary Investment Manager to be economically appropriate to the efficient portfolio management of the relevant Sub-Fund, i.e., the use of such a technique or instrument may only be undertaken for the purpose of one or more of the following:

- (i) a reduction in risk;
- (ii) a reduction in cost; or
- (iii) an increase in capital or income returns to a Sub-Fund with a level of risk which is consistent with the risk profile of the Sub-Fund and the risk diversification rules set out in the Central Bank UCITS Regulations.

Direct and indirect operational costs and/or fees arising from the use of techniques and instruments for efficient portfolio management purposes on behalf of a Sub-Fund may be deducted from the revenue delivered to the relevant Sub-Fund. These costs and/or fees will be charged at normal commercial rates and will not include hidden revenue.

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

All revenues from efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the relevant Sub-Fund.

Please see the "**Risk Factors**" section below and refer to the section headed Portfolio Transactions and Conflicts of Interest for detail on counterparty risk and conflicts of interest in the context of efficient portfolio management.

### 3.12. *Collateral Policy*

#### *Types of Collateral*

##### 3.12.1. Non-Cash Collateral

Non-cash collateral must, at all times, meet with the following requirements:

- (i) Liquidity: Non-cash collateral should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations (paragraphs 5.1-5.3 in the section entitled "Investment Restrictions" at 3.4 above);
- (ii) Valuation: Collateral must 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;
- (iii) Issuer credit quality: Collateral received should be of high quality, issuers being rated BBB – to AAA by Standard and Poor's or equivalent by any other recognised rating agency.
- (iv) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;

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

(vi) Immediately available: Collateral received should be capable of being fully enforced by the ICAV at any time without reference to or approval from the relevant counterparty; and

Non-cash collateral received cannot be sold, pledged or reinvested by the Sub-Fund.

### 3.13. *Cash Collateral*

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

3.13.1. cash received as collateral may only be invested in the following:

- (i) deposits with a credit institution authorised in the European Economic Area (EEA) (EU Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than an EU Member State or a Member State of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United Kingdom, United States) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand (the **Relevant Institutions**);
- (ii) high quality government bonds;
- (iii) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);
- (iv) invested cash collateral must be diversified in accordance with the requirements in the section entitled **Non-Cash Collateral** above;
- (v) invested cash collateral may not be placed on deposit with the counterparty or a related entity.

### 3.14. *Level of Collateral Required*

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

Repurchase agreements	at least 100% of the exposure to the counterparty
Lending of portfolio securities	at least 100% of the exposure to the counterparty
OTC derivatives	Such collateral to ensure, in any event, that counterparty exposure is managed within the limits set out in <b>Investment Restrictions</b> above

### 3.15. *Haircut Policy*

In advance of entering into OTC derivative transactions the Delegated Discretionary Investment Manager will determine what haircut is acceptable for each class of asset received as collateral and will be set out in the agreement with the relevant counterparty or otherwise documented at the time of entering into such agreement. Such haircut will take into account the characteristics of the asset such as the credit standing or price volatility of the assets received as collateral as well as the outcome of any stress test performance in accordance with the Central Bank's requirements. In the event that a Sub-Fund may enter into a securities lending transaction,

the Delegated Discretionary Investment Manager does not apply a haircut to the non-cash assets received as collateral but instead, in accordance with market practice, operates a policy of over-collateralisation whereby collateral is marked to market on an on-going basis. Counterparties may be required to post additional collateral from time to time.

### 3.16. *Share Class Hedging*

A Currency Share Class may be hedged against exchange rate fluctuation risks between the denominated currency of the Currency Share Class and the Base Currency of the Sub-Fund in which that Class of Shares is issued. Alternatively, the currency exposure of the currency(ies) of a Sub-Fund's underlying assets may be hedged in order to mitigate the effect of fluctuations in the exchange rate between the currency(ies) of the Sub-Fund's underlying assets and the currency of the Share Class. Any financial instruments used to implement such strategies with respect to one or more Hedged Share Classes shall not be assets/liabilities of a Sub-Fund as a whole but will be attributable to the relevant Hedged Share Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class. Where a Share Class is to be hedged this will be disclosed in the Supplement for the Sub-Fund in which such Share Class is issued. Any currency exposure of a Hedged Share Class may not be combined with or offset against that of any other Share Class of a Sub-Fund. The currency exposure of the assets attributable to a Hedged Share Class may not be allocated to other Share Classes. Where the ICAV seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the ICAV. The ICAV will ensure that under-hedged positions do not fall short of 95% of the Net Asset Value of the relevant Share Class and over-hedged positions will not exceed 105% of the Net Asset Value of the relevant Share Class. Hedged positions will be kept under review to ensure that they are not carried forward from month to month and to ensure that over-hedged positions materially in excess of 100% of the Net Asset Value will not be carried forward from month to month. To the extent that hedging is successful for a particular Hedged Share Class the performance of the Hedged Share Class is likely to move in line with the performance of the Base Currency or the underlying assets with the result that Shareholders in that Hedged Share Class will not gain if the Hedged Share Class currency falls against the Base Currency and/or the currency in which the assets of the particular Sub-Fund are denominated. A Hedged Share Class will not be leveraged as a result of such currency hedging transactions.

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

### 3.17. *Dividend Policy*

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

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

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

The ICAV will be obliged and entitled to deduct an amount in respect of Irish taxation from any dividend payable to a Shareholder in any Sub-Fund who is or is deemed to be a Taxable Irish Person and pay such sum to the Irish Revenue Commissioners.

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

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

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

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

#### 4. RISK FACTORS

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

##### 4.1. *General Risk*

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

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

##### 4.2. *Liquidity of Investments*

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the investments owned by a Sub-Fund can usually be sold promptly at a fair price and therefore can be described as relatively liquid. But a Sub-Fund may also hold investments that are illiquid, which means they can't be sold quickly or easily. Some investments are illiquid because of legal restrictions, the nature of the investment itself, settlement terms, or for other reasons. Sometimes, there may simply be a

shortage of buyers. A Sub-Fund that has trouble selling an investment can lose value or incur extra costs. In addition, illiquid investments may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in a Sub-Fund's value.

#### 4.3. *Late or Non-Payment of Subscriptions*

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

#### 4.4. *Effect of Preliminary Charge and Redemption Charge*

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

#### 4.5. *Anti-Dilution Levy*

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

#### 4.6. *Suspension of Dealings*

Shareholders are reminded that in certain circumstances their right to redeem Shares, including a redemption by way of switching, may be suspended (see the section on Suspension of Calculation of Net Asset Value).

#### 4.7. *Risk relating to Dividends paid out of Capital*

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

#### 4.8. *Mandatory Redemption Risk*

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

Instrument of Incorporation gives the Directors the power to impose restrictions on the holding of Shares held directly or beneficially by a person or an entity who or in circumstances where in the opinion of the Directors such person or entity does not qualify as a Permitted Investor. Requests for the redemption of Shares are satisfied at the sole discretion of the Directors who may refuse or scale back such requests as they see fit.

If the Directors discover at any time that any beneficial owner of the Shares is a person that does not qualify as a Permitted Investor either alone or in conjunction with any other person, whether directly or indirectly, the Directors may, in consultation with the Manager, at its discretion and without liability, compulsorily redeem the Shares in accordance with the rules set out in the Instrument of the ICAV, and upon redemption, the person not qualifying as Permitted Investor will cease to be the owner of those Shares.

The Directors may require any Shareholder of the ICAV to provide any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person not qualifying as a Permitted Investor. Further, Shareholders shall have the obligation to immediately inform the ICAV to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a person not qualifying as a Permitted Investor.

#### 4.9. *Withholding Tax*

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

#### 4.10. *Currency Risk*

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

#### 4.11. *Portfolio Currency Risk*

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

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

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

#### 4.12. *Share Class Currency Risk*

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



financial instruments. Financial instruments used to implement such strategies shall not be assets/liabilities of the Sub-Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Hedged Share Class of the Sub-Fund.

#### 4.13. *Interest Rate Risk*

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

#### 4.14. *Reliance on the Delegated Discretionary Investment Manager*

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

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

The ICAV and the Delegated Discretionary Investment Manager will not have control over the activities of any company or collective investment scheme invested in by a Sub-Fund. Managers of a collective investment scheme may take undesirable tax positions, employ excessive leverage, or otherwise manage the collective investment schemes or allow them to be managed in a way that was not anticipated by the Delegated Discretionary Investment Manager.

#### 4.15. *Cash Subscription and Redemption Account*

Subscription monies received in respect of a Sub-Fund in advance of the issue of Shares will be held in the subscriptions and redemptions account in the name of the relevant Sub-Fund ("**Cash Subscriptions and Redemptions Account**") and will be treated as an asset of the relevant Sub-Fund. Investors will be unsecured creditors of the relevant Sub-Fund with respect to the amount subscribed and held by the ICAV until Shares are issued on the Dealing Day. As such, investors will not benefit from any appreciation in the Net Asset Value of the relevant Sub-Fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the Sub-Fund or the ICAV, there is no guarantee that the Sub-Fund or ICAV will have sufficient funds to pay unsecured creditors in full.

The ICAV, in consultation with the Manager, has the right to cancel Shares or seek recovery including any relevant credit charges, from Shareholders who fail to pay subscription proceeds within the stated settlement period and the potential impact on the relevant Sub-Fund where this situation arises. Payment of redemption proceeds and dividends in respect of a particular Sub-Fund is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the particular Sub-Fund, from the relevant Dealing Day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder,

be held in the Cash Subscriptions and Redemptions Account in the name of the relevant Sub-Fund. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant Sub-Fund, and will not benefit from any appreciation in the Net Asset Value of the Sub-Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Cash Subscriptions and Redemptions Account. In the event of an insolvency of the relevant Sub-Fund or the ICAV there is no guarantee that the Sub-Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

#### 4.16. *Political and/or Legal/Regulatory Risk*

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

#### 4.17. *Segregated Liability Risk*

While there are provisions which provide for segregated liability between Sub-Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Sub-Fund of the ICAV may not be exposed to the liabilities of other Sub-Funds of the ICAV. At the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Sub-Fund of the ICAV that is likely to be the subject of a claim against another Sub-Fund.

#### 4.18. *Concentration Risk*

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

#### 4.19. *Risks associated with Investment in other Collective Investment Schemes (CIS)*

A Sub-Fund may invest in one or more collective investment schemes. As a shareholder of another collective investment scheme, a Sub-Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other collective investment scheme, including management and/or other fees (excluding subscription or redemption charges). These fees would be in addition to the fees payable to the Delegated Discretionary Investment Manager and other expenses which a Sub-Fund bears directly in connection with its own operations. For details of the maximum level of management fees that may be charged by a Sub-Fund by virtue of its investment in other collective investment schemes please refer to the Supplement for the relevant Sub-Fund.

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

The Sub-Funds will not have an active role in the day-to-day management of the collective investment schemes in which they invest. Moreover, Sub-Funds will generally not have the opportunity to evaluate the specific

investments made by any underlying collective investment schemes before they are made. Accordingly, the returns of a Sub-Fund will primarily depend on the performance of these unrelated underlying fund managers and could be substantially adversely affected by the unfavourable performance of such underlying fund managers.

#### 4.20. *Investment in CIS*

The investment policy of certain Sub-Funds may permit a Sub-Fund to invest up to 100% in collective investment schemes, including exchange traded funds. Such collective investment schemes may deal with a different frequency and on different days than the Sub-Fund. This characteristic of the Sub-Fund is likely to result from time to time in the Sub-Fund achieving less exposure to such collective investment schemes than would otherwise have been the case.

