

**Absolute Insight Funds p.l.c.**

**(an umbrella type open-ended investment  
company with variable capital with segregated liability between sub funds)**

**A company incorporated with limited liability under the laws of Ireland with registered number 431087  
and authorised by the Central Bank as a UCITS pursuant to the Regulations**

**PROSPECTUS**

**This Prospectus is dated 11 February 2019**

The Directors of Absolute Insight Funds p.l.c., whose names appear in this Prospectus, accept responsibility for the information contained in this Prospectus and in the Supplements. 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. This Prospectus should be read in conjunction with the Supplement relating to the relevant Fund.

## IMPORTANT INFORMATION

**The authorisation of the Company by the Central Bank does not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or the default of the Company.**

**The value of and income from Shares in the Company may fall as well as rise and you may not get back the amount you have invested in the Company.**

**Information applicable to the Company generally is contained in this Prospectus. Each Fund offered by the Company and the Shares available in the Fund are described in the Supplement for that Fund.**

Before investing in the Company, you should consider the risks involved in such investment. Please see "Risk Factors" applicable to the relevant Fund in this Prospectus and in the relevant Supplement.

**If you are in any doubt about the contents of the Prospectus you should consult your Stockbroker, Bank Manager, Solicitor, Accountant or other financial adviser.**

Distribution of this Prospectus is not authorised in any jurisdiction unless accompanied by the relevant KIID, a copy of the then latest annual report and audited accounts of the Company and, if published after such report, a copy of the then latest semi-annual report and unaudited accounts. Such reports and this Prospectus together form the prospectus for the issue of Shares in the Company.

In deciding whether to invest in the Company, investors should rely on information in this Prospectus, the relevant KIID and the relevant Fund's most recent annual and/or semi-annual reports.

This Prospectus and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Irish law. With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with this Prospectus (including any non-contractual obligations arising out of or in connection with it), each party irrevocably submits to the jurisdiction of the Irish courts.

The Company is an umbrella investment company with variable capital incorporated on 5 December 2006 and is authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the Regulations (as amended). **Such authorisation is not an endorsement or guarantee of the Company or any Fund by the Central Bank, nor is the Central Bank responsible for the contents of this Prospectus.**

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

**Where applicable, the difference at any one time between the issue and repurchase price of Shares in the Company means that the relevant investment should be viewed as medium to long term.**

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 Shares have not been registered under the United States Securities Act of 1933 (as amended) and may not, except in a transaction which does not violate US securities laws, be directly or indirectly offered or sold in the United States or to any United States Person. The Company will not be registered under the United States Investment Company Act of 1940. Shares are not available for subscription by or transfer to, in each case directly or indirectly, any United States Person or Benefit Plan Investor unless determined by the Directors in their sole discretion and specifically permitted under the terms of the Supplement of the relevant Fund.

### General

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

(including fractions thereof) held by a person who is, or is deemed to be, or is acting on behalf of, an Irish person or person ordinarily resident in Ireland on the occurrence of a chargeable event for Irish taxation purposes.

**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.**

This Prospectus may be translated into other languages. Any such translation should 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 except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

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

All Shareholders are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Memorandum and Articles of the Company, copies of which are available upon request from the Manager and the Administrator.

#### *MiFID II Product Governance Rules – UCITS as non-complex financial instruments*

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

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

Defined terms used in this Prospectus shall have the meaning attributed to them in Part 11.

Absolute Insight Funds p.l.c.

TABLE OF CONTENTS

Page Number

<b>DIRECTORY</b> .....	<b>6</b>
<b>PART 1 INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS</b> .....	<b>8</b>
Investment Objectives and Policies.....	8
Investment Restrictions .....	8
Risk Factors.....	8
Borrowing and Lending Powers.....	8
Use of Financial Derivative Instruments (FDIs) .....	8
<b>PART 2 COMPANY STRUCTURE AND CHARACTERISTICS</b> .....	<b>13</b>
Introduction .....	13
Directors of the Company .....	14
Manager .....	15
Investment Manager and Distributor .....	16
Sub-Investment Manager .....	16
Depository.....	16
Administrator.....	18
Paying Agents/Representatives/Sub-Distributors .....	18
<b>PART 3 INVESTING AND DEALING</b> .....	<b>20</b>
Applications for Shares.....	20
Application Forms .....	21
Anti-Money Laundering and Countering Terrorist Financing Measures .....	21
Data Protection .....	22
Abusive Trading Practices/Market Timing .....	23
Form of Shares.....	23
Transfer of Shares .....	24
Repurchases of Shares .....	24
Restriction on Repurchases .....	25
In-Specie Repurchases .....	25
Compulsory Repurchase of Shares/Deduction of Tax .....	26
Uneconomic Fund Size .....	26
Exchange of Shares.....	26
<b>PART 4 PRICING AND VALUATION</b> .....	<b>28</b>
Initial Issue Price.....	28
Issue and Repurchase Prices .....	28
Valuation of Assets and Liabilities .....	28
Suspension of Calculation of Net Asset Value.....	30
Pricing Errors .....	30
<b>PART 5 DISTRIBUTIONS</b> .....	<b>32</b>
Dividend Policy .....	32

<b>PART 6 FEES AND EXPENSES .....</b>	<b>33</b>
Preliminary charge.....	35
Establishment Costs .....	35
Soft Commissions .....	35
<b>PART 7 MANAGEMENT &amp; REPORTING.....</b>	<b>37</b>
Company Transactions and Conflicts of Interest.....	37
Reports and Accounts.....	38
Notification of Prices and Disclosure of Holdings .....	38
Use of a Subscriptions/Redemptions Account.....	38
<b>PART 8 TAXATION.....</b>	<b>40</b>
Irish Taxation.....	40
UK Taxation .....	44
Other Jurisdictions .....	48
<b>PART 9 RISK FACTORS .....</b>	<b>50</b>
<i>General Risks</i> .....	50
<b>PART 10 GENERAL INFORMATION .....</b>	<b>64</b>
Incorporation and Share Capital .....	64
Memorandum and Articles.....	64
Directors' Interests .....	68
Material Contracts.....	68
Information for Investors in the United Kingdom.....	70
Documents for Inspection and Up-to-date Information .....	71
<b>PART 11 DEFINITIONS .....</b>	<b>72</b>
<b>APPENDIX 1.....</b>	<b>82</b>
<b>INVESTMENT RESTRICTIONS.....</b>	<b>82</b>
<b>APPENDIX 2.....</b>	<b>86</b>
<b>REGULATED MARKETS.....</b>	<b>86</b>
<b>APPENDIX 3.....</b>	<b>89</b>

**DIRECTORY**

Absolute Insight Funds Plc  
32 Molesworth Street  
Dublin 2  
D02 Y512  
Ireland

**DIRECTORS**

Charles Farquharson  
John Fitzpatrick  
Michael Boyce  
Barry McGrath  
Greg Brisk

**MANAGER**

Insight Investment Management (Europe) Limited  
32 Molesworth Street  
Dublin 2  
D02 Y512  
Ireland

**INVESTMENT MANAGER AND DISTRIBUTOR**

Insight Investment Funds Management Limited  
160 Queen Victoria Street  
London EC4V 4LA, England

**SUB-INVESTMENT MANAGER**

Insight Investment Management (Global) Limited  
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London EC4V 4LA, England

**DEPOSITARY**

State Street Custodial Services (Ireland) Limited  
78 Sir John Rogerson's Quay,  
Dublin 2  
Ireland

**ADMINISTRATOR**

State Street Fund Services (Ireland) Limited  
78 Sir John Rogerson's Quay,  
Dublin 2  
Ireland

**SECRETARY OF THE COMPANY AND MANAGER**

MFD Secretaries Limited  
32 Molesworth Street  
Dublin 2  
D02 Y512  
Ireland

**INDEPENDENT AUDITORS**

KPMG Chartered Accountants  
1 Harbourmaster Place  
International Financial Services Centre  
Dublin 1  
Ireland

**IRISH LEGAL ADVISERS TO THE COMPANY**

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

## PART 1 INVESTMENT OBJECTIVES, POLICIES AND RESTRICTIONS

### **Investment Objectives and Policies**

The Articles provide that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of the Fund. Details of the investment objective and policies for each Fund of the Company appear in the relevant Supplement for each Fund. Any change in the investment objective, or a material change to the investment policy of a Fund, may only be made with the prior written approval of all Shareholders of the relevant Fund or with the approval of an ordinary resolution of the Shareholders of the relevant Fund. In the case of a change of investment objective and/or a material change in investment policy on the basis of approval of an ordinary resolution of the Shareholders a reasonable prior notice will be given to Shareholders in the relevant Fund to enable them to request the repurchase of their Shares prior to the implementation of the change.

### **Investment Restrictions**

The particular investment restrictions for each Fund will be formulated by the Directors at the time of the creation of each Fund and will appear in the relevant Supplement for that Fund.

It is intended that the Company shall have the power to avail itself of any future change in the investment and borrowing restrictions specified in the Regulations or otherwise reflected in relevant legislation or regulatory guidance which would permit investment by a Fund in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the Regulations. Any such changes to the investment or borrowing restrictions will be disclosed in an updated Prospectus and/or Supplement (in advance or, where not possible and subject to Central Bank requirements, as soon as practicable thereafter) and will be subject to Shareholder approval if appropriate pursuant to the section entitled "Investment Objective and Policies" above.

The general investment restrictions applicable to each Fund are set out in Appendix 1 to the Prospectus.

### **Risk Factors**

The general risk factors as set out in Part 9 below shall apply to each Fund.

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

The investment risks set out in this Prospectus do not purport to be an exhaustive or complete explanation of all the risks. Investors should seek professional advice before investing.

### **Borrowing and Lending Powers**

The Company may borrow up to 10% of a Fund's net assets at any time for the account of any Fund and the Company may charge the assets of such Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes in accordance with the Regulations. Without prejudice to the powers of the Company to invest in transferable securities, the Company may not lend to, or act as guarantor on behalf of, third parties. A Fund may acquire debt securities and securities which are not fully paid.

### **Use of Financial Derivative Instruments (FDIs)**

Details of the policies in respect of the use of FDIs for each Fund, if any, will be set forth in the relevant Supplement.

#### *Investment in Financial Indices through the use of Financial Derivative Instruments*

Where provided for in the relevant Supplement(s), a Fund may gain exposure to financial indices through the use of financial derivative instruments where considered appropriate to the investment objective and investment policies of the relevant Fund.

Such financial indices may or may not comprise of Eligible Assets. Where the composition of a financial index does not meet with the UCITS criteria for financial indices but the index is composed of UCITS eligible assets,



investment by a Fund in a financial derivative instrument giving exposure to such a financial index may be permitted and shall in such cases be regarded as a financial derivative instrument on a combination of UCITS eligible assets.

Where exposure is generated to financial indices which do not comprise of Eligible Assets or in circumstances where an index comprises of Eligible Assets but the relevant Fund cannot comply with the risk spreading rules set down in the Regulations taking into account both direct and indirect exposure of the Fund to the constituents of the relevant index, the Investment Manager shall only gain exposure to financial indices which comply with the Central Bank Rules.

In this regard, any such financial indices will be rebalanced/adjusted on a periodic basis in accordance with the Central Bank Rules e.g. on a weekly, monthly, quarterly, semi-annual or annual basis. The costs associated with gaining exposure to a financial index will be impacted by the frequency with which the relevant financial index is rebalanced.

It may not be possible to comprehensively list the actual financial indices to which exposure may be taken as they have not, as of the date of this Prospectus, been selected and they may change from time to time. A list of the indices which a Fund takes exposure to will be included in the annual financial statements of the Company. Details of any financial indices used by any Fund will also be provided to Shareholders of that Fund by the Investment Manager on request.