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

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

#### 4.21. *Derivatives Risk*

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

Derivatives involve special risks and costs to the extent that a Sub-Fund uses derivatives it would be exposed to risks including the following.

#### 4.22. *Counterparty and Settlement Risk*

The Sub-Funds would be exposed to a credit risk on the counterparties with which they traded in relation to non-exchange traded contracts such as futures, options, swaps, repurchase transactions and forward exchange rate contracts. Non-exchange traded contracts are not afforded the same protections as may apply to participants trading such contracts on organised exchanges, such as the performance guarantee of an exchange clearing house. Non-exchange traded contracts are agreements specifically tailored to the needs of an individual investor which enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific company or firm involved in the transaction rather than a recognised exchange and accordingly the insolvency, bankruptcy or default of a counterparty with which a Sub-Fund trades such contracts could result in substantial losses to a Sub-Fund. If settlement never occurs the loss incurred by the Sub-Fund would be the difference between the price of the original contract and the price of the replacement contract or, in the case where the contract is not replaced, the absolute value of the contract at the time it is voided. Furthermore, in some markets 'Delivery versus Payment' may not be possible in which case the absolute value of the contract is at risk if the Sub-Fund meets its settlement obligations but the counterparty fails before meeting its obligations under the relevant contract. Furthermore, if the creditworthiness of a derivative counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the portfolio. Regardless of the measures a Sub-Fund may implement

to reduce counterparty credit risk there can be no assurance that a counterparty will not default or that a Sub-Fund will not sustain losses on the transactions as a result.

#### 4.23. *OTC Markets Risk*

Were any Sub-Fund to acquire securities on OTC markets, there is no guarantee that the Sub-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.

#### 4.24. *Liquidity Risk*

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

#### 4.25. *Correlation Risk*

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

#### 4.26. *Legal Risk*

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

#### 4.27. *Repurchase Agreements*

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

#### 4.28. *Securities Lending / Stock Lending Risk*

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

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

transferred.

For securities lending made with connected persons of the Depositary and/or the Delegated Discretionary Investment Manager, such transactions are carried out as if effected on normal commercial terms negotiated at arm's length and are in the best interests of the Shareholders of that Sub-Fund. Please see the "**Portfolio Transactions and Conflicts of Interest**" section below.

#### 4.29. *Collateral Risk*

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

#### 4.30. *Availability of Suitable Investment Opportunities*

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

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

#### 4.31. *Insolvency of Service Providers and Conflicts of Interest*

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

#### 4.32. *Limited Recourse*

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

#### 4.33. *Possible Effects of Substantial Redemptions or Withdrawals*

Redemptions or withdrawals from a Sub-Fund could require that Sub-Fund to liquidate its positions more rapidly than otherwise desirable, which could adversely affect that Sub-Fund's net asset value. Illiquidity in certain securities could make it difficult for a Sub-Fund to liquidate positions on favourable terms, which may affect that Sub-Fund's net asset value. Although a Sub-Fund may suspend redemptions or withdrawals in the manner

described under the section entitled **Suspension of Calculation of Net Asset Value** in order to minimize this risk, it might not always do so, nor would use of this provision eliminate such value or liquidity risks.

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

#### 4.34. *Limitations on Redemption of Shares/Liquidity*

The Directors, in consultation with the Manager, may limit (and in certain cases refuse) requests to redeem Shares. Please refer to the section headed **Limitation on Redemptions** below and to the terms of the relevant Supplement. In addition, in certain circumstances the ICAV may decline to effect a redemption request which would have the effect of reducing the value of any holding of Shares relating to any Sub-Fund below the Minimum Shareholding for that Class of Shares of that Sub-Fund. Any redemption request having such an effect may be treated by the ICAV as a request to redeem the Shareholder's entire holding of that Class of Shares.

#### 4.35. *Regulatory Restrictions*

The investment strategies pursued by a Sub-Fund may be affected by national and federal laws governing the beneficial ownership of securities in a public company which may inhibit that Sub-Fund's ability to freely acquire and dispose of certain securities. Should a Sub-Fund be affected by such rules and regulations, it may not be able to transact in ways that would realise value for that Sub-Fund. In addition, any changes to government regulations could make some or all forms of corporate governance strategies unlawful or impractical. Accordingly, such changes, if any, could have an adverse effect on the ability of a Sub-Fund to achieve its investment objective.

#### 4.36. *Portfolio Valuation*

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

#### 4.37. *Accuracy of Public Information*

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

#### 4.38. *Material, Non-Public Information*

By reason of their responsibilities in connection with a Sub-Fund and other activities, personnel of the Delegated Discretionary Investment Manager may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. In such circumstances the Delegated Discretionary Investment Manager will not be free to act upon any such information. Due to these restrictions, a Sub-Fund

may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

#### 4.39. *Accounting Standards; Limited Availability of Information; Due Diligence*

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

#### 4.40. *Specialisation Risk*

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

#### 4.41. *Depositary – Segregation, Sub-Custodians and Insolvency*

Where securities are held with a sub-custodian appointed by the Depositary or by a central securities depositary or clearing system, such securities may be held by such entities in client omnibus accounts and in the event of a default by any such entity, where there is an irreconcilable shortfall of such securities, the ICAV may have to share that shortfall on a pro-rata basis. Securities may be deposited with clearing brokers which the Depositary is not obliged to appoint as its sub-depositaries and in respect of the acts or defaults of which the Depositary shall have no liability. There may be circumstances where the Depositary is relieved from liability for the acts or defaults of its appointed sub-custodians provided that the Depositary has complied with its duties.

A Sub-Fund is at risk of the Depositary or a sub-custodian entering into an insolvency procedure. During such a procedure (which may last many years) the use by a Sub-Fund of assets held by or on behalf of the Depositary or the relevant sub-custodian, as the case may be, may be restricted and accordingly (a) the ability of the Delegated Discretionary Investment Manager to fulfil the investment objective of each Sub-Fund may be severely constrained, (b) the Sub-Funds may be required to suspend the calculation of the Net Asset Value and as a result subscriptions for and redemptions of Shares, and/or (c) the Net Asset Value may be otherwise affected. During such a procedure, a Sub-Fund is likely to be an unsecured creditor in relation to certain assets and accordingly a Sub-Fund may be unable to recover such assets from the insolvent estate of the Depositary or the relevant sub-custodian, as the case may be, in full, or at all. Additional risk factors (if any) in respect of each Sub-Fund are set out in the Supplement for the relevant Sub-Fund.

## 5. **MANAGEMENT OF THE ICAV**

### 5.1. *Directors of the ICAV*

The Directors of the ICAV are described below:

#### **Tom Tracy**

Mr. Tracy has over 25 years' experience in private client financial services, in a career encompassing financial

institutions such as The Royal Bank of Scotland, Bank of America and the Standard Life Assurance Company.

He is currently CEO of Forth Capital which he founded in 2004 and which now has offices in Geneva, Dubai and Hong Kong, providing top tier, transparent Tax Planning & financial services to British expatriates globally. Forth Capital was the fastest growing international financial adviser in 2013 and 2014. (Source: Expat Money Manager). In 2015 the firm launched Forth Capital Tax advisers Ltd, providing specialist tax advice to British expatriates in Europe and beyond. Tom spearheaded this growth initially from the company's European branch and is now based in the Middle East, having relocated in 2013. Tom is a regular market commentator, is often quoted in the financial press and regularly presents on the World Business Report from Geneva. He is also a graduate of the Chartered Institute of Insurance and the Chartered Institute of Securities and Investment.

### **Robert Harris**

Mr. Harris has over 25 years' experience in the Finance Industry, working for some of the major Financial Institutions in the City of London, including 12 years with Citibank as a Senior Banker. Being a founding partner of Forth Capital, Mr. Harris has been instrumental to the success of the company and has significantly assisted Forth Capital to become a leading financial advisory firm for expats. Mr. Harris is currently a partner of Forth Capital and head of the company's Geneva office. Robert's strong industry experience and expat status enables him to fully gauge the needs of his clients, which allows Robert to manage and grow wealth strategically in the interest of each individual client.

Robert has regularly featured as a presenter on the World Business Report on WRS Radio and has been quoted in the Financial Times and numerous prestigious publications. He is a member of the Chartered Institute of Insurance and a graduate of Chartered Institute of Insurance and the Chartered Institute of Securities and Investment.

### **Graham Brown**

Graham has over 30 years' experience in the Financial Services Industry throughout Asia, the Middle East and Europe. Working for a number of major Financial Institutions including Old Mutual, Credit Lyonnais and Jardine Fleming, Graham has vast experience in managing an array of diverse businesses. Mr. Brown is currently the managing director of Forth Capital which he joined in 2012 to set up and manage the Hong Kong subsidiary.

Graham specialises in pension transfers, inheritance tax planning and all aspects of personal finances. Having been an expat throughout the last 30 years, Graham has a strong understanding of the expatriate market and an array of personal experience. He is UK qualified, with a Level 4 Diploma in Regulated Financial Planning and is a registered Chief Executive with the Hong Kong Confederation of Insurance Brokers. Graham holds a BSc and PhD in Marine Biology.

### **Philip Craig** (Irish resident)

Philip Craig has worked in the alternative investment fund industry since 1991 and is an independent certified investment fund director and fund consultant. Philip is currently authorised by the Central Bank of Ireland for Pre-Approval Controlled Functions PCF-2 Non-Executive Director and PCF-3 Chairman on a broad range of both UCITS and alternative investment funds. He was a director with HSBC Securities Services in Geneva from 2011 to 2012. Between 2008 and 2011 he held the positions of regional director for Continental Europe, managing director of the Geneva office of Fortis/ABN Amro Prime Fund Solutions and interim country manager for Fortis in Switzerland. Between 1995 and 2008, he held the positions of commercial director and head of investor services at Prime Fund Solutions Ireland. He also worked at Ulster Bank Investment Services in Dublin from 1993 to 1995 and with Global Asset Management (GAM) in their Isle of Man and Dublin offices from 1991 to 1992. He is a member of the Certified Investment Fund Director Institute, the Irish Fund Directors Association, Institute of Directors and the Institute of Banking in Ireland.

### **Michael Whelan** (Irish resident)

Mr Whelan is a highly experienced financial services professional who is currently Chairman and non-executive director of a number of regulated funds and other financial services companies. Mr Whelan was Chief Country



Officer of Deutsche Bank in Ireland from 2007 until 2015 during which time he led the substantial growth of the business which saw a significant increase in the Bank's footprint in Ireland as well as the development of a number of new business areas. Mr Whelan's previous experience includes that of managing director of the Irish Futures and Options Exchange, an electronic exchange owned by the major banks and financial institutions in Ireland. Mr Whelan is a business studies graduate of UCD and a fellow of the Chartered Association of Certified Accountants.

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

## 5.2. *The ICAV*

The ICAV has delegated the day to day investment management and administration of all the assets of the ICAV and any subsidiaries to the Delegated Discretionary Investment Manager and the Administrator respectively and has approved the Depository to act as the depository of all of the assets of the ICAV.

The ICAV may appoint Distributors or other agents from time to time, in accordance with the requirements of the Central Bank.

## 5.3. *Manager*

KBA Consulting Management Limited has been appointed as manager for the ICAV pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the ICAV's affairs, subject to the overall supervision and control of the Directors. The ICAV retains the discretion to delegate as determined by the Directors.

The Manager was incorporated as a limited liability company in Ireland under the Companies Act 2014 (as may be amended) under registration number 430897 on 4 December 2006 and is authorised by the Central Bank to act as a management company on behalf of UCITS funds pursuant to the Regulations. The Manager's main business is the provision of fund management and administration services to collective investment schemes such as the ICAV. The secretary of the Manager is KB Associates.

*The Directors of the Manager are described below:*

### **Mike Kirby** (Irish resident)

Mr Kirby is Managing Principal at KB Associates, a firm which provides a range of advisory and project management services to the promoters of offshore mutual funds. He has previously held senior positions at Bank of New York (previously RBS Trust Bank) (1995-2000) where he was responsible for the establishment and ongoing management of its Dublin operations. He has also held senior positions in the custody and fund administration businesses of JP Morgan in London and Daiwa Securities in Dublin. Mr. Kirby holds a Bachelor of Commerce (Honours) Degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland

### **Peadar De Barra** (Irish Resident)

Mr De Barra is an executive director and Chief Operating Officer of KBA Consulting Management Limited with responsibility for risk, operations and compliance. Prior to his appointment to KBA Consulting Management Limited he was a senior consultant within KB Associates' consulting business where he was responsible for advising investment funds on a range of risk and compliance matters. In this role he was responsible for developing risk management programmes for funds operating across a range of investment strategies. Mr. De Barra joined KB Associates in 2008. Prior to this Mr. De Barra was Vice-President at Citi Fund Services (Ireland) Ltd (formerly BISYS), where he was responsible for the Financial Administration team (2003 to 2007). Prior to this Mr. De Barra was an accountant and auditor with PricewaterhouseCoopers Dublin and Boston (1998 to 2002) and was an assistant manager at AIB/BNY Fund Management (Ireland) Ltd (2002 to 2003) with responsibilities for statutory reporting. In addition Mr. De Barra also acts as a director to a number of investment funds, investment managers and management companies. Mr. De Barra holds a Bachelor of Commerce Degree from National University of Ireland Galway and is a Fellow of the Institute of Chartered Accountants in

Ireland.

**John Oppermann** (Irish Resident)

Mr Oppermann has been involved in the financial services sector for over 30 years in both London and Dublin. He has extensive experience with investment funds domiciled in various locations across a variety of asset classes and investment strategies. He co-founded The Fund Governance Boardroom Panel in 2014 and previously established JPO Corporate Services to provide corporate services to entities establishing operations in Ireland. Since 2008, Mr. Oppermann has also acted as a consultant within the hedge fund industry. From 2004 to July 2008, Mr. Oppermann served as General Manager of Olympia Capital Ireland Limited, a fund administration company based in Dublin. Mr. Oppermann held senior roles with RMB International in Dublin from 2003 to 2004 (part of the First Rand Group) and International Fund Services (IFS) from 2001 to 2004. He established Capita's Registrar operations in Ireland and was Country Manager from 1998 to 2001. Mr. Oppermann was a member of the senior management team at Mellon Fund Administration (Ireland) from 1995 to 1998. He held a number of senior financial and operational positions in the investment management, pensions and financial services divisions with The Prudential Corporation in London from 1987 to 1995. Mr. Oppermann is a Fellow of the Chartered Association of Certified Accountants and holds an MBA from the Michael Smurfit Graduate School of Business. He has received the accreditation of Certified Investment Fund Director from the Institute of Banking School of Professional Finance. Mr. Oppermann is a non-executive director for a number of companies and is a member of the Institute of Directors.

**Samantha McConnell** (Irish Resident)

Ms McConnell has over 20 years' experience in the financial and pensions industry covering administration, investment services, change and integration management as well as expert in devising solutions to complex issues. Samantha McConnell is the independent non-executive director on the board of, and is the Chair of the Independent Investment Committee within, KBA Consulting Management Limited. The function of the Investment Committee is the formulation, approval and oversight of the implementation of each Fund's investment objectives and policies by the relevant investment manager. The Investment Committee also evaluates the market overview, each Fund's performance and any changes of investment objective of a Fund. Samantha is also an independent non-executive director and interim chair for another significant fund management company as well as independent non-executive director of a self-managed fund company. Samantha is a director for Willis HC&B as well as non-executive director for CFA Ireland. Samantha holds a first class honours degree in commerce from UCD and graduated first in Ireland in the ACCA exams. She is a CFA Charterholder, a holder of the Institute of Directors Diploma in Company Direction and was awarded the Graduate of Merit award from the Institute of Directors.

5.4. *Delegated Discretionary Investment Manager*

The Delegated Discretionary Investment Manager will be Morningstar Investment Management Europe Limited. Under the terms of each Delegated Discretionary Investment Management Agreement, each Delegated Discretionary Investment Manager provides, subject to the overall supervision and control of the Manager, investment management services to the Manager in respect of the relevant Sub-Fund's portfolio of assets. It may delegate all or part of the investment management responsibilities to one or more sub-investment managers, may obtain the services of investment advisers on a non-discretionary basis and may obtain third party research advice with the fees in respect of any such delegation being paid by the Delegated Discretionary Investment Manager out of its own fee.

5.5. *Distributor*

The Manager has appointed Forth Capital Limited to act as distributor for the ICAV. Forth Capital Limited has a registered address of Po Box 3085 Suite 6, Mill Mall Wickhams, Cay Tortolla, British Virgin Islands. The ICAV has also appointed FC1 Marketing DMCC as marketing research provider to assist the Distributor in its role. FC1 Marketing DMCC has a registered address of Silver Tower, cluster 1, Jumeirah Lakes Towers, Po Box 392683, Dubai, United Arab Emirates.

5.6. *Depository*

The ICAV and the Manager have appointed Credit Suisse (Luxembourg) S.A., Ireland Branch to act as depositary of all of the assets of the ICAV under the terms of the Depositary Agreement.

Credit Suisse (Luxembourg) S.A., Ireland Branch, is a branch of Credit Suisse (Luxembourg) S.A. and is a public limited company (société anonyme) under the laws of Luxembourg, incorporated for an unlimited duration. Credit Suisse (Luxembourg) S.A. has its registered and administrative offices at 5, rue Jean Monnet, L-2180 Luxembourg, Grand Duchy of Luxembourg. It is licensed to engage in all banking operations under Luxembourg law since 25 March 1974.

#### 5.7. Administrator

The ICAV and the Manager have appointed Credit Suisse Fund Services (Ireland) Limited to act as administrator, registrar and transfer agent of the ICAV with responsibility for performing the day to day administration of the ICAV, including the calculation of the Net Asset Value and the Net Asset Value per Share of each Sub-Fund.

The Administrator is a private limited liability company incorporated in Ireland on 30 November, 2016 and is ultimately owned by Credit Suisse AG. The authorised share capital of the Administrator is EUR 100,000,000 and its issued and paid up share capital is EUR 500,020. The Administrator is registered with the Central Bank as an approved fund administration company. The registered office of the Administrator is Kilmore House, Park Lane, Spencer Dock, Dublin 1, D01 YE64, Ireland. The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency to collective investment schemes and investment funds.

#### 5.8. *Paying Agents/Correspondent Banks*

Local laws/regulations in EEA Member States may require the appointment of paying agents/representatives/distributors/correspondent banks (**Paying Agent(s)**) and maintenance of accounts by such agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to the Depositary (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the account of the ICAV or the relevant Sub-Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

The ICAV and the Manager may, in accordance with the requirements of the Central Bank, appoint Paying Agents in one or more countries. Where a Paying Agent is appointed in a particular country it will maintain facilities whereby Shareholders who are resident in the relevant country can obtain payment of dividends and redemption proceeds, examine and receive copies of the Instrument of Incorporation and periodic reports and notices of the ICAV and make complaints if and when appropriate which shall be forwarded to the ICAV's registered office for consideration.

#### 5.9. *Portfolio Transactions and Conflicts of Interest*

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

Each Connected person is or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the ICAV and/or their respective roles with respect to the ICAV. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services, valuation of securities (in

circumstances in which fees may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the ICAV may invest.

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

Any cash of the ICAV may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2015, with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

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

- (i) a certified valuation of such transaction by a person approved by the Depositary (or in the case of any such transaction entered into by the Depositary, the Directors) as independent and competent has been obtained; or
- (ii) the relevant transaction is executed on best terms on organised investment exchanges under their rules; or
- (iii) where (i) and (ii) are not practical, such transaction has been executed on terms which the Depositary is (or in the case of any such transaction entered into by the Depositary, the Directors are) satisfied conform with the principle that such transactions be carried out as if negotiated at arm's length in the best interests of Shareholders.

The Depositary or ICAV, in the case of transactions entered into by the Depositary, will document how it complied with paragraphs (i), (ii) and (iii) and where transactions are carried out in accordance with paragraph (iii), the Depositary or ICAV, in the case of transactions entered into by the Depositary, will document its rationale for being satisfied that the transaction conformed to the principles outlined.

Conflicts of interest may arise for the Depositary or its delegates where the Depositary or its delegates:

- (i) is likely to make a financial gain, or avoid a financial loss at the expense of the ICAV or its investors;
- (ii) has an interest in the outcome of a service or an activity provided to the ICAV or of a transaction carried out on behalf of the ICAV which is distinct from the ICAV's interest;
- (iii) has a financial or other incentive to favour the interest of another client or group of clients over the interests of the ICAV;
- (iv) carries on the same activities for the ICAV and for other clients that adversely affect the ICAV; or
- (v) is in receipt of inducement in the form of monies, good or services other than the standard commission or fee for that service.

A Connected Person may also, in the course of its business, have potential conflicts of interest with the ICAV in circumstances other than those referred to above. A Connected Person will however, have regard in such event to its obligations under its agreement with the ICAV and, in particular, to its obligations to act in the best interests of the ICAV and Sub-Funds as applicable so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise and will ensure that such conflicts are resolved fairly as between the ICAV, the relevant Sub-Fund and other clients. The Delegated Discretionary Investment Manager will ensure that investment opportunities are allocated on a fair and equitable basis between the ICAV and its Sub-Funds and its other clients. In the event that a conflict of interest

does arise the directors of the Delegated Discretionary Investment Manager will endeavour to ensure that such conflicts are resolved fairly.

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

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

## 6. **SUBSCRIPTION FOR SHARES**

### 6.1. *Purchases of Shares*

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

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

An initial application for Shares may only be made by completion and submission of a signed application form (**Application Form**) and compliance with all anti-money laundering procedures as required by the Administrator. Subsequent applications may be made to the Administrator by fax or other electronic platforms, including SWIFT, as may be deemed acceptable by the Administrator. No payment can be made or transfer of shares carried out until all required anti money laundering documentation has been received by the Administrator. Applications received after the Dealing Deadline for the relevant Dealing Day shall, unless the Directors shall otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day and in exceptional circumstances only, be deemed to have been received by the next Dealing Deadline.

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

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

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

The Instrument of Incorporation gives the Directors the power to impose restrictions on the holding of Shares held directly or beneficially by a person or an entity who or in circumstances where in the opinion of the Directors such person or entity does not qualify as a Permitted Investor. Requests for the subscription of Shares are satisfied at the sole discretion of the Directors who may refuse or scale back such requests as they

see fit.