Where the weighting of a particular constituent in the financial index exceeds the investment restrictions set down in the Regulations, the Investment Manager will as a priority objective look to remedy the situation taking into account the interests of Shareholders and the relevant Fund.

### **Securities Financing Transactions**

Where provided for in the relevant Supplement, a Fund may use repurchase/reverse repurchase agreements and securities lending (i.e. Securities Financing Transactions) in accordance with the requirements of SFTR and the Central Bank Rules. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the relevant Fund, including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks. Any type of assets that may be held by each Fund in accordance with its investment objective and policies may be subject to such Securities Financing Transactions. Where provided for in the relevant Supplement, a Fund may also use Total Return Swaps and apply these to certain types of assets held by such Fund. There is no restriction on the proportion of assets that may be subject to Securities Financing Transactions and Total Return Swaps and therefore the maximum and expected proportion of a Fund's assets that can be subject to Securities Financing Transactions or Total Return Swaps can be as much as 100%, i.e. all of the assets of the relevant Fund. In any case the most recent semi-annual and annual report of the Company will express as an absolute amount and as a percentage of the relevant Fund's assets the amount of Fund assets subject to Securities Financing Transactions and Total Return Swaps.

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

While the Company will conduct appropriate due diligence in the selection of counterparties, including consideration of the legal status, country of origin, credit rating and minimum credit rating (where relevant), it is noted that the Central Bank Rules do not prescribe any pre trade eligibility criteria for counterparties to a Fund's Securities Financing Transactions. Counterparties to such transactions shall: (1) be entities regulated, approved, registered or supervised in their home jurisdiction; and (2) be located in an OECD Member State, which together will constitute the Company's criteria to select counterparties. Counterparties need not have a minimum credit rating. In accordance with the Credit Ratings Agencies Directive (2013/14/EU), the Investment Manager shall not solely or mechanistically rely on credit ratings in determining the credit quality of an issuer or

counterparty. However, where a counterparty's credit rating is downgraded this shall result in a new credit assessment being conducted of the counterparty without delay.

### **References to Benchmarks**

Certain Funds may refer to indices within the Supplement of the relevant Funds. These indices may be referenced for various purposes including, but not limited to (i) operating as a reference benchmark which the Fund seeks to outperform; (ii) relative VaR measurement; and (iii) calculating performance fees. The particular purpose of the relevant index shall be clearly disclosed in the relevant Supplement. Where an index is used for the purposes of (i) above this will not constitute use of an index within the meaning of Article 3(1)(7)(e) of the Benchmark Regulation unless the relevant supplement (in particular as part of its investment policy or strategy) defines constraints on the asset allocation of the portfolio in relation to the index (e.g. an investment restriction that the Fund must invest only in components of the index or must be partially invested in line with index composition). Other references to indices, including for example for the purposes of relative VaR measurement as outlined at (ii) above, may not constitute use of an index within the meaning of Article 3 (1)(7)(e) of the Benchmark Regulation. Shareholders should note that the Company and/or its distributors may from time to time refer to other indices in marketing literature or other communications purely for financial or risk comparison purposes. However, unless such indices are referred to as such in the Supplement of the Fund they are not formal benchmarks against which the Fund is managed.

Where relevant the Manager shall put in place written plans, in accordance with Article 28(2) of the Benchmark Regulation, detailing the actions it will take in the event that any index it uses for any Fund in accordance with Article 3(1)(7)(e) of the Benchmark Regulation materially changes or ceases to be provided. These written plans shall detail the steps the Manager will take to nominate a suitable alternative index.

Any index used by a Fund in accordance with Article 3(1)(7)(e) of the Benchmark Regulation shall be provided by an administrator either included in the register referred to in Article 36 of the Benchmark Regulation or availing of the transitional arrangements pursuant to Article 51 of the Benchmark Regulation.

### **Eligible Counterparties**

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

### **Collateral Policy**

Collateral – received by a Fund

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

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

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

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

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

absolute discretion. Assets provided to a counterparty other than on a title transfer basis shall be held by the Depository or a duly appointed sub-depositary.

## 1. *Permitted Types of Collateral*

### Non-Cash Collateral

1.1.1. Subject to any amendments as may be made to the Central Bank Rules, 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;
- (ii) **Valuation:** Collateral must be capable of being valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Where appropriate, non-cash collateral held for the benefit of a Fund shall be valued in accordance with the valuation policies and principles applicable to the Company. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value. The rationale for the valuation methodology as described above is to ensure compliance with the requirements in the Central Bank Regulations;
- (iii) **Issuer credit quality:** Collateral received should be of high quality;
- (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. When Funds are exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. To the extent that a Fund avails of the increased issuer exposure facility in section 5(ii) of Schedule 3 of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in section 2.12 of Appendix I to the Prospectus; and
- (vi) **Immediately available:** Collateral received should be capable of being fully enforced by the Company at any time without reference to or approval from the relevant counterparty.

There are no restrictions on maturity provided the collateral is sufficiently liquid.

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

### *Cash collateral*

1.2.1 Reinvestment of cash collateral must at all times, meet with the following requirements:

- (i) Cash received as collateral may only be invested in the following:
  - (a) deposits with a Relevant Institution;
  - (b) high quality government bonds;
  - (c) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on an accrued basis;
  - (d) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049);
- (ii) meet the requirements in section 1.1.1(v) above, where applicable;
- (iii) Invested cash collateral may not be placed on deposit with the counterparty or a related entity.

All assets received by a Fund in the context of repurchase/reverse repurchase agreements and securities lending shall be considered as collateral and must comply with the terms of the Company's collateral policy. Please see the section entitled "Risk Factors" below for details of the risks involved in entering into repurchase agreements and stock lending agreements.

### Level of collateral required

The level of collateral required across all efficient portfolio management techniques or OTC derivatives will be at least 100% of the exposure to the relevant counterparty. This will be achieved by applying the haircut policy set out below.

## Haircut policy

Collateral received must, at all times, meet with the specific criteria outlined in the Central Bank Regulations, in particular, the Manager, the Investment Manager or Sub-Investment Manager, on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests in accordance with the requirements of EMIR. EMIR does not require the application of a haircut for cash variation margin. Accordingly any haircut applied to cover currency risk will be as agreed with the relevant counterparty. The Manager, the Investment Manager or Sub-Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Manager, the Investment Manager or Sub-Investment Manager on an ongoing basis.

### Collateral – posted by a Fund

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

Collateral posted to a counterparty by or on behalf of a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any types of assets held by the Fund.

## PART 2 COMPANY STRUCTURE AND CHARACTERISTICS

### Introduction

Absolute Insight Funds p.l.c. is structured as an umbrella investment company with variable capital, in that different Funds may be established, from time to time, by the Directors with the prior approval of the Central Bank. Shares of more than one Class may be issued in relation to a Fund that may differ as to certain matters including subscription amounts, fees and expenses, designated currencies, whether the Class is hedged or unhedged, and/or different distribution policies, as the Directors may determine may be applicable.

The Classes of Shares established in each Fund shall be set out in the relevant Supplement to the Prospectus. Separate pools of assets will not be maintained for each Class. The creation of further Classes must be notified to, and cleared, in advance with the Central Bank or otherwise effected in accordance with the requirements of the Central Bank.

The Directors may close some or all of the Share Classes in the Fund to subscriptions from existing and/or new Shareholders if the assets attributable to the Fund are at a level, above which, as determined by the Directors, it is not in the best interests of Shareholders to accept further subscriptions (for instance where the size of the Fund may constrain the ability of the Investment Manager to meet the investment objective).

The Directors may subsequently re-open some or all of the Share Classes in the Fund to further subscriptions from existing and/or new Shareholders at their discretion and the process of closing and potentially, re-opening the Share Classes may be repeated thereafter as the Directors may determine from time to time.

Shareholders may ascertain the closed or open status of the Share Classes and if those Share Classes are open to existing and/or new Shareholders by contacting the Administrator. Closing the Share Classes to new subscriptions from existing and/or new Shareholders will not affect the redemption rights of Shareholders.

Investment in each Class of Share shall be restricted to investors who meet certain requirements ("Share Class Restrictions") as set out below:

Restrictions	Share Classes
Share Classes which are intended for distribution to investors who have received professional advice from distributors, platforms and other intermediaries appointed specifically for the purpose of distributing these Share Classes.	Ap, Ap2
Share Classes which are intended for investors who have received portfolio management and independent investment advice and for institutional investors being understood as eligible counterparties, and who either do not accept or are prohibited from receiving and retaining third-party payments (i.e. distribution fees, commissions, or rebates) under applicable law. For the avoidance of doubt these Share Classes may be distributed on platforms which do not offer portfolio management or investment advice to their clients but which may charge a platform fee.	B1p (except Insight Broad Opportunities Fund), B1p2
Share classes which are intended for i) Institutional Investors, and/or distributors, platforms or other intermediaries appointed specifically for the purpose of distributing these Share Classes who charge their clients directly services that they provide in relation to their investment.	B1, B1p (Insight Broad Opportunities Fund only), B2p, B2p2, B3p, B4p
Share Classes which are only available to investors who have entered into a separate investment advisory mandate with the Investment Manager or any of its subsidiary companies or its related companies.	S, Sp

Investment in any Class of Shares shall, in all cases, be subject to the restrictions set out in part 3 of the Prospectus entitled "Investment and Dealing".

Any additional Share Class Restrictions specific to Classes in any particular Fund will be set out in the relevant Supplement.

The Directors have the right in their sole discretion to waive the Share Class Restrictions as detailed above at any time.

On the introduction of any new Fund or Class of Shares, the Company will prepare and the Directors will issue documentation setting out the relevant details of each such Fund or Class of Shares. A separate portfolio of assets shall be maintained for each Fund and shall be invested in accordance with the investment objective applicable to such Fund. **Particulars relating to individual Funds and the Classes of Shares available therein, are given in the relevant Supplements.**

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

The Company may decline any application for Shares in whole or in part without assigning any reason therefor and may decline to accept an initial subscription for Shares of any amount (exclusive of the preliminary charge, if any) which is less than the Minimum Initial Subscription unless the Minimum Initial Subscription is waived by the Directors.

After the initial issue, Shares will be issued and repurchased at the Net Asset Value per Share plus or minus duties and charges (as the case may be) including any preliminary charge specified in the relevant Supplement for the Fund. The Net Asset Value of the Shares of each Class and the issue and repurchase prices will be calculated in accordance with the provisions summarised under the heading "Issue and Repurchase Prices".

All holders of Shares will be entitled to the benefit of, will be bound by, and deemed to have notice of the provisions of the Memorandum and Articles of the Company summarised under the heading "General Information", copies of which are available as detailed below.

### **Directors of the Company**

The Directors of the Company, all of whom are non-executive directors of the Company, are described below:

Mr. Charles Farquharson (British)

Mr. Farquharson joined Insight in January 2005. Having served on the Board of Insight from 2005 – 2017, first as Head of Distribution and then as Chief Risk Officer, he stepped down from the Board to take a new part time role as Head of Fund Governance and Regulation. Before joining Insight, Mr. Farquharson had been with Merrill Lynch Investment Management (formerly Mercury Asset Management) since 1988. During that time, he worked in a number of senior management roles including company secretary, head of compliance and head of legal department, as well as head of institutional business. Prior to Merrill Lynch, he spent five years working in the banking department at Simmons and Simmons after qualifying as a solicitor. Mr. Farquharson has a BA honours, MA degree in Law from Cambridge University.

Mr. John Fitzpatrick (Irish)

Mr. Fitzpatrick is an independent non-executive director serving on the board of a number of regulated entities with over 35 years' experience in the industry. John has worked for KPMG and Price Waterhouse specialising in taxation and company law and more specifically in the funds industry as a former chief executive of a funds administration firm and senior board roles before acquiring a portfolio of non-executive board appointments. John is a current member of the Chartered Institute for Securities and Investment and was a previous chair of the Irish Funds Industry (Irish Funds) and vice president of the European Funds Industry (EFAMA).

Mr. Michael Boyce (Irish)

Mr. Boyce is an independent Irish resident director who was director of Northern Trust Investor Services (Ireland) Limited until November 2005. From September 1997 to May 2000 he was an Executive Director and Head of Ulster Bank Investment Services. Mr. Boyce has over 25 years' experience in investment fund administration and is a member of the Securities Institute. He is a graduate of the Michael Smurfit School of Business at UCD from which he holds a Diploma in Corporate Governance. Mr. Boyce is an independent director of several other fund companies.

Mr. Barry McGrath (Irish)

Mr. McGrath is an independent director and consultant to a number of Irish funds. Prior to this, he was Head of the Investment Funds Group in Maples' Dublin office from 2008-2017. He specialised in financial services law. He was previously a senior partner with a large Irish corporate law firm. He is recommended by a number of directories, including the 2008 editions of Chambers Global, IFLR1000, PLC Which Lawyer?, The Legal 500

and Chambers Europe. Mr. McGrath is a graduate of University College Dublin. Barry has made frequent contributions to investment fund publications and is a regular speaker at both International conferences and domestic seminars. Mr. McGrath was formerly a member of the Counsel of Irish Funds and a member of the Irish Prime Minister's Committee on Irish Funds.

Mr. Greg Brisk (British)

In June 2016, Mr. Brisk became BNY Mellon's Head of Investment Management Governance, reporting to CEO Mitchell Harris and responsible for global governance for its investment management boutiques, distribution businesses and core business groups as well as leading strategic initiatives internationally. In this role Mr. Brisk was appointed to many of BNY Mellon's boutique and regional boards, as BNY Mellon's Investment Management representative, where he serves as proxy to Mitchell Harris to ensure that boutique oversight, coordination and needs are being addressed in a timely manner as well as helping oversee the day-to-day interaction with Risk and Compliance. Prior to this, from January 2013, Mr. Brisk was the Global Head of Risk and Compliance for Investment Management, an independent control function responsible for all aspects of risk and compliance across all of the asset management and wealth management businesses in BNY Mellon. From April 2010 to 2012, Mr. Brisk was responsible for the regional governance and oversight of BNY Mellon's Asset Management business outside the US as Chief Operations Officer, International Asset Management. Prior to 2012 he was Chief Operations Officer for BNY Mellon Asset Management International, the international distribution business of the group. Before taking on that role in 2002, he was the European Head of Risk and Compliance for the Mellon Group. Before joining BNY Mellon in 1999, he worked at the FCA as a banking regulator with responsibility for American banks in London. Mr. Brisk spent his first 17 years working in a variety of roles at the Bank of England.

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

The Company has delegated the day to day management and running of the Company in accordance with policies approved by the Directors to the Manager and has appointed the Depositary as depositary of the assets of the Company. The Manager has delegated certain of its duties to the Investment Manager and the Administrator.

## **Manager**

The Company has appointed Insight Investment Management (Europe) Limited (formerly Insight Investment Management (Ireland) Limited) as manager of the Company pursuant to the Management Agreement (summarised in part 10 below) with power to delegate one or more of its functions subject to the overall control of the Company. The Manager was incorporated on 25 April 2016 as a limited liability company in Ireland under number 581405. The Manager's main business is the provision of fund management services to collective investment schemes such as the Company. It is authorised and supervised by the Central Bank as a UCITS management company under the Regulations and is also authorised by the Central Bank as an alternative investment fund manager under the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013). The secretary of the Manager, MFD Secretaries Limited, also acts as secretary of the Company.

The Central Bank Regulations refer to the "responsible person", being the party responsible for compliance with the relevant requirements of the Central Bank Regulations on behalf of a particular Irish authorised UCITS. The Manager assumes the role of the responsible person for the Company.

The directors of the Manager, all of whom are non-executives, are the same as those of the Company save that there is one additional director, Lee Hutson-Pope on the board of the Manager. A description of each director on both boards appears under the heading "Directors of the Company" above and details for Lee Hutson-Pope are set out below.

Lee Hutson-Pope (British)

Mr. Hutson-Pope joined Insight in November 2008 and is the Head of Distribution Operations, responsible for the oversight of all pooled funds and closed-ended vehicle operations as well as monitoring the third party reporting relationship. Prior to joining Insight, Mr. Hutson-Pope was Head of UK Vendor Management at JPMorgan Asset Management for three years, responsible for all UK and Channel Island outsourcing arrangements. In 1995, Mr. Hutson-Pope worked at Morgan Grenfell (now Deutsche Asset Management) in various roles including Head of Global Equity Client Reporting and Service, Head of DWS UK Transfer Agency and Vice President in Operational Risk Management. He commenced his investment management career in

1991 at the Electricity Supply Pension Scheme as an Investment Accountant. Mr. Hutson-Pope graduated from Oxford Polytechnic (now Oxford Brookes University) with a BSc in Earth Sciences.

### **Investment Manager and Distributor**

Pursuant to two agreements (summarised in Part 10 below), Insight Investment Funds Management Limited serves as both Investment Manager of the Company and as distributor of Shares in the Company's Funds. The Investment Manager has the power to delegate and has delegated its investment management functions to the Sub-Investment Manager which is described below.

Insight Investment Funds Management Limited is a private limited company incorporated under the laws of England and Wales. It is authorised and regulated by the FCA in the UK. Insight Investment Funds Management Limited is a wholly owned subsidiary of Insight Investment Management Limited the ultimate holding company of which is the Bank of New York Mellon Corporation, a corporation registered in the State of Delaware, USA.

Insight Investment Funds Management Limited also acts as the primary entity that promotes of the Funds.

### **Sub-Investment Manager**

The Investment Manager has delegated certain of the functions delegated to it to Insight Investment Management (Global) Limited pursuant to an agreement (summarised in Part 10 below).

Under the terms of the Sub-Investment Management Agreement, the Sub-Investment Manager may, from time to time, delegate the discretionary investment management functions in respect of the assets of each or any Fund to an Insight entity (as described below) in accordance with the Central Bank Rules. Where an Insight entity is appointed but not paid directly out of the assets of the relevant Fund, disclosure of such entity will be provided to the Shareholders on request and details thereof will be disclosed in the Company's periodic reports. Where an Insight entity is appointed and paid directly out of the assets of a Fund, this will be set out in the Supplement for the relevant Fund. For these purposes, an Insight entity is any entity owned by Insight Investment Management Limited, in addition to Insight North America LLC (previously Pareto New York LLC)..

Insight Investment Management (Global) Limited is a private limited company incorporated under the laws of England and Wales. It is authorised and regulated by the FCA in the UK. Insight Investment Management (Global) Limited is a wholly owned subsidiary of Insight Investment Management Limited, the ultimate holding company of which is The Bank of New York Mellon Corporation, a corporation registered in the state of Delaware, USA. The primary responsibility of the Sub-Investment Manager is to manage the investments of the Company on a discretionary basis.

### **Depository**

The Company has appointed State Street Custodial Services (Ireland) Limited as depository of its assets pursuant to the Depository Agreement (summarised in Part 10 below). The Depository provides safe custody for the Company's assets. The Depository is a limited liability company incorporated in Ireland on 22 May, 1991 and is, like the Administrator, ultimately owned by the State Street Corporation. Its authorised share capital is Stg£5,000,000 and its issued and paid up capital is Stg£200,000. State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange under the symbol "STT".

The principal activity of the Depository is to act as depository and trustee to collective investment schemes.

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

- (i) the Depository shall (a) hold in custody all financial instruments that may be registered in a financial instruments account opened in the Depository's books and all financial instruments that can be physically delivered to the Depository and (b) ensure that all financial instruments that can be registered in a financial instruments account opened in the Depository's books are registered in the Depository's books within segregated accounts in accordance with the principles set out in Article 16 of Commission Directive 2006/73/EC, opened in the name of the Company, so that they can be clearly identified as belonging to the Company in accordance with the applicable law at all times;



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

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

Under the terms of the Depositary Agreement, the Depositary may from time to time delegate the duties and functions in relation to (i) and (ii) above provided that (i) the services are not delegated with the intention of avoiding the requirements of the Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) the Depositary has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of its safekeeping obligations, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. As at the date of this Prospectus, the Depositary has delegated to its global sub-custodian, The State Street Bank and Trust Company, responsibility for the safekeeping of the Company's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates set out in Appendix 3.

#### Summary of Oversight Obligations:

The Depositary is obliged, among other things, to:

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

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

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

In discharging its role, the Depositary shall act honestly, fairly, professionally, independently and in the interests of the Company and the Shareholders.

### **Administrator**

The Manager has appointed State Street Fund Services (Ireland) Limited to provide administration services to the Company.

The Administrator is a limited liability company incorporated in Ireland on 23 March, 1992 and is ultimately a wholly-owned subsidiary of the State Street Corporation. The authorised share capital of State Street Fund Services (Ireland) Limited is Stg£5,000,000 with an issued and paid up capital of Stg£350,000. State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange under the symbol "STT".

Pursuant to the administration agreement ("**Administration Agreement**") (summarised in Part 10 below), the Administrator will be responsible, under the ultimate supervision of the Directors, for matters pertaining to the administration of each Fund, namely: (a) maintaining the accounting books and records of each Fund and the Company, calculating the Net Asset Value of each Fund and preparing monthly financial statements; (b) maintaining the corporate and financial books and records of each Fund and the Company; (c) providing registrar and transfer agent services in connection with the issuance, transfer and redemption of the Shares; and (d) performing other administrative and clerical services necessary in connection with the administration of the Company and each Fund including acting as the secretary of the Company.

The Administrator is a service provider to the Company and does not have any responsibility or authority to make investment decisions, nor render investment advice, with respect to the assets of each Fund. The Administrator has no responsibility for monitoring compliance by the Company or the Investment Manager with any investment policies or restrictions to which they are subject. The Administrator accepts no responsibility or liability for any losses suffered by the Company as a result of any breach of such policies or restrictions by the Company or the Investment Manager.

The Company reserves the right to change the administration arrangements described above by agreement with the Administrator and/or in its discretion to appoint an alternative administrator in accordance with the Central Bank Rules.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is not responsible for the preparation of this document other than the preparation of the above description and accepts no responsibility or liability for any information contained in this document except disclosures relating to it.

As at the date of this Prospectus, the Administrator is not aware of any conflicts of interest in respect of its appointment as administrator to the Company. If a conflict of interest arises, the Administrator will ensure it is addressed in accordance with the Administration Agreement, applicable laws and in the best interests of the Shareholders.

### **Paying Agents/Representatives/Sub-Distributors**

Local laws and/or regulations in EEA Member States may require the appointment of paying agents, representatives, distributors or correspondent banks ("**Paying Agents**") and maintenance of accounts by such Paying 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 Depositary for the account of the Company and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

Country Supplements dealing with matters pertaining to Shareholders in jurisdictions in which Paying Agents are appointed may be prepared for circulation to such Shareholders. Fees and expenses of Paying Agents appointed by the Company on behalf of a Fund or a Class will be at normal commercial rates. Where the fees and expenses are payable out of the Net Asset Value of a particular Fund, all Shareholders of that Fund will be entitled to avail of the services provided by Paying Agents. Where the fees and expenses are payable out of the

Net Asset Value attributable to a particular Class, only Shareholders in that Class will be entitled to avail of the services of the Paying Agent.