Further, the Administrator is entitled to refuse any subscription, application in whole or in part for any reason, and may in particular prohibit or limit the sale of Shares to individuals or corporate bodies in certain countries if such transaction might be detrimental to the ICAV or result in the Shares being held directly or indirectly by a person not qualifying as a Permitted Investor included but not limited to any U.S. Person) or if such subscription in the relevant country is in contravention of the local applicable laws. The subscription for Shares and any future transactions shall not be processed until the information required by the Administrator, included but not limited to know your customer and anti-money laundering checks, is received.

The Directors may require any Shareholder of the ICAV to provide it with any information that it may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person not qualifying as a Permitted Investor. Further, Shareholders shall have the obligation to immediately inform the ICAV to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a person not qualifying as a Permitted Investor.

The Directors have the right to refuse any sale of Shares, in its sole discretion, if the Directors reasonably determine that it would result in a person not qualifying as a Permitted Person holding Shares, either as an immediate consequence or in the future.

#### 6.2. *Issue Price*

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

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

A Preliminary Charge of up to 3% of the Issue Price may be charged as provided for in the relevant Supplement.

#### 6.3. *Payment for Shares*

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

#### 6.4. *In kind Issues*

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

#### 6.5. *Anti-Money Laundering Provisions*

The Administrator is regulated by the Central Bank of Ireland, and must comply with the measures provided for in the Criminal Justice (Money Laundering & Terrorist Financing) Acts 2010 and 2018, together “The Acts”, which are aimed towards the prevention of money laundering. In order to comply with these anti-money laundering regulations, the Administrator will require from any subscriber or shareholder a detailed verification of the identity of such subscriber or shareholder, the identity of the beneficial owners of such subscriber or shareholder, the source of funds used to subscribe for Shares, or other additional information which may be requested from any subscriber or shareholder for such purposes from time to time.

The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner.

The Subscriber recognizes that the Administrator, in accordance with their anti-money laundering (“AML”) procedures reserves the right to prohibit the movement of any monies if all due diligence requirements have not been met, or, if for any reason feels that the origin of the funds or the parties involved are suspicious. In the event that the movement of monies is withheld in accordance with the Administrator's AML procedures, the Administrator will strictly adhere to all applicable laws, and shall notify the ICAV as soon as professional discretion allows or as otherwise permitted by law.

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

#### 6.6. *Data Protection*

Prospective investors should note that by completing the Application Form they are providing information to the ICAV which may constitute personal data within the meaning of the GDPR. This data will be used by or on behalf of the ICAV for the purposes set out in its data protection notice (which will be made available in the Application Form). Such data may be disclosed and/or transferred to third parties including regulatory bodies, tax authorities, delegates, advisers and service providers of the ICAV and their or the ICAV's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Ireland) for the purposes specified.

Investors have a right to obtain a copy of their personal data kept by the ICAV, the right to rectify any inaccuracies in personal data held by the ICAV and in a number of circumstances a right to be forgotten and a right to restrict or object to processing. In certain limited circumstances a right to data portability may apply.

The ICAV and its appointed service providers will retain all documentation provided by a Shareholder in relation to its investment in the ICAV for such period of time as may be required by Irish legal and regulatory requirements, but for at least six years after the period of investment has ended or the date on which a Shareholder has had its last transaction with the ICAV. The Depositary may request the ICAV's bank statement information and information from the ICAV's share register from the Administrator in order to complete cash monitoring and other oversight services. Therefore, if a wire was completed on an investor's behalf, the Depositary could obtain an investor's name and bank account details. In such circumstances, the Depositary is acting as a data controller with respect to the collection of the data from the ICAV.

Any questions about the operation of the ICAV's data protection policy should be referred in the first instance to [www.kbassociates](http://www.kbassociates).

#### 6.7. *Limitations on Purchases*

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

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for the benefit of U.S. Persons (unless the ICAV determines (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Sub-Fund and

ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares).

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

#### 6.8. *Anti-Dilution Levy*

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

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

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

### 7. **REDEMPTION OF SHARES**

#### 7.1. *Redemption of Shares*

Requests for the redemption of Shares should be made to the ICAV (via the Administrator) and may be made by fax or other electronic platforms, including SWIFT, as may be deemed acceptable by the Administrator. Requests for the redemption of Shares will not be capable of withdrawal after acceptance by the Administrator (without the consent of the ICAV). Redemptions are also subject to all necessary anti-money laundering checks being completed before any Redemption Proceeds will be paid out. Redemption orders will be processed on receipt of valid instructions only where payment is made to the account of record. Requests received on or prior to the relevant Dealing Deadline will, as mentioned in this section, normally be dealt with on the relevant Dealing Day. Redemption requests received after the Dealing Deadline shall, unless the Directors shall otherwise agree and provided they are received before the relevant Valuation Point and in exceptional circumstances only, be treated as having been received by the following Dealing Deadline.

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

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

The ICAV, in consultation with the Manager, may decline to effect a redemption request which would have the effect of reducing the value of any holding of Shares relating to any Sub-Fund below the Minimum Shareholding for that Class of Shares of that Sub-Fund. Any redemption request having such an effect may be treated by the ICAV as a request to redeem the Shareholder's entire holding of that Class of Shares.

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

#### 7.2. *Redemption Price*

The price at which Shares will be redeemed on a Dealing Day is also calculated by ascertaining the Net Asset Value per Share of the relevant Class on the relevant Dealing Day. The method of establishing the Net Asset Value of any Sub-Fund and the Net Asset Value per Share of any Class of Shares in a Sub-Fund is described herein under the section entitled **Calculation of Net Asset Value/Valuation of Assets** below.

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



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

### 7.3. *Payment of Redemption Proceeds*

The amount due on redemption of Shares (net of Redemption Charges) will be paid by electronic transfer to an account in the name of the Shareholder in the currency of the relevant Share Class by the Settlement Date. Redemption proceeds will not be paid out to third parties and may only be paid into an account in the name of the Shareholder. Payment of redemption proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate. The proceeds of the redemption of the Shares will only be paid on receipt by the Administrator of instructions requesting redemption and the required anti money laundering documentation. Amendments to a Shareholder's registration details and payment instructions will only be effected on receipt of original documentation or electronic instruction. Redemptions are also subject to all necessary anti-money laundering checks being completed before any redemption proceeds will be paid out.

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

### 7.4. *Limitations on Redemptions*

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

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

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

### 7.5. *Mandatory Redemptions*

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

A Sub-Fund may be terminated and/or all of the Shares of a Sub-Fund (or any Class of a Sub-Fund) may be

redeemed by the Directors, in consultation with the Manager, in their sole and absolute discretion, by notice in writing to the Depositary in any of the following events: (i) by giving not less than 30 days' notice in writing to the relevant Shareholders; or (ii) if at any time the Net Asset Value of the relevant Sub-Fund's assets shall be less than such amount as may be determined by the Directors in respect of that Sub-Fund; or (iii) by not less than 30 days' nor more than 60 days' notice to Shareholders if, within 90 days from the date of the Depositary serving notice of termination of the Custody Agreement, another depositary acceptable to the ICAV and the Central Bank has not been appointed to act as Depositary; or (iv) if any Sub-Fund shall cease to be authorised or otherwise officially approved; or (v) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Sub-Fund; or (vi) if the Directors consider that it is in the best interests of the Shareholders of the Sub-Fund.

The Instrument of Incorporation gives the Directors the power to impose restrictions on the holding of Shares held directly or beneficially by a person or an entity who or in circumstances where in the opinion of the Directors such person or entity does not qualify as a Permitted Investor. Requests for the redemption of Shares are satisfied at the sole discretion of the Directors who may refuse or scale back such requests as they see fit.

If Directors of the ICAV discover at any time that any beneficial owner of the Shares is a person that does not qualify as a Permitted Investor either alone or in conjunction with any other person, whether directly or indirectly, the Directors may, in consultation with the Manager, at their discretion and without liability, compulsorily redeem the Shares in accordance with the rules set out in the Instrument of the ICAV, and upon redemption, the person not qualifying as Permitted Investor will cease to be the owner of those Shares.

The Directors may require any Shareholder of the ICAV to provide any information that they may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person not qualifying as a Permitted Investor. Further, Shareholders shall have the obligation to immediately inform the ICAV to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a person not qualifying as a Permitted Investor.

Additional termination provisions specific to a Sub-Fund may be set out in the Supplement for that Sub-Fund and the ICAV will have the right to redeem Shares in such a Sub-Fund in such circumstances, in addition to the foregoing.

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

## 8. EXCHANGE OF SHARES

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

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

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

$$S = [R \times (RP \times ER)] - F$$

**SP**

where:

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

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

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

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

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

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

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

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

The Directors may impose an exchange charge of up to 0.08% of the redemption proceeds of the Shares being exchanged payable as the Directors, in their discretion determine.

#### 8.1. *Limitations on Exchanges*

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

#### 8.2. *Cross Investment*

Subject to the requirements of the Central Bank and this Prospectus, the ICAV may on behalf of a Sub-Fund (an **Investor Sub-Fund**) acquire Shares in another Sub-Fund (an **Investee Sub-Fund**). Where the ICAV intends to do so, this will be disclosed in the relevant Supplement of the Investor Sub-Fund. The Delegated Discretionary Investment Manager may not charge its annual fee in respect of that portion of an Investor Sub-Fund's assets which are invested in an Investee Sub-Fund unless otherwise permitted by the Central Bank. Cross investment in a Sub-Fund may not be made if that Sub-Fund holds Shares in another Sub-Fund. Where a Sub-Fund (the **Investing Fund**) invests in the shares of other Sub-Funds (each a **Receiving Fund**), the rate of the annual management fee which investors in the Investing Fund are charged in respect of that portion of the Investing Fund's assets invested in Receiving Funds (whether such fee is paid directly at Investing Fund level, indirectly at the level of the receiving Sub-Funds or a combination of both) shall not exceed the rate of the maximum annual management fee which investors in the Investing Fund may be charged in respect of the balance of the Investing Funds assets, such that there shall be no double charging of the annual management fee to the Investing Fund as a result of its investments in the Receiving Fund. This provision is also applicable to the annual fee charged by the relevant Delegated Discretionary Investment Manager where the fee is paid

directly out of the assets of the relevant Sub-Fund.

### 8.3. *Calculation of Net Asset Value / Valuation of Assets*

The Net Asset Value of a Sub-Fund shall be expressed in the currency in which the Shares are designated or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case, and shall be calculated by ascertaining the value of the assets of the Sub-Fund and deducting from such value the liabilities of the Sub-Fund (excluding Shareholders equity) as at the Valuation Point for such Dealing Day.

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

In the event the Shares of any Sub-Fund are further divided into Classes, the Net Asset Value per Share of the relevant Class shall be determined by notionally allocating the Net Asset Value of the Sub-Fund amongst the relevant Classes making such adjustments for subscriptions, redemptions, fees, dividends, accumulation or distribution of income and the expenses, liabilities or assets attributable to each such relevant Class (including the gains/losses on and costs of financial instruments employed for currency hedging between the currencies in which the assets of the Sub-Fund are designated and the designated currency of the relevant Class, which gains/losses and costs shall accrue solely to that relevant class) and any other factor differentiating the relevant classes as appropriate. The Net Asset Value of the Sub-Fund, as allocated between each Class, shall be divided by the number of Shares of the relevant Class which are in issue or deemed to be in issue and rounding the result to six decimal places as determined by the Directors or such other number of decimal places as may be determined by the Directors from time to time.