### **Applications for Shares**

Under the Articles, the Directors are given authority to effect the issue of Shares of any Class and to create new Classes of Shares in accordance with the Central Bank Rules, and have absolute discretion to accept or reject in whole or in part any application for Shares. All Shares of each Class will rank *pari passu* unless otherwise provided when the Shares are first offered for sale.

It is intended that issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the relevant Dealing Deadline. Dealing Days and Dealing Deadlines relating to each Fund are specified in the relevant Supplement.

Initial subscriptions for shares may be made by post, telephone instruction or by fax or otherwise in writing as may be prescribed by the Directors from time to time and in accordance with the Central Bank Rules. Prior to or at the time of initial subscriptions, all applicants must complete and sign the Application Form and should submit same promptly to the Administrator (together with all supporting documentation in relation to money laundering prevention checks) by post or by fax.

Subsequent applications by existing Shareholders may be made by post, telephone instruction, fax or electronically (only in the case of Shareholders who have agreed to the electronic dealing terms and conditions of the Administrator) or by such other means as may be prescribed, from time to time, by the Directors where such means are in accordance with the requirements of the Central Bank. Telephone calls will be recorded.

Initial or subsequent applications by Shareholders must be made by the relevant Dealing Deadline. If a subscription is received after the relevant Dealing Deadline for the relevant Dealing Day, the application shall (unless otherwise determined by the Directors (or their duly appointed delegate) and provided it is received before the relevant Valuation Point) be deemed to have been received by the following relevant Dealing Deadline. Applications sent to the Administrator in any form will be treated as definite orders. No application will be capable of withdrawal after acceptance by the Directors or their delegate or the Administrator, unless such withdrawal is approved by the Directors, acting in their absolute discretion. In such circumstances the Directors may charge the applicant for any expense incurred by the Company and for any loss to the relevant Fund arising out of such withdrawal. Any changes to a Shareholder's details or payment instructions will only be made on receipt of an original instruction.

If payment in full in cleared funds in respect of an application has not been received into the Subscriptions/Redemptions Account by the relevant Settlement Date (as specified in the relevant Supplement for the Fund) or in the event of non-clearance, any provisional allotment of Shares made in respect of such application may be cancelled and the Directors may charge the applicant for any expense incurred by the Company and for any loss to the Fund arising out of such non-receipt or non-clearance. Monies returned will be at the risk and expense of the applicant.

Subscription monies in respect of each Fund are payable in the currency of the relevant Class by electronic transfer to the Subscriptions/Redemptions Account. However, the Company may in its discretion, accept payment in such other currencies as the Directors may agree, but such payments will be converted into the relevant Base Currency at the prevailing exchange rate available to the Administrator on the date of receipt of the subscription monies and only the net proceeds (after deducting the conversion expenses) will be applied towards payment of the subscription monies. This may result in a delay in processing the application.

Where the subscription monies are received into the Subscriptions/Redemptions Account from an investor in advance of Shares being issued (as will be the case in the context of a Fund which operates on a cleared funds basis), such subscription monies will be the property of the relevant Fund and accordingly an investor will be treated as a general unsecured creditor of the Company during the period between receipt of subscription monies into the Subscriptions/Redemptions Account and the issue of Shares in respect of the subscription amount held in the Subscription/ Redemptions Account.

The Directors may in their absolute discretion, provided that they are satisfied that the investments are suitable for the relevant Fund and the Depositary is satisfied that no material prejudice would result to any existing Shareholders and subject to the Regulations, allot Shares of any Class of a Fund against the vesting in the Fund of investments which would form part of the assets of the relevant Fund. The number of Shares of a Fund

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 Company have been issued for cash against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated on such basis as the Directors may decide, but such value cannot exceed the highest amount at which they would be valued by applying the valuation methods described under Part 4 below.

Fractions of not less than 0.0001 of a Share may be issued or such other fractional amount as the Directors may determine from time to time, provided, however, that fractional Shares shall not carry any voting rights and the net asset value of a fractional Share of any Fund or class shall be adjusted by the ratio which such fractional Share bears to an integral Share of that Fund or class at the time of issue and any dividend payable on such fractional Shares shall be adjusted in like manner. Subscription monies representing smaller fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund in order to defray administration costs.

### **Application Forms**

The terms of the Application Form are not negotiable and applicants and Shareholders may not amend, delete, edit or supplement any term of the Application Form. Any such purported adjustments to terms that an applicant/Shareholder may attempt to make by writing in sections of the Application Form without authorisation shall be deemed not applicable and shall not adjust the terms on which the Shares are being offered to an applicant or Shareholder. Applicants or Shareholders are required to only complete the Application Form as directed and sign as and where indicated.

The Application Form contains certain conditions regarding the application procedure for Shares in the Company and certain indemnities in favour of the Company, the Manager, the Distributor, the Investment Manager, the Sub-Investment Manager, the Administrator, the Depositary and the other Shareholders for any loss suffered by them as a result of an applicant or applicants acquiring or holding Shares in the Company. Applicants must also certify that they do not qualify as, and are not investing directly or indirectly on behalf of, U.S. Persons or Benefit Plan Investors.

Where a Shareholder is a trustee of a pension scheme or charity (whether as a corporate, as individual(s) or otherwise) or a nominee investing on behalf of such trustee, in the absence of fraud of such Shareholder (and, where the Shareholder is a nominee, of the trustee), the liability of such Shareholder, to the Company, the Manager, the Distributor, the Investment Manager, the Sub-Investment Manager, the Administrator, the Depositary and other Shareholders, for any loss suffered by them as a result of such Shareholder acquiring or holding Shares in the Company (including under the indemnities provided in the Application Form), is limited to the value of the assets of the relevant pension scheme or charity, or in the case of a pension scheme or charity which is divided into sections where the assets of one section cannot be used to meet liabilities of another section, to the value of the assets of the section to which the Shares relate.

The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any Class of Shares in a Fund is set out in the Articles and described in Part 4 - Pricing and Valuation below. Shares may not be issued or sold by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under the heading "Suspension of Calculation of Net Asset Value" below. Applicants for Shares will be notified of such suspension and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Investors are advised to notify the Company and the Administrator in advance of substantial subscription requests.

None of the Company, the Manager, the Administrator, the Investment Manager, Sub-Investment Manager or the Depositary or any of their respective directors, officers, employees, delegates or agents will be responsible or liable for the authenticity of subscription or related instructions from Shareholders reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions.

### **Anti-Money Laundering and Countering Terrorist Financing Measures**

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. Politically exposed persons ("PEPs"), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, and immediate family member, or persons known to close associates of such persons, must also be identified. By way of example an individual

may be required to produce an original certified copy of a passport or identification card together with evidence of his/her address such as two original copies of evidence of his/her address, i.e. utility bills or bank statements, date of birth and tax residence. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and resident and business address of all directors. Depending on the circumstances of each application, a detailed verification might not be required where for example, the application is made through a recognised intermediary. This exception will only apply if the intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations or satisfies other applicable conditions and the investor produces a letter of undertaking from the recognised intermediary. Intermediaries cannot rely on third parties to meet the obligation to monitor the ongoing business relationship with an investor which remains their ultimate responsibility.

The Company is regulated by the Central Bank, and must comply with the measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and the Criminal Justice Act 2013 which are aimed towards the prevention of money laundering and terrorist financing. In order to comply with these anti-money laundering and counter-terrorism financing regulations, the Administrator, on the Company's behalf, 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 Company, the Distributor and the Administrator each reserve the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner pursuant to the Beneficial Ownership Regulations 2016 (SI 560 of 2016) or as otherwise required.

Verification of the investor's identity is required to take place before the establishment of the business relationship. In any event, evidence of identity is required for all investors as soon as is reasonably practicable after the initial contact. In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the Distributor or the Company may refuse to accept the application and subscription monies and return all subscription monies or compulsorily repurchase such Shareholder's Shares and/or payment of repurchase proceeds may be delayed (no repurchase proceeds will be paid if the Shareholder fails to produce such information). In addition, where dividends are due to be paid to a Shareholder and the Shareholder has not produced sufficient information required for verification purposes, these payments will be automatically re-invested in further Shares for the Shareholder pending receipt of such outstanding information. None of the Company, the Directors, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily repurchased or payment of repurchase proceeds is delayed in such circumstances. Any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of redemption proceeds. In such circumstances, the Administrator will process any redemption request received by a Shareholder, however the proceeds of that redemption shall remain an asset of the Fund and the Shareholder will rank as a general creditor of the Company until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which redemption proceeds will be released.

Similarly any failure to supply the Company or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of dividend payments. In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which such dividend will be paid. The Administrator may refuse to pay or delay payment of repurchase proceeds where the requisite information for verification purposes has not been produced by a Shareholder or has been provided in incomplete form.

## **Data Protection**

The Company has prepared a document outlining the Company's data protection obligations and the data protection rights of individuals under the Data Protection Legislation (the "**Privacy Notice**").

All new investors shall receive a copy of the Privacy Notice as part of the process to subscribe for Shares in the Company. The Privacy Notice contains information on the following matters in relation to data protection:

- that investors will provide the Company with certain personal information which constitutes personal data within the meaning of the Data Protection Legislation;

- a description of the purposes and legal bases for which the personal data may be used;
- details on the transmission of personal data, including (if applicable) to entities located outside the EEA;
- details of data protection measures taken by the Company;
- an outline of the various data protection rights of individuals as data subjects under the Data Protection Legislation;
- information on the Company's policy for retention of personal data;
- contact details for further information on data protection matters.

Given the specific purposes for which the Company and its affiliates and delegates envisage using personal data, under the provisions of the Data Protection Legislation, it is not anticipated that individual consent will be required for such use. However, as outlined in the Privacy Notice, individuals have the right to object to the processing of their data where the Company has considered this to be necessary for the purposes of its or a third party's legitimate interests.

### **Abusive Trading Practices/Market Timing**

The Directors generally encourage investors to invest in the Funds as part of a long-term investment strategy and discourages excessive or short term or abusive trading practices. Such activities, sometimes referred to as "market timing", may have a detrimental effect on the Funds and Shareholders. For example, depending upon various factors such as the size of the Fund and the amount of its assets maintained in cash, short-term or excessive trading by Shareholders may interfere with the efficient management of the Fund's portfolio, increased transaction costs and taxes and may harm the performance of the Fund.

The Directors seek to deter and prevent abusive trading practices and to reduce these risks, through several methods, including the following:

- (i) to the extent that there is a delay between a change in the value of a Fund's portfolio holdings and the time when that change is reflected in the Net Asset Value per Share, a Fund is exposed to the risk that investors may seek to exploit this delay by purchasing or redeeming Shares at a Net Asset Value which does not reflect appropriate fair value prices. The Directors seek to deter and prevent this activity, sometimes referred to as "stale price arbitrage", by the appropriate use of its power to adjust the value of any investment having regard to relevant considerations in order to reflect the fair value of such investment.
- (ii) the Directors may monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices and reserve the right to exercise its discretion to reject any subscription or conversion transaction without assigning any reason therefore and without payment of compensation if, in their judgement, the transaction may adversely affect the interest of a Fund or its Shareholders. The Directors may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as it deems appropriate to restrict such activities, including levying a redemption charge of up to 3% per cent of the Net Asset Value of Shares the subject of a redemption request, if such a charge is provided for in the relevant Supplement.