The Instrument of Incorporation provides for the method of valuation of the assets and liabilities of each Sub-Fund and of the Net Asset Value of each Sub-Fund. The ICAV has delegated the calculation of the Net Asset Value to the Administrator. The assets and liabilities of a Sub-Fund will generally be valued as follows:

- 8.3.1. assets quoted, listed or dealt in on a regulated market shall be valued at the last traded price or in the case of fixed income securities the latest mid-market prices, in each case available to the directors as at the valuation point for the relevant dealing day provided that the value of any asset listed or dealt in on a regulated market but acquired or traded at a premium or at a discount outside the relevant regulated market may be valued taking into account the level of premium or discount as at the date of valuation of the asset. Such premiums or discounts shall be determined by the directors and approved by the Depositary. The Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.
- 8.3.2. if for specific assets the last traded price or in the case of fixed income securities the latest mid-market prices do not, in the opinion of the directors or their duly authorised delegate, reflect their fair value or are not available, the value shall be calculated with care and in good faith by the directors or by a competent person appointed by the directors, (being approved by the Depositary for such purpose) in consultation with the investment manager with a view to establishing the probable realisation value for such assets as at the valuation point for the relevant dealing day.
- 8.3.3. where an investment is quoted, listed or traded on or under the rules of more than one regulated market, the regulated market which in the directors' and/or the investment manager's opinion constitutes the main regulated market for such investment or the regulated market which provides the fairest criteria in ascribing a value to such investment for the foregoing purposes will be referred to for the purposes of valuation.
- 8.3.4. in the event that any of the assets as at the valuation point for the relevant dealing day are not listed or traded on any stock exchange or over-the-counter market, such securities shall

be valued at their probable realisation value determined by the directors or by a competent person appointed by the directors (and approved by the Depositary for such purpose) estimated with care and in good faith in consultation with the investment manager or by any other means provided that the value is approved by the Depositary.

- 8.3.5. cash and other liquid assets will be valued at their face value with interest accrued, where applicable, to the relevant valuation point unless in any case the directors or their duly authorised delegate are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the directors or their duly authorised delegate may consider appropriate in such case to reflect the true value thereof as at the relevant valuation point.
- 8.3.6. the value of any demand notes, promissory notes and accounts receivable shall be deemed to be the face value or full amount thereof after making such discount as the directors may consider appropriate to reflect the true current value thereof as at any valuation point.
- 8.3.7. certificates of deposit, treasury bills, bank acceptances, trade bills and other negotiable instruments shall each be valued at each valuation point at the last traded price on the regulated market on which these assets are traded or admitted for trading (being the regulated market which is the sole regulated market or in the opinion of the directors or their duly authorised delegate the principal regulated market on which the assets in question are quoted or dealt in).
- 8.3.8. units or shares in open-ended collective investment schemes, other than those valued in accordance with the foregoing provisions, will be valued at the latest available net asset value per unit, share or class or bid price thereof as published by the relevant collective investment scheme after deduction of any repurchase charge as at the relevant valuation point. Units or shares in closed-ended collective investment schemes will, if quoted, listed or traded on a regulated market, be valued at the last traded price on the principal regulated market for such investment as at the valuation point for the relevant dealing day or, if unavailable at the probable realisation value, as estimated with care and in good faith and as may be recommended by a competent professional appointed by the directors.
- 8.3.9. any value expressed otherwise than in the base currency of the relevant sub-fund (whether of an investment or cash) and any non-base currency borrowing shall be converted into the base currency at the official rate which the administrator deems appropriate in the circumstances.
- 8.3.10. exchange traded derivative instruments, share price index, future contracts and options contracts and other derivative instruments will be valued at the settlement price as determined by the regulated market in question as at the valuation point for the relevant dealing day; provided that if such settlement price is not available for any reason as at a valuation point such value shall be the probable realisation value estimated with care and in good faith by (i) the directors or their duly authorised delegate or (ii) other competent person appointed by the directors or their duly authorised delegate, in each case approved for such purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary. Forward foreign exchange contracts and interest rate swaps shall be valued as at the valuation point for the relevant dealing day by reference to the prevailing market maker quotations, namely, the price at which a new forward contract of the same size and maturity could be undertaken.
- 8.3.11. Notwithstanding the provisions of paragraphs 8.3.1 to 8.3.10 above:
  - (1) in the case of a Sub-Fund which is a short term money market fund in accordance with the Central Bank's requirements (a **Short Term Money Market Fund**), the Directors or their delegates may value any Asset through the use of amortised cost. The amortised cost method of valuation may only be used in relation to Sub-Funds which comply with

the Central Bank's requirements for Short Term Money Market Funds and where a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank's requirements.

- (2) where a Sub-Fund which is not a Short Term Money Market Fund invests in money market instruments in a money-market fund or non-money market fund, such instruments may be valued by the Directors or their delegates at their amortised cost if the money market instrument has a residual maturity of less than 3 months and does not have any specific sensitivity to market parameters, including credit risk.

- 8.3.12. If in any case a particular value is not ascertainable as provided above or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Directors, or a competent person appointed by the Directors and approved for such purposes by the Depositary, in consultation with the Delegated Discretionary Investment Manager, shall determine, such method of valuation to be approved by the Depositary. The value of an asset may be adjusted where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other consideration which are deemed relevant.

Notwithstanding the foregoing, where at any Valuation Point any asset of the ICAV has been realised or contracted to be realised there shall be included in the assets of the ICAV in place of such asset the net amount receivable by the ICAV in respect thereof, provided that if such amount is not then known exactly then its value shall be the net amount estimated by the Directors as receivable by the ICAV. If the net amount receivable is not payable until some future time after the Valuation Point in question the Directors shall make such allowance as they consider appropriate to reflect the true current value thereof as at the relevant Valuation Point. In the event that the ICAV has contracted to purchase an asset but settlement has yet to occur, the asset (rather than the cash to be used to settle the trade) will be included in the assets of the ICAV.

Notwithstanding the foregoing, the Delegated Discretionary Investment Manager may be appointed as a competent person by the Directors, subject to the approval of the Depositary.

#### 8.4. *Suspension of Calculation of Net Asset Value*

The Directors, in consultation with the Manager, may at any time temporarily suspend the calculation of the Net Asset Value of any Sub-Fund and the issue, redemption and exchange of Shares and the payment of redemption proceeds during:

- 8.4.1. any period when dealing in the units/shares of any collective investment scheme in which a Sub-Fund may be invested are restricted or suspended; or
- 8.4.2. any period when any of the markets or stock exchanges on which a substantial portion of the investments of the relevant Sub-Fund from time to time are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- 8.4.3. any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Sub-Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Sub-Fund or if, in the opinion of the Directors, the Net Asset Value of the Sub-Fund cannot be fairly calculated; or
- 8.4.4. any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Sub-Fund or when for any other

reason the current prices on any market or stock exchange of any of the investments of the relevant Sub-Fund cannot be promptly and accurately ascertained; or

- 8.4.5. any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Sub-Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- 8.4.6. any period when the ICAV is unable to repatriate funds required for the purpose of making payments due on the redemption of Shares in the relevant Sub-Fund; or
- 8.4.7. any period when the Directors consider it to be in the best interest of the relevant Sub-Fund; or
- 8.4.8. following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the ICAV or terminate the relevant Sub-Fund is to be considered; or
- 8.4.9. when any other reason makes it impracticable to determine the value of a meaningful portion of the Investments of the ICAV or any Sub-Fund; or
- 8.4.10. any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Sub-Fund or of the ICAV; or
- 8.4.11. where it becomes impossible or impractical to enter into, continue with or maintain FDIs relating to an index for the relevant Sub-Fund or to invest in stocks comprised within the particular index; or
- 8.4.12. where such suspension is required by the Central Bank in accordance with the Regulations.

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

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

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

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

#### 8.5. *Form of Shares and Transfer of Shares*

Shares will be issued in registered form. Purchase contract notes will normally be issued within 5 Business Days after the allotment of Shares. Written confirmations of ownership evidencing entry in the register will normally be issued monthly upon receipt of all original documentation required by the Administrator. Share certificates shall not be issued.

Shares in each Sub-Fund will be transferable by instrument in writing in common form or in any other form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor and the transferee. Transferees will also be required to complete an Application

Form and provide any other documentation reasonably required by the ICAV or the Administrator. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the ICAV as having any title to or interest in the Shares registered in the names of such joint Shareholders.

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

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

#### 8.6. *Share Classes*

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

#### 8.7. *Notification of Prices*

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

### 9. **FEES AND EXPENSES**

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

Unless otherwise disclosed in the relevant Supplement, the following provisions apply in respect of the Sub-Funds:



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

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

The Directors who are not connected with the Delegated Discretionary Investment Manager will be entitled to remuneration for their services as directors provided however that the aggregate emoluments of each Director in respect of any twelve month accounting period shall not exceed €20,000 (plus VAT if applicable) and the aggregate emoluments of all Directors in respect of any twelve month accounting period shall not exceed €100,000 (plus VAT if applicable). In addition, the Directors will also be entitled to be reimbursed for their reasonable out of pocket expenses incurred in discharging their duties as directors.

The cost of establishing the ICAV, obtaining authorisation from the Central Bank, filing fees, the preparation and printing of this Prospectus and the fees of all professionals relating to it, including tax and legal advice, incurred by the ICAV and its initial Sub-Funds are estimated not to exceed €20,000 (exclusive of VAT) and will be borne by the initial Sub-Fund(s) and amortised over the first five (5) years of the ICAV's and the initial Sub-Funds' operation (or such other period as may be determined by the Directors at their discretion) and may be allocated to other Sub-Funds established during that period, and in each case on such terms and in such manner as the Directors may at their discretion determine.. The costs of establishing subsequent Sub-Funds may be borne by the relevant Sub-Fund and where appropriate details thereof will be set out in the relevant Supplement.

## 10. TAXATION

### 10.1. *General*

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

Shareholders and potential investors should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this

Prospectus and proposed regulations and legislation in draft form. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely.

### 10.2. *Ireland*

The ICAV was registered in Ireland under the ICAV Act as an umbrella Irish collective asset-management vehicle with segregated liability between sub-funds on 29 May 2017 with registered number C169243.

On the basis that the ICAV is a UCITS it is outside the scope of Part 27 Chapter 1B of the TCA dealing with Irish real estate funds.

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

### 10.3. *Irish Taxation*

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

A chargeable event occurs on, for example:

- (i) a payment of any kind to a Shareholder by the ICAV;
- (ii) a transfer of Shares; and
- (iii) on the eighth anniversary of a Shareholder acquiring Shares and every subsequent eighth anniversary

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

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

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

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

event, there is a mechanism for obtaining a refund of tax where the Shares are subsequently disposed of for a lesser value.

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

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

#### 10.4. *Shareholders*

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

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

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

#### 10.5. *Stamp duty*

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

#### 10.6. *Capital acquisitions tax*

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

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

#### 10.7. *Automatic Exchange of Information*

Irish reporting financial institutions, which may include the ICAV, have reporting obligations in respect of certain investors under FATCA as implemented pursuant to the IGA and/or CRS (see below).

#### 10.8. *FATCA in Ireland*

With effect from 1 July 2014, Irish reporting financial institutions are obliged to report certain information in respect of U.S. investors in the ICAV to the Revenue. The Revenue will share that information with the U.S. tax

authorities. FATCA imposes a 30% U.S. withholding tax on certain withholdable payments made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the IRS to collect and provide to the IRS substantial information regarding direct and indirect owners and accountholders.