There can be no assurances that abusive trading practices can be mitigated or eliminated. For example nominee accounts in which purchases and sales of Shares by multiple investors may be aggregated for dealing with the Fund on a net basis, conceal the identity of underlying investors in a Fund which makes it more difficult for the Directors and their delegates to identify abusive trading practices.

### **Form of Shares**

Shares will be issued in registered form. Share certificates will not be issued. Contract notes confirming ownership of Shares and evidencing entry in the register will normally be sent to all applicants following receipt of subscription monies in cleared funds and receipt of the completed Application Form together with any documentation required by the Administrator. A Share in a Fund is personal property which confers proprietary rights and it can be sold or transferred for money or other consideration in accordance with the procedures set forth in the section entitled "Transfer of Shares" below.

The Shareholder entered in the register shall be the absolute owner of Shares. No person shall be recognized as holding any Shares on trust. For the avoidance of doubt, the Company shall not be bound to recognize any equitable, contingent, future, partial or other interest in any Shares (except as required under the Memorandum and Articles of Association or as required by law).

## **Transfer of Shares**

Shares in each Fund will be transferable by a stock transfer form signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor provided always that the transferee completes an Application Form (which, inter alia, includes a certification that the transferee meets any relevant eligibility criteria for the Fund) to the satisfaction of the Directors and/or Administrator and furnishes the Administrator with any documents required by it. In the case of the death of one of the joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders.

Shares may not be transferred to a United States Person (except pursuant to an exemption available under the laws of the United States and with the approval of the Directors).

Registration of any transfer may be refused by the Directors in their absolute discretion in the circumstances set out in the Articles or as otherwise set out in the relevant Supplement, including if following the transfer, either the transferor or the transferee would hold Shares having a value less than the Minimum Holding for the relevant Fund (if any).

If any tax liability arises on the transfer of any Shares, the Company may repurchase and cancel a sufficient portion of the transferor's Shares as will enable the Company to pay the tax payable in respect of the transfer to the Revenue Commissioners in Ireland.

## **Repurchases of Shares**

Requests for the repurchase of Shares may be made to the Administrator by post, telephone instruction, fax or electronically (only in the case of Shareholders who have agreed to the electronic dealing terms and conditions of the Administrator). Requests by fax will be treated as definite orders and will not be capable of revocation without the consent of the Directors. Telephone requests will be recorded.

Repurchase requests will be processed on receipt of valid instructions only where the original Application Form and any supporting documentation has been received from the relevant Shareholder (including documentation in relation to money laundering prevention checks) and all anti-money laundering checks have been completed and payment is made to the account of record or mandated alternative. Otherwise, the original signed Repurchase Form must be promptly sent by courier or air mail to the Administrator. Any changes to a Shareholder's details or payment instructions will only be made on receipt of an original instruction.

Repurchase requests by Shareholders must be made by the relevant Dealing Deadline. Repurchase requests received after the relevant Dealing Deadline shall (unless otherwise determined by the Directors and provided they are received before the relevant Valuation Point) be treated as having been received by the following relevant Dealing Deadline. A repurchase request will not be capable of withdrawal after submission to the Administrator, unless such withdrawal is approved by the Directors, acting in their absolute discretion. The Directors may, in their absolute discretion, agree to designate additional Dealing Days and Valuation Points for the repurchase of Shares relating to any Fund.

The Minimum Repurchase Amount (if any) may vary according to the Fund or the Class of Share and shall, where relevant, be set out in the Supplement.

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

Payment of repurchase proceeds will be made to the registered Shareholder or in favour of the joint registered Shareholders as appropriate unless the Administrator is otherwise instructed in writing by the registered Shareholder or joint registered Shareholders.

When a repurchase request has been submitted by an investor which may result in a tax liability, the Company shall deduct from the repurchase proceeds an amount which is equal to the tax payable to the Revenue Commissioners in Ireland in respect of the relevant transaction.

Payments of redemption proceeds may be withheld by the Company and no interest will be payable on the amount withheld, where the relevant Shareholder has failed to produce to the Company, the Administrator or



Distributor such information as is required to be obtained under the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and the Criminal Justice Act 2013 and the guidance notes issued thereunder to enable the Company to verify the identity of the Shareholder.

The amount due on repurchase of Shares will usually be paid by electronic transfer at the Shareholder's risk and expense in the designated currency of the relevant Class (or in such other currency as may be approved by the Directors from time to time) by the Settlement Date for the relevant Fund and subject to receipt of completed repurchase request. In no event shall repurchase proceeds be paid until such papers as may be required by the Directors have been received from the investor and all of the necessary anti-money laundering checks have been carried out, verified and received in original form.

Investors are advised to notify the Company and the Administrator in advance of substantial repurchase requests.

Investors should note that any redemption proceeds being paid out by a Fund and held for any time in the Subscriptions/Redemptions Account shall remain the property of the relevant Fund until such time as the proceeds are released to the investor. This would include, for example, cases where redemption proceeds are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the Company or the Administrator – enhancing the need to address these issues promptly so that the proceeds may be released. It should also be noted that the investor shall have ceased being considered a Shareholder and instead will rank as a general unsecured creditor of the Company with respect to the redemption amount held in the Subscriptions/ Redemptions Account and will not have the protection of the Investor Money Regulations.

### **Restriction on Repurchases**

The Company is entitled to limit the number of Shares of any Fund repurchased on any Dealing Day to Shares representing not more than 10% of the Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply *pro rata*, so that all Shareholders wishing to have Shares of that Fund repurchased on that Dealing Day realise the same proportion of their Shares, or in such other manner as the Directors consider to be appropriate taking into account the best interests of the repurchasing and existing Shareholders. Shares not repurchased, but which would otherwise have been repurchased, will be carried forward for repurchase on the next Dealing Day and will be dealt with in priority (on a *pro rata* basis or in such other manner as the Directors consider to be appropriate as detailed above) to repurchase requests received subsequently. If requests for repurchase are so carried forward, the Administrator will inform the Shareholders affected.

Shares may not be repurchased by the Company during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under the heading "Suspension of Calculation of Net Asset Value" below. Investors who have made repurchase requests will be notified of such suspension and, unless withdrawn, such requests will be considered as at the next Dealing Day following the ending of such suspension.

### **In-Specie Repurchases**

The Articles contain special provisions with respect to a repurchase request received from a Shareholder which would result in Shares representing more than 5% of the Net Asset Value of any Fund being repurchased by the Company on any Dealing Day. In such a case the Company, at the discretion of the Directors, may satisfy the repurchase request in whole or in part by a distribution of investments of the relevant Fund *in specie*, provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The assets to be transferred shall be selected at the discretion of the Sub-Investment Manager, subject to the approval of the Depositary, and taken at their value used in determining the repurchase price of the Shares being repurchased. Where a Shareholder requesting such repurchase receives notice of the Company's intention to elect to satisfy the repurchase request by such a distribution of assets, the Shareholder may require that the Company, instead of transferring those assets, arrange for their sale and the payment of the net proceeds of sale to that Shareholder. The costs of such sale shall be borne by the relevant investor.

The Articles also contain special provisions with respect to a repurchase request received from a Shareholder which would result in Shares representing less than 5% of the Net Asset Value of any Fund being repurchased by the Company on any Dealing Day. In such a case the Company, with the consent of the relevant Shareholder, may satisfy the repurchase request in whole or in part by a distribution of investments of the relevant Fund *in specie*, provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The assets to be transferred shall be selected at the discretion of the

Sub-Investment Manager, subject to the approval of the Depositary, and taken at their value used in determining the repurchase price of the Shares being repurchased.

### **Compulsory Repurchase of Shares/Deduction of Tax**

Shareholders are required to notify the Company and the Administrator immediately if they become U.S. Persons or persons who are otherwise subject to restrictions on ownership as set out in this Prospectus and such Shareholders may be required to sell or transfer their Shares. The Company may repurchase any Shares which are or become owned, directly or indirectly, by or for the benefit of any person in breach of any restrictions on ownership from time to time as set out in this Prospectus or if the holding of Shares by any person is unlawful or is likely to result or results in any tax, fiscal, legal, regulatory, pecuniary liability or disadvantage or material administrative disadvantage to the Company, the Shareholders as a whole or any Fund or Class. The Company may also repurchase any Shares held by any person who holds less than the Minimum Shareholding or who does not, within seven days of a request by or on behalf of the Directors, supply any information or declaration required under the terms hereof to be furnished (including, without limitation, the failure to provide such documentation as may be required by the Company to satisfy the Company as to the identity and verification of beneficial ownership of any proposed transferee in accordance with anti-money laundering and prevention of terrorism law applicable in Ireland and the failure to provide any declarations including declarations as to appropriate tax status of the transferee). The Company may apply the proceeds of such compulsory repurchase in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by a Shareholder including any interest or penalties payable thereon.

When a repurchase request has been submitted by an investor which may result in a tax liability, the Company shall deduct from the repurchase proceeds an amount which is equal to the tax payable by the Company to the Revenue Commissioners in respect of the relevant transaction. The attention of investors is drawn to Part 8 of this Prospectus entitled "Taxation" which details circumstances in which the Company shall be entitled to deduct from payments to Shareholders and/or compulsorily repurchase Shares to discharge any liability to Irish taxation including any penalties and interest thereon. Relevant Shareholders will be required to indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of an event giving rise to a charge to taxation.

### **Uneconomic Fund Size**

The Company may repurchase all the Shares of any Fund if, at any time after the initial issue of such Shares, the Net Asset Value of the relevant Fund is less than the minimum viable amount as determined by the Directors in their absolute discretion.

### **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 (the **Original Class**) for Shares of another Class (such Class being either in the same Fund or in a separate Fund) which are being offered at that time (the **New Class**) provided that all the criteria for applying for Shares in the New Class have been met, by giving notice to the Administrator on behalf of the Company on or prior to the Dealing Deadline for the relevant Dealing Day. The Directors however may at their discretion agree to accept requests for exchange received after that time provided they are received prior to the relevant Valuation Point. The Directors may at their discretion refuse to accept a request for exchange if, due to its size or otherwise, realisation of such amounts from assets of one Fund and re-investment of an equivalent in another Fund would not be in the best interests of the Shareholders in the relevant Funds. The general provisions and procedures relating to repurchases will apply equally to exchanges. All exchanges will be treated as a repurchase of the Shares of the Original Class and application of the net proceeds to the purchase of Shares of the New Class, based upon the then current issue and repurchase prices of Shares in each Class. The Articles allow for an exchange fee of up to 2% of the total repurchase price of the Shares of the Original Class repurchased to be charged, however it is not the current intention of the Directors to impose such a charge.

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

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

where:

<b>R</b>	=	the number of Shares of the Original Class to be exchanged;
<b>S</b>	=	the number of Shares of the New Class to be issued;
<b>RP</b>	=	the repurchase price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;
<b>ER</b>	=	the exchange rate, which 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 Directors on or about 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 Classes and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;
<b>SP</b>	=	the issue price per Share of the New Class as at the Valuation Point for the relevant Dealing Day; and
<b>F</b>	=	the exchange charge, if any payable to the Company, or as it may direct, on the exchange of Shares.

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.

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "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.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to or exceeds the Minimum Initial Subscription for the relevant New Class (if any) specified in the relevant Supplement. 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 Holding for the Original Class, unless otherwise approved by the Directors.

### **Initial Issue Price**

The initial issue price for Shares of each Fund shall be the amount(s) set out in the relevant Supplement.

### **Issue and Repurchase Prices**

The price at which Shares of each Class of any Fund will be issued on a Dealing Day, after the initial issue, is calculated by ascertaining the Net Asset Value of the relevant Fund (i.e. the value of the assets of the Fund having deducted the liabilities of the Fund therefrom) as at the Valuation Point for that Fund for the relevant Dealing Day. The Net Asset Value per Share of the relevant Fund is calculated by dividing the Net Asset Value of the relevant Fund, by the total number of Shares in issue in the Fund at the relevant Valuation Point and rounding the result to a maximum of four decimal places. Where applicable, the Net Asset Value per Share of each Class in a Fund is calculated by determining that portion of the Net Asset Value of the Fund which is attributable to the relevant Class and by dividing this sum by the total number of Shares of the relevant Class in issue at the relevant Valuation Point and rounding the resulting amount to a maximum of four decimal places. If a Fund has more than one Class of Share, additional fees may be charged against certain Classes, and details of such fees will be set forth in the relevant Supplement for the Fund. This may result in the Net Asset Value per Share of each Class being different.

In addition, Shares may be issued and repurchased at different prices due to the adjustments which may be made to the Net Asset Value per Share as described herein.

The price at which Shares will be purchased on a Dealing Day is, subject as hereinafter provided, the Net Asset Value per Share of the relevant Class which is calculated in the manner described above. Applicants may also be charged a preliminary charge as specified in the relevant Supplement for the Fund.

The price at which Shares will be repurchased on a Dealing Day, is subject as hereinafter provided, the Net Asset Value per Share of the relevant Class which is calculated in the manner described above. Where specified in the relevant Supplement, applicants may also be charged a redemption charge.

### **Dilution Adjustment**

Where specified in the relevant Supplement, the Company may, in the event of there being net subscriptions or repurchases on any Dealing Day, make a percentage adjustment (to be communicated by the Administrator) on a transaction basis on the value of the relevant subscription or repurchase, calculated for the purposes of determining a subscription price or redemption price to preserve the value of the underlying assets of the relevant Fund (a "**Dilution Adjustment**").

One particular example of how a Dilution Adjustment might be applied is where repurchase requests received by the Directors would necessitate, in the opinion of the Directors, the breaking of deposits at a penalty or the realisation of assets at a discount below their value, as calculated in accordance with 'Valuation of Assets and Liabilities' section. In such a scenario, the Repurchase Price in respect of the relevant Shares may be reduced by a proportionate part of such reduction in value or penalty which will be suffered by the relevant Fund in such manner as the Directors may consider fair and equitable and which is approved by the Depositary. Alternatively, the Directors may arrange for the Company to borrow funds subject always to any borrowing restrictions in force in relation to the Company or the relevant Fund, and the costs of such borrowings may be apportioned as aforesaid to such extent as the Directors may consider fair and equitable and which is approved by the Depositary.

The Directors reserve the right to waive the Dilution Adjustment at any time. Such amount will be added to the price at which Shares will be issued in the case of net subscription requests or deducted from the price at which Shares will be repurchased in the case of net repurchase requests. Any such sum will be paid into the account of the relevant Fund.

### **Valuation of Assets and Liabilities**

The Articles provide for the calculation of the Net Asset Value of the Fund, the Net Asset Value attributable to

each Class in a Fund and the Calculation of the Net Asset Value per Share.

The assets and liabilities of a Fund will be valued at the Valuation Point as follows:-

- (a) Assets listed or traded on a recognised exchange (other than those referred to at (e) below) for which market quotations are readily available shall be valued at the latest mid-market price (or if no trading shall take place in that market on that Business Day on the last day on which trading in that market took place before that Business Day) for such amount or quantity of such investment as the Manager may consider in the circumstances to provide a fair criterion. Where a security is listed or dealt in on more than one recognised exchange, the relevant exchange or market shall be the principal or main stock exchange or market on which the security is listed or dealt on or the exchange or market which the Manager determines provides the fairest criteria in determining a value for the relevant investment. Assets listed or traded on a recognised exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point provided that the Depositary shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.
- (b) The value of any investment which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt but for which no such quotation or value is available, or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the Manager or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Manager and approved for the purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined using matrix methodology compiled by the Manager or competent person (as approved by the Depositary) whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.
- (c) Cash (in hand or on deposit) will be valued at its nominal/face value plus accrued interest or less debit interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (d) Notwithstanding paragraph (a) above, units in collective investment schemes shall be valued at the latest available net asset value per unit or latest bid price as published by the relevant collective investment scheme or, if listed or traded on a recognised exchange, in accordance with (a) above.
- (e) Exchange-traded derivative instruments will be valued based on the settlement price as determined by the market where the instrument is traded. If such settlement price is not available, such value shall be calculated in accordance with (b) above.
- (f) Notwithstanding the provisions of paragraphs (a) to (e) above:-
  - (i) The Manager or its delegate shall, at their discretion in relation to any particular Fund which is a short-term money market fund, have in place an escalation procedure to ensure that any material discrepancy between the market value and the amortised cost value of a money market instrument is brought to the attention of the Investment Manager or a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the Central Bank Rules.
  - (ii) Where it is not the intention or objective of the Manager to apply amortised cost valuation to the portfolio of the Fund as a whole, a money market instrument within such a portfolio shall only be valued on an amortised basis if the money market instrument has a residual maturity of less than 3 months and does not have any specific sensitivity to market parameters, including credit risk.
- (g) Notwithstanding the generality of the foregoing, the Manager may with the approval of the Depositary adjust the value of any investment if they consider that such adjustment is required to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant. The rationale for adjusting the value must be clearly documented.
- (h) If the Manager deems it necessary, a specific investment may be valued under an alternative method of valuation approved by the Depositary and the rationale/methodologies used must be clearly

documented.

The foregoing valuation principles are subject to any prevailing rules that may apply to how the Company is required to value particular instruments as may be contained in EMIR.

Any value expressed otherwise than in the Base Currency of the relevant Fund (whether of any investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate (whether official or otherwise) which the Administrator shall determine to be appropriate in the circumstances.

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

The Company may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the right of Shareholders to require the repurchase or exchange of Shares of any Class during (i) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Fund, from time to time, are quoted, listed or dealt is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; (ii) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot fairly be calculated; (iii) any breakdown in the means of communication normally employed in determining the price of any of the Fund's investments and other assets or when for any other reason the current prices on any market or stock exchange of any assets of the relevant Fund cannot be promptly and accurately ascertained; (iv) any period during which the relevant Fund is unable to repatriate funds required for the purpose of making payments due on repurchase of Shares of any Class in the relevant Fund or during which any transfer of funds involved in the acquisition or realisation of investments or payments due on repurchase of Shares cannot, in the opinion of the Directors, be effected at normal prices or normal rates of exchange; (v) any period where in the opinion of the Directors such suspension is justified having regard to the interests of the Fund; or (vi) following the circulation to the relevant shareholders of a notice of a general meeting at which a resolution proposing to wind-up the Company or terminate the relevant Fund is to be considered. The Central Bank may also require the suspension of repurchase of Shares of any Class in the interests of the Shareholders or the public. The Company will, whenever possible, take all reasonable steps to bring any period of suspension to an end as soon as possible.

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

Shareholders who have requested issue or repurchases of Shares of any Class or exchanges of Shares of one Class to another will be notified of any such suspension or postponement in such manner as may be directed by the Directors and their requests will be dealt with on the first Dealing Day after the suspension is lifted or on the postponed Dealing Day as applicable unless instructed to the contrary. Any such suspension shall be notified immediately, and in any event within the same business day to the Central Bank.

### **Pricing Errors**

It is possible that errors may be made in the calculation of the Net Asset Value. In determining whether compensation will be payable to a Fund and/or individual shareholders as a result of such errors, the Company will have regard to the guidelines issued by Irish Funds (formerly the Irish Funds Industry Association) to apply a materiality threshold, below which, subject to approval of the Depositary, compensation will not usually be payable. The Central Bank has not set any requirements in this regard. In this context the materiality threshold currently applied by the Company is 0.5% of the Net Asset Value of the relevant Fund, which reflects, in the opinion of the Directors, general market practice at the date of this Prospectus.

As such, and subject on each occasion to the approval of the Depositary, compensation will generally not be payable for errors where the effect on the Fund's Net Asset Value is below the materiality threshold. There may however be circumstances when the Directors or Depositary consider it appropriate for compensation to be paid notwithstanding that the impact of the error was below the materiality threshold. Conversely, compensation will usually be paid in relation to errors where the impact on the Fund's Net Asset Value is in excess of the materiality threshold, with any decision not to pay compensation in such circumstances requiring the approval of the Directors and also the Depositary.

On providing notice to shareholders and in consultation with the Depositary, the Directors reserve the right to change the materiality threshold (should, for example, they deem general market practice to have changed).

The Central Bank's approval of this Prospectus, should not be interpreted as an endorsement of what is a market practice, rather than a legislative or regulatory requirement.

## PART 5 DISTRIBUTIONS

### **Dividend Policy**

Under the Articles, the Directors are entitled to pay such dividends on any Class of Shares at such times as they think appropriate and as appear to be justified out of the profits of the relevant Fund, being the accumulated revenue (consisting of all revenue accrued including interest and dividends earned by the relevant Fund) less expenses.

The dividend policy for each Fund will be determined by the Directors at the time of the creation of the relevant Fund and details are set out where applicable in the relevant Supplement.

In the case of Funds with Accumulation Share Classes, the Company intends to retain the net income and/or capital gains attributable to such Shares within the relevant Fund and the value of the relevant Shares shall rise accordingly.

In the case of Funds with Re-Investment Share Classes, the Company intends to reinvest all dividends attributable to such Shares but no additional Shares will be issued in respect of such reinvestment. Any dividends on such Re-Investment Shares shall be paid by the Company into a bank account in the name of the Depository for the account of the relevant Shareholders. The amount standing to the credit of this account shall not be an asset of the relevant Fund or the Company and will be immediately transferred from the aforementioned account to the account of the relevant Fund. It is anticipated that the Net Asset Value per Re-Investment Share will not change as a result of this re-investment process because the income will be paid to the external account and reinvested back into the capital of the relevant Fund on the same day and between two pricing points.

In the case of Funds with Income Share Classes, the Company intends to distribute the net income and/or capital gains of the Funds attributable to such Shares at such intervals as the Directors may determine and specify in the Supplement for the relevant Fund.

Dividends payable will be paid in cash by electronic transfer at the risk and expense of the payee unless an alternative instruction is received in writing by the Administrator.

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

Dividends not claimed within six years from their due date will be forfeited and shall revert to the relevant Fund, without the necessity for any declaration or other action by the Company.



## PART 6 FEES AND EXPENSES

### Annual Investment Management Charge

On behalf of the Company, the Manager provides and/or procures services with regard to the investment and reinvestment of assets of each Fund.

The Annual Investment Management Charge in respect of each Class in each Fund is payable out of the assets of the Fund to the Investment Manager in the amounts detailed in the relevant Supplement.

The Company shall bear the cost of any value added tax applicable to the Annual Investment Management Charge.

### Fixed Operating Expenses ("FOE")

In addition, and separate to its role in managing the assets of the each Fund, the Manager provides administrative and operational support to the Company and, inter alia, provides or procures administration and depositary services as well as a range of other services (as outlined below). The fees and expenses accrued in respect of such services will be paid by the Manager from the FOE amount it receives from each Fund, as outlined in the relevant Supplement.

Unless otherwise specified in the relevant Supplement, the FOE payable to the Manager is calculated and accrued at each Valuation Point (the "**Calculation Point**"). The FOE will be calculated separately in respect of each Share Class of each Fund, as a percentage rate per annum of the total value of the Shares represented by the Share Class in question at the Calculation Point divided by the number of days in the year and multiplied by the number of days that have passed since the last Calculation Point. The FOE for each Fund and Share Class is set out in the Supplement for the relevant Fund. These rates have been arrived at after reviewing the expected pattern of costs incurred in relation to each Fund and Share Class in the case of a new Share Class and/or Fund.