On 21 December 2012, Ireland signed an IGA with the U.S. to Improve International Tax Compliance and to Implement FATCA. Under this IGA, Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Revenue and IRS have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa.

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

If a Shareholder causes the ICAV to suffer a withholding for or on account of FATCA (a FATCA Deduction) or other financial penalty, cost, expense or liability, the Directors may compulsorily redeem any Shares of such Shareholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such shareholder. While the IGA and the Irish Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the ICAV in respect of its assets, no assurance can be given in this regard. As such, Shareholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

#### 10.9. CRS

The CRS framework was first released by the OECD in February 2014. To date, more than 90 jurisdictions have publically committed to implementation, many of which are early adopter countries, including Ireland. On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters (the Standard) was published, involving the use of two main elements, the Competent Authority Agreement (CAA) and the CRS. The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local Financial Institutions (FIs) relating to account holders tax resident in other participating countries to assist in the efficient collection of tax. The OECD, in developing the CAA and CRS, have used FATCA concepts and as such the Standard is broadly similar to the FATCA requirements, albeit with numerous alterations. It will result in a significantly higher number of reportable persons due to the increased instances of potentially in-scope accounts and the inclusion of multiple jurisdictions to which accounts must be reported.

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

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

Under the Regulations reporting financial institutions, are required to collect certain information on accountholders and on certain controlling persons in the case of the accountholder(s) being an entity, as defined for CRS purposes, (e.g. name, address, jurisdiction of residence, TIN, date and place of birth (as appropriate), the account number and the account balance or value at the end of each calendar year) to identify accounts which are reportable to the Irish tax authorities. The Irish tax authorities shall in turn exchange such information with their counterparts in participating jurisdictions. Further information in relation to CRS and DAC II can be found on the Automatic Exchange of Information (AEOI) webpage on [www.revenue.ie](http://www.revenue.ie).

By signing the subscription agreement and/or application form to subscribe for Shares in the ICAV each Shareholder is agreeing to provide such information upon request from the ICAV or its delegate. The non-provision of such information may result in the mandatory redemption of Shares or other appropriate action taken by the ICAV. Shareholders refusing to provide the requisite information to the ICAV may also be reported to the Irish Revenue Commissioners.

#### 10.10. *Certain Tax Definitions*

##### *Residence – Company*

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

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

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

##### *Residence - Individual*

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

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

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

##### *Ordinary Residence - Individual*

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

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

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily

resident in the State in 2019 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2022.

#### *Intermediary*

this means a person who:-

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

#### 10.11. *United Kingdom Taxation*

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

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

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

#### 10.12. *The ICAV*

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

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

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

#### 10.13. *Shareholders*

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

Subject to their specific tax position, Shareholders resident in the UK for taxation purposes will normally be liable to UK income tax or corporation tax in respect of dividends or other distributions of a Sub-Fund (including

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

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

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

Under TIOPA 2010, any gain arising on the sale, disposal or redemption of shares in an offshore fund (or on conversion from one fund to another within an umbrella fund) held by persons who are resident in the United Kingdom for tax purposes will be taxed at the time of such sale, disposal, redemption or conversion as income and not as a capital gain. This does not apply, however, where a fund is approved as a "reporting fund" under the UK Reporting Fund Regime, throughout the entire period during which the shares have been held.

#### 10.14. *UK Reporting Fund Regime*

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

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

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

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

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

refer to their tax advisors in relation to the implications of the funds obtaining such status.

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

#### 10.15. *General*

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

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

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

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

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

#### 10.16. *Stamp Duty and Stamp Duty Reserve Tax*

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



except as stated above.

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

#### 10.17. *Other Jurisdictions*

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

### 11. GENERAL INFORMATION

#### 11.1. *Reports and Accounts*

The ICAV's year end is 31 December in each year commencing on the incorporation of the ICAV. Audited accounts prepared in accordance with International Financial Reporting Standards and a report in relation to each Sub-Fund will be sent to Shareholders within 4 months after the conclusion of each Accounting Period. The first audited accounts were for the period to 31 December 2018. The ICAV will also prepare semi-annual report and unaudited accounts which will be made available to Shareholders within two months after the six month period ending on 30 June in each year. The first semi-annual report were published within two months of 30 June 2018. Such accounts and reports will contain a statement of the value of the net assets of each Sub-Fund and of the investments comprised therein as at the year end and such other information as is required by the Regulations. The audited information required to be available to Shareholders will be sent, on request, to any Shareholder or prospective Shareholder.

#### 11.2. *Directors' Confirmation*

The Directors confirm that the ICAV was registered in Ireland under the ICAV Act as an open-ended ICAV with limited liability and variable capital and as an umbrella fund with segregated liability between sub-funds, on 29 May 2017.

As at the date of this Prospectus, no Sub-Fund has any outstanding mortgages, charges, debentures or other borrowings, including bank overdrafts and liabilities made under acceptance credits, obligations made under finance leases, hire purchase commitments, guarantees or other contingent liabilities.

#### 11.3. *Share Capital*

At the date hereof the authorised share capital of the ICAV is 2 subscriber shares of €1 each and 1,000,000,000,000,000 Shares of no Par Value initially designated as unclassified shares.

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

#### 11.4. *Instrument of Incorporation*

Clause 4.1 of the Instrument of Incorporation provides that the sole object of the ICAV is the collective investment of its funds in property and giving members the benefit of the results of the management of its funds. The Instrument of Incorporation contains provisions to the following effect:

**Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the ICAV to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the ICAV;

**Variation of rights.** The rights attached to any class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Class, and may be so varied or abrogated either whilst the ICAV is a going concern or during or in contemplation of a winding-up. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons present in person or by proxy and the quorum at an adjourned meeting shall be one person holding Shares of the class in question or his proxy;

**Voting Rights.** Subject to any rights or restrictions for the time being attached to any Class or Classes of Shares, on a show of hands every holder who is present in person or by proxy shall have one vote and on a poll every holder present in person or by proxy shall have one vote for every Share of which he is the holder. Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share;

**Alteration of Share Capital.** The ICAV may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe.

The ICAV may also by ordinary resolution:

- (i) redenominate the currency of any Class of Shares;
- (iv) consolidate and divide all or any of its share capital into Shares of larger amount;
- (v) subdivide its Shares, or any of them, into Shares of smaller amount or value; or
- (vi) cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the Shares so cancelled.

**Directors' Interests.** Provided that the nature and extent of his interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the ICAV nor shall any such contract or any contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested be avoided nor shall any Director so contracting or being so interested be liable to account to the ICAV 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;

The nature of a Director's interest must 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 at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested;

A Director shall not vote at a meeting of the Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material (other than an interest arising by virtue of his interest in shares or other securities or otherwise in or through the ICAV) or a duty which conflicts or may conflict with the interests of the ICAV. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote.

A Director shall be entitled to vote (and be counted in the quorum) in respect of any resolutions concerning any of the following matters, namely:-

- (i) the giving of any security, guarantee or indemnity to him in respect of money lent by him to the ICAV or any of its subsidiary or associated companies or obligations incurred by him at the request of or for the benefit of the ICAV or any of its subsidiary or associated companies;
- (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the ICAV or any of its subsidiary or associated companies for which he himself

- has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (iii) any proposal concerning any offer of shares or other securities of or by the ICAV or any of its subsidiary or associated companies for subscription, purchase or exchange in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof; or
  - (iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever;

The ICAV by ordinary resolution may suspend or relax the provisions of this Clause to any extent or ratify any transaction not duly authorised by reason of a contravention of this provision;

**Borrowing Powers.** Subject to the Regulations and the ICAV Act, the Directors may exercise all of the powers of the ICAV to borrow or raise money and to mortgage, pledge, charge or transfer its undertaking, property and assets (both present and future) and uncalled capital or any part thereof provided that all such borrowings and any such transfer of assets shall be within the limits laid down by the Central Bank;

**Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age;

**Directors' Remuneration.** Unless and until otherwise determined from time to time by the ICAV in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. Any Director who holds any executive office (including for this purpose the office of chairman or deputy chairman), or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or general meetings or separate meetings of the holders of any Class of Shares of the ICAV or otherwise in connection with the discharge of their duties. (Directors' remuneration is described under the section entitled **Fees and Expenses** above);

**Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors and this Administrator in their absolute discretion and without assigning any reason therefor are entitled to refuse any transfer or conversion application in whole or in part for any reason, and may in particular prohibit or limit the transfer of Shares to individuals or corporate bodies in certain countries if such transaction might be detrimental to the ICAV or result in the Shares being held directly or indirectly by a person not qualifying as a Permitted Investor (included but not limited to any U.S. Person) or if such subscription, transfer or conversion in the relevant country is in contravention of the local applicable laws. The transfer for Shares and any future transactions shall not be processed until the information required by the Administrator, included but not limited to know your customer and anti-money laundering checks, is received.

If the Directors discover at any time that any beneficial owner of the Shares is a person that does not qualify as a Permitted Investor either alone or in conjunction with any other person, whether directly or indirectly, the Directors may, in consultation with the Manager, at its discretion and without liability, compulsorily redeem the Shares in accordance with the rules set out in the Instrument of the ICAV, and upon redemption, the person not qualifying as Permitted Investor will cease to be the owner of those Shares.

The Directors may require any Shareholder of the ICAV to provide any information that they may consider necessary for the purpose of determining whether or not such owner of Shares is or will be a person not qualifying as a Permitted Investor. Further, Shareholders shall have the obligation to immediately inform the ICAV to the extent the ultimate beneficial owner of the Shares held by such Shareholders becomes or will become a person not qualifying as a Permitted Investor.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate for the Shares to which it relates (if issued), is in respect of one Class of Share only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint;

**Right of Redemption.** Shareholders have the right to request the ICAV to redeem their Shares in accordance with the provisions of the Instrument of Incorporation;

**Dividends.** Under the Instrument of Incorporation, the Directors are entitled to declare dividends out of net income (i.e. income less expenses) and/or realised gains net of realised and unrealised losses and/or realised and unrealised gains net of realised and unrealised losses and/or net income and realised gains net of realised and unrealised losses and/or net income and realised and unrealised gains net of realised and unrealised losses and/or capital. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Sub-Fund;

**Sub-Funds.** The Directors are required to establish a separate portfolio of assets for each Sub-Fund created by the ICAV from time to time, to which the following shall apply:

- (i) for each Sub-Fund the ICAV shall keep separate books and records in which all transactions relating to the relevant Sub-Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each class of Shares in the Sub-Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions of the Instrument of Incorporation;
- (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Sub-Fund, shall be applied in the books and records of the ICAV to the same Sub-Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Sub-Fund;
- (iii) no Shares will be issued on terms that entitle the Shareholders of any Sub-Fund to participate in the assets of the ICAV other than the assets (if any) of the Sub-Fund relating to such Shares. If the proceeds of the assets of the relevant Sub-Fund are not sufficient to fund the full redemption amount payable to each Shareholder for the relevant Sub-Fund, the proceeds of the relevant Sub-Fund will, subject to the terms for the relevant Sub-Fund, be distributed equally among each Shareholder of the relevant Sub-Fund *pro rata* to the net asset value of the Shares held by each Shareholder. If the realised net assets of any Sub-Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the terms of the relevant Sub-Fund, the relevant Shareholders of that Sub-Fund will have no further right of payment in respect of such Shares or any claim against the ICAV, any other Sub-Fund or any assets of the ICAV in respect of any shortfall;
- (iv) in the event that there are any assets of the ICAV which the Directors do not consider are attributable to a particular Sub-Fund or Sub-Funds, the Directors shall, with the approval of the Depositary, allocate such assets to and among any one or more of the Sub-Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors shall have the power to and may at any time and from time to time, with the approval of the Depositary, vary the basis upon which such assets have been previously allocated;
- (v) each Sub-Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the ICAV in respect of or attributable to that Sub-Fund and any such liabilities, expenses, costs, charges or reserves of the ICAV not attributable to any particular Sub-Fund or Sub-Funds shall be allocated and charged by the Directors, with the approval of the Depositary, in such manner and on such basis as the Directors, in their sole and absolute discretion deem fair and equitable, and the Directors shall have the power to and may at any time and from time to time, with the approval of the Depositary, vary such basis including, where circumstances so permit, the re-allocation of such liabilities, expenses, costs, charges and reserves.