Given the fixed nature of the FOE, if a Share Class's expenses actually incurred in any period exceed the FOE, the Manager will make up the shortfall from its own resources. Conversely, if the FOE in any period is greater than the Share Class's expenses actually incurred, the Manager will retain the difference (as an administrative expense in consideration for the Manager providing and/or procuring the various services covered by the FOE). By virtue of this model, the Manager, and not Shareholders, takes the risk of any price increases in the cost of the services covered by the FOE and takes the risk of expense levels relating to such services increasing above the FOE as a result of a decrease in net assets. Conversely, the Manager, and not Shareholders, would benefit from any price decrease in the cost of services covered by the FOE, including decreased expense levels resulting from an increase in net assets.

It is not anticipated that the FOE will be regularly reviewed or subject to increase. However, the Directors reserve the discretion to conduct a review of FOE levels in the event of any legal, regulatory or market development that has a significant and sustained impact on how the Fund is operated from an economic perspective. In such instances, the Company will provide reasonable prior notice before making any changes to the FOE applicable to a particular Share Class and/or Fund.

Details of what fees and expenses are captured within the FOE and what fees and expenses are excluded from the FOE are set out below.

#### *Fees and expenses included:*

- (a) all fees and expenses payable to or incurred by the Administrator, the Depositary, the Secretary, the Distributor, any sub-distributor, paying agent or other local representative (which will be at normal commercial rates), sub-custodian (which will be at normal commercial rates), money laundering reporting officer, listing broker or other professional advisors to the Company appointed by or on behalf of the Manager or the Company or with respect to any Fund or Class;
- (b) all duties, and taxes associated with expenses of the Company save in respect of any taxation or duties payable in respect of the assets of the Fund or the issue or repurchase of Shares;
- (c) all directors' fees and expenses (including Irish 'Pay As You Earn' income taxes), all costs incurred in

organising Directors' meetings and in obtaining proxies in relation to such meetings, all insurance premiums including any policy in respect of directors' and officers' liability insurance cover and association membership dues;

- (d) the remuneration, commissions and expenses incurred or payable in the marketing, promotion and distribution of Shares including without limitation commissions payable to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares in the Company and the costs and expenses of preparation and distribution of all marketing material and advertisements;
- (e) all fees and expenses connected with the preparation, publication and supply of information to Shareholders and the public including, without limitation, the cost of preparing, translating, printing, distributing the Prospectus and any addenda or Supplements, KIID and any periodic updates thereof, marketing literature, any report to the Central Bank or any other regulatory authority, the annual audited report and any other periodic reports and the calculation, publication and circulation of the Net Asset Value per Share, certificates, confirmations of ownership and of any notices given to Shareholders in whatever manner;
- (f) all fees and expenses incurred in connection with the convening and holding of Shareholders' meetings;
- (g) all fees and expenses incurred or payable in registering and maintaining a Fund or Class registered with any and all government agencies and/or regulatory authority and/or rating agencies, clearance and/or settlement systems and/or any exchanges in any various countries and jurisdictions including, but not limited to, filing and translation expenses;
- (h) where applicable, all fees and expenses incurred or payable in listing and in maintaining or complying with the requirements for the listing of the Shares on Euronext Dublin (or other exchange to which Shares may be admitted);
- (i) save as described below in relation to extraordinary expenses, all legal and other professional fees and expenses incurred by the Company or by or on behalf of its delegates in any actions taken or proceedings instituted or defended to enforce, protect, safeguard, defend or recover the rights or property of the Company;
- (j) all fees and expenses of the Auditors, tax, legal and other professional advisers or other supplier of services to the Company, save as prescribed below in relation to extraordinary expenses; and
- (k) fees and expenses in connection with all Central Bank filings, Companies Registration Office filing fees, statutory and regulatory fees and/or levies.

in each case together with any applicable value added tax.

*Fees and expenses excluded:*

- (a) the Annual Investment Management Charge and/or any performance fees as set out in the relevant Supplement;
- (b) the Company and each Fund formed may bear its own direct establishment costs as further detailed in section "Establishment Costs" below;
- (c) broker's commission, clearing charges, fiscal charges (including stamp duty and/or stamp duty reserve tax) and other disbursements which are necessarily incurred in effecting transactions for the Funds;
- (d) interest on borrowings and charges incurred in effecting or terminating such borrowings or in negotiating or varying the terms of such borrowings;
- (e) taxation and duties payable in respect of the assets of the Funds or of the issue or repurchase of shares;
- (f) the cost of any amalgamation or restructuring of the Company or any Fund including liabilities on unitisation, amalgamation or reconstruction arising after the transfer of the Fund's assets in any such transaction;

- (g) the costs of converting the Company to an ICAV;
- (h) the costs of liquidation or winding up the Company or terminating any Fund;
- (i) any payments otherwise due by virtue of the Regulations or due by virtue of any change to the Regulations; and
- (j) any extraordinary expenses including, without limitation, legal services in connection with any major legal or regulatory developments affecting the Company; expenses relating to regulatory queries, litigation costs, and any tax, levy, duty, or similar change, imposed on the Company or its assets that would otherwise not qualify as ordinary expenses.

in each case together with any applicable value added tax.

### **Preliminary charge**

Details of the preliminary charge payable on subscription for Shares (if any) and/or the exchange charge payable on the exchange of Shares (if any) are set out in respect of the Shares of each Fund in the relevant Supplement.

### **Redemption charge**

Details of the redemption charge payable upon the redemption of Shares (if any) are set out in respect of the Shares of each Fund in the relevant Supplement. The amount of any such charge may be deducted from the amount to be paid by the Company to the Applicant in respect of the shares to be repurchased and shall not exceed more than 3 per cent of the repurchase price per Share of the relevant Class being repurchased on that Dealing Day. Any such a charge shall be paid to the Company or any of its appointees or as any of them may direct, for the Company's or their absolute use and benefit.

### **Fees Resulting from Investment in Other Funds**

The maximum level of management fees (excluding performance fees) that may be charged to the collective investment schemes in which the Funds may invest will not exceed 5% although it is expected that such fees will be significantly lower than that. Where the investment manager of an investment fund in which the Company invests is the Manager, the Investment Manager or the Sub-Investment Manager or an affiliate of the Manager, the Investment Manager or the Sub-Investment Manager linked by common management or control, or by a substantial direct or indirect holding, the Manager, the Investment Manager or the Sub-Investment Manager, as applicable, will waive any preliminary/initial sales or exchange charge which it is entitled to charge in respect of investments made by the Fund in such investment funds and no annual investment management fee will be charged by the underlying collective investment scheme. However, an investment management fee may be charged when reinvesting cash collateral received by a Fund, in any eligible sub-fund of another collective investment scheme that is managed, directly or by delegation, by the Manager, the Investment Manager or Sub-Investment Manager.

### **Establishment Costs**

The cost of establishing the Company and the expenses of the initial offer of Shares in the Funds established by the Company, the preparation and printing of this Prospectus, marketing costs, listing costs and the fees of all professionals relating thereto, which did not exceed €90,000 have been borne by the Company and charged to the Funds and amortised over the first five years of the Company's operations or such other period as may be agreed between the Company and the Sub-Investment Manager and may not be charged to the relevant Fund until such time as the relevant Fund has sufficient assets to cover such costs. The cost of establishing subsequent Funds will be paid by the Company unless otherwise provided in the Supplement for the relevant Fund. The Sub-Investment Manager may initially incur any or all of these estimated establishment costs on behalf of the Company, in which case they will be entitled to be reimbursed out of the assets of the Company for any such expenditure.

### **Soft Commissions**

The Manager, the Investment Manager and/or Sub-Investment Manager may effect transactions by or through the agency of another person with whom the Manager, the Investment Manager and/or Sub-Investment Manager, and any entity related to the Manager, Investment Manager and/or Sub-Investment Manager, has

arrangements under which that party will, from time to time, provide or procure for the Manager, the Investment Manager and/or Sub-Investment Manager, or any party related to the Manager, the Investment Manager and/or Sub-Investment Manager, goods, services or other benefits, such as research and advisory services, computer hardware associated with specialised software or research measures and performance measures etc., the nature of which is such that their provision will be to the benefit of a Fund and may contribute to an improvement in the performance of a Fund and of the Manager, Investment Manager and/or Sub-Investment Manager, or any entity related to the Manager, the Investment Manager and/or Sub-Investment Manager, in providing services to a Fund and for which no direct payment is made but instead the Manager, the Investment Manager and/or Sub-Investment Manager, and any entity related to the Manager, Investment Manager and/or Sub-Investment Manager, undertake to place business with that party. For the avoidance of doubt, such goods and services do not include travel, accommodation, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments. Any such arrangements shall provide for best execution, the benefits of such must be those which assist in the provision of investment services to the Company and a report thereon will be included in the Company's annual and half-yearly reports. Where appropriate, any such arrangements will comply with the requirements of Article 11 of the MiFID II Delegated Directive

It is not however currently intended that any soft commission arrangements will be made in respect of the Company.

### **Company Transactions and Conflicts of Interest**

Subject to the provisions of this section, the Manager, the Investment Manager, the Sub-Investment Manager, the Administrator, the Depository, the Directors, 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 Company, including without limitation, investment by the Company in securities of a Shareholder, or investment by any Connected Persons in any company or body any of whose investments form part of the assets comprised in any Fund or be interested in any such contract or transactions. In particular, without limitation, any Connected Person may invest in and deal with Shares relating to any Fund or any property of the kind included in the property of the relevant Fund for their respective individual accounts or for the account of someone else. The appointment of the Manager, Investment Manager and Distributor, the Sub-Investment Manager, the Administrator and the Depository in their primary capacity as service providers to the Company are excluded from the scope of these Connected Person requirements.

In addition, any cash of the Company may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2015 (as may be amended, consolidated, supplemented or otherwise modified from time to time), 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 Company through the Depository or any subsidiary, affiliate, associate, agent or delegate thereof. There will be no obligation on the part of any such Connected Person to account to Shareholders for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are conducted as if negotiated at arm's length, are in the best interests of Shareholders, and

1. a certified valuation of such transaction by a person approved by the Depository (or by the Manager in the case of a transaction involving the Depository) as independent and competent has been obtained; or
2. such transaction has been executed on best terms on an organised investment exchange under its rules; or

where neither (1) nor (2) are practicable,

3. such transaction has been executed on terms which the Depository is (or in the case of any such transaction entered into by the Depository, the Manager is) satisfied conform with the principle that such transactions be conducted as if negotiated at arm's length and in the best interests of Shareholders.

The Depository (or in the case of a transaction involving the Depository, the Manager) shall document how it complied with paragraphs (1), (2) and (3) above and where transactions are conducted in accordance with paragraph (3), the Depository (or in the case of a transaction involving the Depository, the Manager), must document the rationale for being satisfied that the transaction conformed to the principles outlined above.

Potential conflicts of interest may arise from time to time from the provision by the Depository and/or its affiliates of other services to the Company and/or other parties.

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

Each Connected Person will provide the Company with relevant details of each transaction (including the name of the party involved and where relevant, fees paid to that party in connection with the transaction) in order to facilitate the Company discharging its obligation to provide the Central Bank with a statement within the relevant

Fund's annual and semi-annual reports in respect of all Connected Person transactions.