**Sub-Fund Exchanges.** Subject to the provisions of the Instrument of Incorporation, the Prospectus and the relevant Supplement, a Shareholder holding Shares in any Class in a Sub-Fund on any Dealing Day shall have the right from time to time to exchange all or any of such Shares for Shares of another Class (such Class being either an existing Class or a Class agreed by the Directors to be brought into existence with effect from that Dealing Day);

**Winding up.** The Instrument of Incorporation contains provisions to the following effect:

- (i) If the ICAV shall be wound up the liquidator shall, subject to the provisions of the ICAV Act, apply the assets of each Sub-Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Sub-Fund;
- (ii) The assets available for distribution amongst the Shareholders shall be applied as follows: first the proportion of the assets in a Sub-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; and secondly, 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 Sub-Fund may be wound up pursuant to section 37 of the ICAV Act and in such event the provisions reflected in this paragraph shall apply mutatis mutandis in respect of that Sub-Fund;
- (iv) If the ICAV shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the ICAV Act, divide among the holders of Shares of any Class or Classes of a Sub-Fund in kind the whole or any part of the assets of the ICAV relating to that Sub-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 the holders of Shares or the holders of different Classes of Shares as the case may be. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the ICAV may be closed and the ICAV dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may require the liquidator instead of transferring any asset in kind to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.

**Share Qualification.** The Instrument of Incorporation does not contain a share qualification for Directors.

#### 11.5. *Litigation and Arbitration*

As at the date of this Prospectus the ICAV is not involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

#### 11.6. *Directors' Interests*

- a. There are no service contracts in existence between the ICAV and any of its Directors, nor are any such contracts proposed;
- b. There are letters of appointment between the ICAV and each of the Directors;
- c. At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the ICAV and,

save as provided below, no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the ICAV;

- d. Philip Craig is an independent non-executive director of both the ICAV and the Manager and has no shareholding in either the ICAV or the Manager;
- e. Tom Tracy is a non-executive director of the ICAV an executive director of the Distributor;
- f. Robert Harris is a non-executive director of the ICAV an executive director of the Distributor; and
- g. Graham Brown is a non-executive director of the ICAV an executive director of the Distributor.

## 12. MATERIAL CONTRACTS

The following contracts have been entered into otherwise than in the ordinary course of the business intended to be carried on by the ICAV and are or may be material:

### 12.1. Depositary Agreement

Pursuant to the Depositary Agreement, Credit Suisse (Luxembourg) S.A., Ireland Branch has been appointed as depositary of the ICAV.

#### *Duties of the Depositary*

The duty of the Depositary is to provide safekeeping and oversight services in respect of the assets of the ICAV and each Fund in accordance with the provisions of the Regulations and the Depositary Agreement. The Depositary will also provide cash monitoring services in respect of each Sub-Fund's cash flows and subscriptions.

The Depositary will be obliged, *inter alia*, to ensure that the sale, issue, repurchase and cancellation of Shares in the ICAV are carried out in accordance with the Regulations and the Prospectus. The Depositary will carry out the instructions of the ICAV, unless they conflict with the Regulations or the Prospectus. The Depositary is also obliged to enquire into the conduct of the ICAV in each financial year and report thereon to the Shareholders.

#### *Depositary Liability*

Pursuant to the Depositary Agreement, the Depositary will be liable for loss of financial instruments held in custody (i.e. those assets which are required to be held in custody pursuant to the Regulations) or in the custody of any sub-custodian, unless it can prove that loss has arisen as a result of an external event beyond its control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary shall also be liable for all other losses suffered as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under the Regulations.

#### *Delegation*

The Depositary may delegate its safekeeping functions to one or more delegates in accordance with, and subject to the Regulations and on the terms set out in the Depositary Agreement. However, its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The performance of the safekeeping function of the Depositary in respect of certain of the ICAV's assets has been delegated to certain delegates, which are listed in Appendix III. The list may be updated from time to time and an up-to-date list of delegates and sub-delegates appointed by the Depositary will be made available to investors on request.

Up-to-date information in relation to the identity of the Depositary, a description of any safekeeping functions delegated by the depositary and any conflicts of interest that may arise from such a delegation, will be made available to investors on request.

The Depositary Agreement between the ICAV, the Manager and the Depositary; this Agreement provides that the appointment of the Depositary will continue unless and until terminated by either party giving to the other ninety (90) days' written notice although in certain circumstances the Depositary Agreement may be terminated immediately by either party provided that the appointment of the Depositary shall continue in force until a replacement depositary approved by the Central Bank has been appointed and provided further that if on or before the date of termination of the Depositary Agreement a new depositary acceptable to the ICAV and the Central Bank has not been appointed to act as depositary to the ICAV, an extraordinary general meeting will be convened by the ICAV at which an ordinary resolution to wind up the ICAV shall be passed so that Shares in the ICAV will be repurchased. The ICAV shall procure that, following repurchase of such Shares (or all but the minimum number required for the ICAV to be an Irish collective asset management vehicle), a liquidator will be appointed so that the ICAV may be wound up.

The ICAV undertakes to hold harmless and indemnify the Depositary (and each of its directors, officers, servants, employees and agents) against any and all actions, proceedings, claims, demands, losses, liabilities, damages, costs or expenses (including reasonable legal and professional fees and reasonable expenses arising therefrom) which may be brought against, or directly or indirectly suffered or incurred by the Depositary or by any of its directors, officers, servants, employees or agents) arising out of or in connection with the proper performance or proper non-performance of the Depositary's duties and obligations hereunder other than as a result of (i) the Depositary's negligent or intentional failure to properly fulfil its duties herein or under the Regulations or (ii) any loss for which the Depositary is liable in accordance with the Depositary Agreement.

Please also refer to the section entitled **Depositary** under the heading **Management of the ICAV** for further details.

#### 12.2. Administration Agreement

The Administration Services Agreement between the ICAV, the Manager and the Administrator; this Agreement provides that the appointment of the Administrator is for an indefinite period until terminated by the Manager or the Administrator giving to the other notice at least a three months' prior written notice although in certain circumstances, as described in the Administration Agreement, the Administration Agreement may be terminated immediately by either party.

The Administration Services Agreement provides that in the absence of negligence, fraud or wilful misconduct in the performance of the services described in the Administration Services Agreement, the Administrator shall not be liable for indirect or consequential loss or damage, or any loss of profits, goodwill, business opportunity, business, revenue or anticipated savings, in relation to the Administration Agreement, whether or not the relevant loss was foreseeable, or the affected party was advised of the possibility of such loss or damage or that such loss was in contemplation of another party.

Under the Administration Services Agreement, the Manager shall indemnify the Administrator as well as any of its employees, from and against all costs, expenses or liabilities as well as of proceedings, demands and claims from third parties vis-à-vis the Administrator, which directly result from the performance of its duties under the Administration Services Agreement except in case of negligence, wilful misconduct or fraud on the part of the Administrator.

Please also refer to the section entitled **Administrator** under the heading **Management of the ICAV** for further details.

#### 12.3. Delegated Discretionary Investment Management Agreement

The Delegated Discretionary Investment Management Agreement between the Manager and the Delegated Discretionary Investment Manager provides that the appointment of the Delegated Discretionary Investment Manager as investment manager will continue in force unless and until terminated by either party giving to the

other 90 days' notice in writing although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. Under this agreement, the Delegated Discretionary Investment Manager shall not be liable to the Manager or any Shareholders or otherwise for any error of judgement or loss suffered by the Manager or any such Shareholder in connection with the Delegated Discretionary Investment Management Agreement unless such loss arises from the negligence, fraud or wilful default in the performance or non-performance by the Delegated Discretionary Investment Manager and Distributor or persons designated by it of its obligations or duties under the agreement or breach of contract on the part of the Delegated Discretionary Investment Manager or any of its agents or delegates or their agents;

The Delegated Discretionary Investment Manager is entitled to fees and expenses as set out in the Supplement of the relevant Sub-Fund.

Please also refer to the section entitled **Investment Manager** under the heading **Management of the ICAV** for further details.

Please refer to each Supplement for details of any other relevant material contracts (if any) in respect of a Sub-Fund.

#### 12.4. Management Agreement

The Management Agreement between the Manager and the ICAV provides that the appointment of the Manager as manager will continue in force unless and until terminated by either party giving to the other 90 days' notice in writing although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other. Under this agreement, the Manager shall not be liable to the ICAV or any Shareholders or otherwise for any error of judgement or loss suffered by the ICAV or any such Shareholder in connection with the Management Agreement unless such loss arises from the negligence, fraud or wilful default in the performance or non-performance by the Manager and/or persons designated by it of its obligations or duties under the agreement.

### 13. MISCELLANEOUS

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

#### 13.1. *Documents available for Inspection*

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

1. the Prospectus (as amended and supplemented to) and the Supplements;
2. the Instrument of Incorporation of the ICAV;
3. the Regulations;
4. the periodic reports most recently prepared and published by the ICAV;
5. the Central Bank UCITS Regulations;
6. the material contracts referred to above; and
7. when available, the latest audited financial statements of the ICAV.

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

#### 13.2. *Information for UK Investors*



The ICAV is required under FSMA and the FCA's Collective Investment Scheme Sourcebook to maintain an address in the UK certain facilities in the interests of Shareholders in the UK. The ICAV has entered into a UK Facilities Agreement with Forth Capital Advisers Limited (the **Facilities Agent**) as the UK representative of the ICAV. Forth Capital Advisers Limited has its registered office at Nova House, 3 Ponton St, Edinburgh EH3 9QQ, United Kingdom. Copies of the following documents may be inspected free of charge at the offices of the Facility Agent during usual business hours on any week day (other than Saturdays and public holidays):

1. the Instrument of Incorporation of the ICAV;
2. any instrument amending the Instrument of Incorporation of the ICAV;
3. the most recent Prospectus (and any Supplements and/or Addenda thereto) issued by the ICAV;
4. the most recent Key Investor Information Documents issued by the ICAV; and
5. the most recent annual and half-yearly reports published by the ICAV.

Copies of the documents referred to above and information about the most recently published prices at which Shares will be issued or redeemed may be obtained free of charge from the Facilities Agent.

Any notices for Shareholders in the United Kingdom may be obtained from the Facilities Agent.

Shareholders in the United Kingdom may redeem Shares and obtain payment of redemption proceeds either on application to the Administrator as described in the Prospectus or on application to the Facilities Agent, for onward transmission to the Administrator.

Any person in the United Kingdom who has a complaint to make about the operation of the ICAV or any Sub-Fund may submit his complaint for transmission to the ICAV to the Facilities Agent.

14. **DIRECTORY**

14.1. **Next Generation Investment Strategies ICAV**

14.2. **DIRECTORS**

TOM TRACY  
ROBERT HARRIS  
GRAHAM BROWN  
PHILIP CRAIG  
MICHAEL WHELAN

14.3. **MANAGER**

KBA CONSULTING MANAGEMENT LIMITED  
5 GEORGE'S DOCK  
IFSC  
DUBLIN D01 X8N7  
IRELAND

14.4. **DEPOSITARY**

CREDIT SUISSE (LUXEMBOURG) S.A., IRELAND BRANCH  
KILMORE HOUSE  
PARK LANE  
SPENCER DOCK  
DUBLIN 1

14.5. **DELEGATED DISCRETIONARY INVESTMENT MANAGER**

MORNINGSTAR INVESTMENT MANAGEMENT EUROPE LIMITED  
1 OLIVER'S YARD,  
55-71 CITY ROAD  
LONDON EC1Y 1HQ  
UNITED KINGDOM

14.6. **ADMINISTRATOR**

CREDIT SUISSE FUND SERVICES (IRELAND) LIMITED  
KILMORE HOUSE  
PARK LANE  
SPENCER DOCK  
DUBLIN 1

14.7. **DISTRIBUTOR**

FORTH CAPITAL LIMITED  
PO BOX 3085 SUITE 6  
MILL WALL WICKHAMS  
CAY TORTOLLA  
BRITISH VIRGIN ISLANDS

14.8. **AUDITORS**

DELOITTE  
29 EARLSFORT TERRACE  
DUBLIN D02 ND96

14.9. **LEGAL ADVISERS**

A&L GOODBODY  
INTERNATIONAL FINANCIAL SERVICES CENTRE  
NORTH WALL QUAY

DUBLIN D01 H104  
IRELAND

14.10. **SECRETARY**

GOODBODY SECRETARIAL LIMITED  
INTERNATIONAL FINANCIAL SERVICES CENTRE  
NORTH WALL QUAY  
DUBLIN D01 H104  
IRELAND

14.11. **MANAGEMENT COMPANY SECRETARY**

KB ASSOCIATES  
5 GEORGE'S DOCK  
IFSC  
DUBLIN D01 X8N7  
IRELAND

## APPENDIX I

### The Regulated Markets

Subject to the provisions of the Central Bank UCITS Regulations and with the exception of permitted investments in unlisted securities, over-the-counter derivative instruments or in units of open-ended collective investment schemes, the ICAV will only invest in securities listed or traded on the following stock exchanges and regulated markets which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public):

(i) any stock exchange which is:-

located in any Member State of the European Union; or

located in any Member State of the European Economic Area (EEA) (Norway, Iceland and Liechtenstein); or

located in any of the following countries:-

- Australia
- Canada
- Japan
- Hong Kong
- New Zealand
- Switzerland
- United Kingdom
- United States of America

any of the following stock exchanges or markets:-

- |            |   |                                    |
|------------|---|------------------------------------|
| Argentina  | - | Bolsa de Comercio de Buenos Aires  |
| Argentina  | - | Bolsa de Comercio de Cordoba       |
| Argentina  | - | Bolsa de Comercio de Rosario       |
| Bahrain    | - | Bahrain Stock Exchange             |
| Bangladesh | - | Dhaka Stock Exchange               |
| Bangladesh | - | Chittagong Stock Exchange          |
| Botswana   | - | Botswana Stock Exchange            |
| Brazil     | - | Bolsa de Valores do Rio de Janeiro |

Brazil	-	Bolsa de Valores de Sao Paulo
Chile	-	Bolsa de Comercio de Santiago
Chile	-	Bolsa Electronica de Chile
Chile	-	Bolsa de Valparaiso
Peoples' Rep. of China	-	Shanghai Securities Exchange
	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Bogota
Colombia	-	Bolsa de Medellin
Colombia	-	Bolsa de Occidente
Croatia	-	Zagreb Stock Exchange
Egypt	-	Alexandria Stock Exchange
Egypt	-	Cairo Stock Exchange
Ghana	-	Ghana Stock Exchange
India	-	Bangalore Stock Exchange
India	-	Delhi Stock Exchange
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange of India
Indonesia	-	Jakarta Stock Exchange
Indonesia	-	Surabaya Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Jordan	-	Amman Financial Market
Kazakhstan (Rep. Of)	-	Central Asian Stock Exchange
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Kuwait	-	Kuwait Stock Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Kuala Lumpur Stock Exchange
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores

Mexico	-	Mercado Mexicano de Derivados
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
New Zealand	-	New Zealand Stock Exchange
Nigeria	-	Nigerian Stock Exchange
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Russia	-	Moscow Exchange MICEX-RTS
Russia	-	Moscow Interbank Currency Exchange
Singapore	-	Singapore Stock Exchange
South Africa	-	Johannesburg Stock Exchange
South Africa	-	South African Futures Exchange
South Africa	-	Bond Exchange of South Africa
South Korea	-	Korea Stock Exchange/KOSDAQ Market
Sri Lanka	-	Colombo Stock Exchange
Taiwan		
(Republic of China)	-	Taiwan Stock Exchange Corporation
Taiwan		
(Republic of China)	-	Gre Tai Securities Market
Taiwan		
(Republic of China)	-	Taiwan Futures Exchange
Thailand	-	Stock Exchange of Thailand
Thailand	-	Market for Alternative Investments
Thailand	-	Bond Electronic Exchange
Thailand	-	Thailand Futures Exchange
Tunisia	-	Bourse des Valeurs Mobilières de Tunis
Turkey	-	Istanbul Stock Exchange

Turkey	-	Turkish Derivatives Exchange
UAE		Abu Dhabi Securities Exchange
UAE		Dubai Financial market
UAE		NASDAQ Dubai
Ukraine	-	Ukrainian Stock Exchange
Uruguay	-	Bolsa de Valores de Montevideo
Uruguay	-	Bolsa Electronica de Valores del Uruguay SA
Vietnam	-	Hanoi Stock Exchange
Vietnam	-	Ho Chi Minh Stock Exchange
Zambia	-	Lusaka Stock Exchange

(ii) any of the following markets:

Moscow Exchange MICEX-RTS (equity securities that are traded on level 1 or level 2 only);

the market organised by the International Securities Market Association;

the market conducted by the **listed money market institutions**, as described in the Financial Services Authority publication **The Investment Business Interim Prudential Sourcebook** which replaces the **Grey Paper** as amended from time to time;

AIM - the Alternative Investment Market in the UK, regulated and operated by the London Stock Exchange;

The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;

NASDAQ in the United States;

The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;

The over-the-counter market in the United States regulated by the National Association of Securities Dealers Inc. (also described as the over-the-counter market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

The French market for Titres de Créances Négotiables (over-the-counter market in negotiable debt instruments);

NASDAQ Europe (is a recently formed market and the general level of liquidity may not compare favourably to that found on more established exchanges);

the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.

SESDAQ (the second tier of the Singapore Stock Exchange.)

(vii) All derivatives exchanges on which permitted FDIs may be listed or traded:

in a Member State;

in a Member State in the European Economic Area to include European Union, Norway and Iceland;

in the United Kingdom

in the United States of America, on the

- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex US;
- New York Futures Exchange;
- New York Board of Trade;
- New York Mercantile Exchange;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the Hong Kong Futures Exchange;

in Japan, on the

- Osaka Securities Exchange;
- Tokyo International Financial Futures Exchange;
- Tokyo Stock Exchange;

in New Zealand, on the New Zealand Futures and Options Exchange;

in Singapore, on the

- Singapore International Monetary Exchange;
- Singapore Commodity Exchange.

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



## Appendix 2

An up-to-date list of these sub-custodians can be found on <https://www.credit-suisse.com/media/pb/docs/lu/privatebanking/services/list-of-credit-suisse-lux-sub-custodians.pdf> and will be made available to Shareholders upon request.

Country	Sub-Custodian	Custody Delegate of Sub-Custodian
Australia	HSBC Securities Services	
Austria	UniCredit Bank Austria AG	
Belgium	SIX SIS AG (Bonds Only)	
Belgium	BNP Paribas Securities Services (Equities only)	
Brazil	Citibank N.A.	
Canada	Royal Bank of Canada GSS Client Service	
Chile	Banco de Chile	
China (Shanghai)	For Shanghai-B-shares only Hongkong & Shanghai Banking Corp.	
China (Shenzhen)	For Shenzhen-B-shares Hongkong & Shanghai Banking Corp. Ltd.	
Colombia	Cititrust Colombia S.A.	
Croatia	Zagrebacka Banka DD	
Czech Republic	Citibank Europe plc	
Denmark	Nordea Bank Danmark A/S	
Egypt	HSBC Bank Egypt SAE	
Estonia	UniCredit Bank Austria AG	AB SEB Bank
Euro Market	Euroclear	
Finland	Nordea Bank Finland Plc	
France	CACEIS Bank	

Germany	SIX SIS AG	
Greece	Citibank Europe PLC	
Hong Kong	Hongkong & Shanghai Bkg Corp. Custody & Clearing	
Hungary	Citibank Europe plc	
India	Hongkong & Shanghai Bkg Corp. Custody & Clearing	
Indonesia	Deutsche Bank AG Jakarta Branch	
Ireland	SIX SIS AG	BNP PARIBAS SECURITIES SERVICES
Israel	Bank Leumi Le-Israel BM	
Italy	BNP Paribas Securities Services Milano	
Japan	Bank of Tokyo-Mitsubishi UFJ, Ltd.	
Jordan	Standard Chartered Bank Securities Services	
Kuwait	HSBC Bank Middle East Ltd	
Malaysia	Hongkong Bank Malaysia Berhad (HBMB)	
Mexico	Banco Santander (Mexico) S.A.	
Morocco	Société Générale Marocaine de Banques	
Netherlands	SIX SIS AG	
New Zealand	HSBC Securities Services	
Norway	Nordea Bank Norge ASA	
Oman	HSBC Bank Oman S.A.O.G	
Pakistan	Deutsche Bank AG	
Philippines	HSBC Securities Services,	

	Philippines	
Poland	Bank Handlowy w Warszawie SA	
Portugal	BNP Paribas Securities Services	
Qatar	HSBC Bank Middle East Limited	
Romania	Citibank Europe plc. Dublin – Romania Branch	
Russia	Societe Generale / Rosbank	
Singapore	Standard Chartered Bank Securities Services	
Slovakia	Euroclear	
Slovenia	UniCredit Bank Austria AG	UniCredit Banka Slovenija d.d.
South Africa	Societe Generale Johannesburg	
South Korea	Standard Chartered Bank Korea Limited	
Spain	BNP Paribas Securities Services	
Sweden	Nordea Bank AB (publ)	
Switzerland	SIX SIS AG	
Taiwan	Standard Chartered Bank (Taiwan) Ltd	
Thailand	Standard Chartered Bank (Thai) Public Company Limited	
Turkey	Citibank A.S.	
U.A.E. Abu Dhabi	HSBC Bank Middle East Ltd (DIFC) Branch	
U.A.E. Dubai	HSBC Bank Middle East Ltd (DIFC) Branch	
U.S.A.	Brown Brothers Harriman & Co. Investor Services	

United Kingdom/ Great Britain	SIX SIS AG	BNP PARIBAS SECURITIES SERVICES
MUTUAL FUNDS	FUNDSETTLE Euroclear Bank S.A. / N.V.	
MUTUAL FUNDS	ALLFUNDS BANK INTERNATIONAL S.A.	