Each of the Manager, the Investment Manager and Sub-Investment Manager may also, in the course of its business, have potential conflicts of interest with the Company in circumstances other than those referred to above. Each of the Manager, the Investment Manager and the Sub-Investment Manager will, however, have regard in such event to its obligations under the Management Agreement, the Investment Management Agreement and the Investment Advisory Agreement and, in particular, to its obligations to act in the best interests of the Company and the Shareholders so far as practicable, having regard to its obligations to other clients when undertaking any investments where conflicts of interest may arise. In the event that a conflict of interest does arise the Directors will endeavour to ensure that such conflicts are resolved fairly, and that investment opportunities are allocated fairly.

The Directors may act as directors of other collective investment vehicles.

The preceding list of potential conflicts of interest does not purport to be a complete enumeration or explanation of all of the conflicts of interest that may be involved in an investment in the Company.

### **Reports and Accounts**

The Company's year end is 31 October in each year. The annual report and audited accounts of the Company will be stated in the Company Base Currency and shall be sent to Shareholders within four months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The semi-annual date of the Company will be 30 April in each year. The Company will send a semi-annual report and unaudited accounts to Shareholders within two months after the end of each semi-annual period.

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the year end or the end of such semi-annual period.

The Company may statements and other reports by email or fax rather than post. Information not sent electronically will be issued by post.

### **Notification of Prices and Disclosure of Holdings**

The Net Asset Value per Share of each Class in the relevant Fund will be available from the Administrator and will be published on [www.insightinvestment.com](http://www.insightinvestment.com) each time it is calculated. Such prices will be the prices applicable to the most recent Dealing Day's trades and therefore cannot be relied upon to be indicative after the relevant Dealing Day.

In addition to the information disclosed in the periodic reports of the Company, the Company may, from time to time, make available to investors portfolio holdings and portfolio-related information in respect of one or more of the Funds. Any such information will be available to all investors in the relevant Fund on request. Any such information will only be provided on a historical basis and after the relevant Dealing Day to which the information relates. Notwithstanding the fact that this will be historical information, an investor that has received such information may be in a more informed position regarding the relevant Fund than investors that have not received the information.

Notwithstanding any other provision contained in the Prospectus, nothing shall limit, prevent or restrict the Company from disclosing portfolio holdings information for the purposes of compliance with the laws and regulations of any relevant jurisdiction where shares of the Company are sold or disclosing such information to a court of a competent jurisdiction, upon request.

### **Use of a Subscriptions/Redemptions Account**

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

Subscriptions/Redemptions Account, the investor shall not be in the position of a Shareholder, but rather shall rank as an unsecured creditor of the Company.

The Manager should, in conjunction with Depositary, establish a policy to govern the operation of the Subscriptions / Redemptions Account. This policy shall be reviewed by the Manager and the Depositary at least annually.

## PART 8 TAXATION

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

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

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

### **Irish Taxation**

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

The Directors have been advised that the Company is an investment undertaking within the meaning of section 739B TCA and therefore is not chargeable to Irish tax on its relevant income or relevant gains so long as the Company is resident for tax purposes in Ireland. The Company will be resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland. It is intended that the Directors of the Company will conduct the affairs of the Company in a manner that will allow for this.

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

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

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

A Chargeable Event includes:

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

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

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a recognised clearing system;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arms length by the Company, of Shares in the Company for other Shares in the Company;



- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking; or
- (v) the cancellation of Shares in the Company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

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

Where the Chargeable Event is a Deemed Disposal and the value of Shares held by Irish Resident Shareholders in the Company is less than 10% of the total value of Shares in the Company (or a sub-fund) and the Company has made an election to the Revenue Commissioners to report annually certain details for each Irish Resident Shareholder, the Company will not be required to deduct the appropriate tax and the Irish Resident Shareholder (and not the Company) must pay the tax on the Deemed Disposal on a self-assessment basis. Credit is available against appropriate tax relating to the Chargeable Event for appropriate tax paid by the Company or the Shareholder on any previous Deemed Disposal. On the eventual disposal by the Shareholder of the Shares, a refund of any unutilised credit will be payable.

## **Shareholders**

### *Non-Irish Resident Shareholders*

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

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

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

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

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

### *Exempt Irish Shareholders*

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

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

### *Irish-Resident Shareholders*

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

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

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

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

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

#### *Personal Portfolio Investment Undertaking*

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

#### *Currency Gains*

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

#### *Stamp Duty*

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

#### *Capital Acquisitions Tax*

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

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

#### **Automatic Exchange of Information**

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

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

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

### **FATCA Implementation in Ireland**

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

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

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

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

### **OECD Common Reporting Standard**

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

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

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. From 1 January 2016, the Company will be required to provide certain information to the Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

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

### **Certain Irish Tax Definitions**

#### *Residence – Company*

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

### *Residence – Individual*

The Irish tax year operates on a calendar year basis.

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

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

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

### *Ordinary Residence – Individual*

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

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

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2018 will remain ordinarily resident in Ireland until the end of the tax year 2021.

### *Intermediary*

means a person who:-

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

## **UK Taxation**

The following information relates to UK taxation and is applicable to the Company and to Shareholders who are resident and, if an individual, domiciled in, and only in, the UK for tax purposes and who hold Shares beneficially as investments and does not apply to other categories of taxpayers. **This information does not constitute tax advice and anyone who is unsure as to his tax treatment is strongly advised to seek independent professional advice.**

Warning: The information contained below is provided for UK resident investors only and is based on UK tax legislation and the known current HM Revenue & Customs ("**HMRC**") interpretation thereof. This can vary according to individual circumstances and is subject to change. It is intended as a guide only and is not a substitute for professional advice. It does not purport to be a complete analysis of all tax considerations relating to the holding of Shares in the Company. The information given below does not constitute legal or tax advice, and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, switching or disposing of Shares in the Company under the laws of any jurisdiction in which they may be subject to tax.

This summary in particular does not address the tax consequences for non UK resident persons who hold Shares in the Company in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or permanent establishment ("**PE**")). In addition, the summary only addresses the tax consequences for UK investors who hold Shares as an investment and not as trading stock or for any other purpose. It does not deal with the position of certain classes of investors, such as dealers in securities and insurance companies, trusts, authorised investment funds or investment trust companies and persons who have acquired their Shares by reason of their or another's employment; nor does it deal with the position of individuals who are UK resident but non-domiciled.

As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. The statements are based

on tax legislation applicable as at the date of this document together with HMRC practice, all of which are subject to change at any time - possibly with retrospective effect.

## The Company

It is the intention of the Directors to conduct the affairs of the Company so that (i) it does not become resident in the UK for taxation purposes, (ii) it does not carry on a trade in the UK through a permanent establishment in the UK, and (iii) all its trading transactions (if any) in the UK are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business. On this basis the Company should not be subject to UK income or corporation tax on its income and gains other than on certain UK source income.

The Directors, the Investment Manager and the Sub-Investment Manager each intend that the respective affairs of the Company, the Investment Manager and the Sub-Investment Manager are conducted so that these requirements are met insofar as this is within their respective control. However it cannot be guaranteed that the necessary conditions will at all times be satisfied.

## UK Offshore Fund rules (Reporting Fund Status)

Each Share Class of each Fund will be treated as a separate "offshore fund" for the purposes of the UK offshore funds tax regime in accordance with Part 8 of the Taxation (International and Other Provisions) Act 2010 ("TIOPA 2010"). The Offshore Funds (Tax) Regulations 2009 ("Regulations 2009") (Statutory Instrument 2009/3001) set out the regime for the taxation of investments in "offshore funds" which operates by reference to whether a fund opts into a reporting regime ("**reporting funds**") or not ("**non-reporting funds**").

Under the Regulations 2009, persons who are resident in the United Kingdom for taxation purposes are liable to income tax (or corporation tax on income) at their marginal rate in respect of any gains ("**offshore income gains**") arising on the redemption, transfer or other disposal of shares, unless those shares are regarded as a reporting fund (or, for periods commencing prior to 1 December 2009, a distributing fund) throughout the period during which the investor holds an interest. Please note also the comments below on the treatment of 'bond funds', which apply regardless of whether a Share Class is within the reporting fund regime.

In respect of each Share Class opted as a reporting fund the Company must report all reportable income to investors and HMRC within six months of the accounting period end. UK investors will be taxed on their share of the excess of any reported income over actual distributions received from any such reporting fund (as well as being taxed on the distributions themselves) in the period it is reported. If recognition as a reporting fund is obtained, investors shall be subject to tax on reported income attributable to the investor's holding in the same way as if it has been distributed as explained above.

## Shareholders

### Treatment of income

According to their personal circumstances, Shareholders resident in the United Kingdom for tax purposes will be liable to income tax or corporation tax in respect of dividends, other income distributions made by the Company, whether or not reinvested, together with their share of reportable income retained by a reporting fund. The nature of the charge to tax and any entitlement to a tax credit in respect of such dividends or distributions will depend on a number of factors which may include the composition of the relevant assets of the Company and the extent of a Shareholder's interest in the Company.

On an annual basis, the Company will calculate and report the excess reportable income per Share for the reporting period for each Share Class with reporting fund status to all relevant investors. The excess income is deemed to arise to the UK investor six months following the end of the relevant reporting period (i.e. 30 April following the year end on the basis that the Company continues to prepare financial statements to 31 October).

### Corporate investors

Shares in a Fund held by UK resident corporate shareholders will be deemed loan relationships if, at any time in the accounting period of such a corporate shareholder, that Fund fails the qualifying investments test under Part 6, Chapter 3 CTA 2009 and is treated as a 'bond fund'. Broadly speaking this will occur if more than 60% of the total market value of the investments of that Fund are 'qualifying investments' being broadly government and corporate debt, securities or cash on deposit (other than cash awaiting investment) or certain derivative

contracts or holdings in other funds which at any time in the relevant accounting period are themselves categorised as 'bond funds'. In that eventuality, the Shares in that Fund will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on those Shares in respect of such a person's accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a person who acquires Shares in that Fund may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares). In 2013, the United Kingdom Government consulted on the future of the loan relationships regime, including on proposals potentially to reform this aspect of the regime.

Whether any Fund of the Company is treated as a 'bond fund' would need to be formally confirmed on an annual basis by review of the proportional weighting of the 'qualifying investments' to total assets throughout that period.

If a Fund is not treated as a 'bond fund', then dividend distributions or deemed distributions received by companies resident in the UK from that Fund may fall within an exempt class of distribution which would exempt such dividends from UK corporation tax provided the relevant conditions are met. In addition, distributions to non-UK companies carrying on a trade in the UK through a permanent establishment in the UK may also fall within the exemption from UK corporation tax on dividends to the extent that the Shares held by that company are used by, or held for, that permanent establishment.

#### Individual investors

If any Fund within the Company fails the qualifying investments test under s378A Income Tax (Trading and Other Income) Act 2005 and is therefore treated as a 'bond fund', a shareholder who is an individual will generally be chargeable to UK income tax on dividends or deemed distributions at full marginal rates as if it were interest (i.e. at 20% / 40% or 45% depending on whether the individual is a basic rate / higher rate / additional rate taxpayer respectively). Individuals should note that an annual personal savings allowance exempts from tax the first £1,000 of savings income of basic rate taxpayers (£500 for higher rate taxpayers). Savings income includes distributions paid by any Fund which fails the qualifying investments test. The allowance is not available to additional rate taxpayers.

If any Fund were not to fail the qualifying investments test, a shareholder who is an individual will generally be chargeable to UK income tax on dividends or deemed distributions received from that Fund at dividend rates. The first £2,000 of dividends received (or deemed to be received) by UK residents in a tax year will not be subject to income tax (though will count towards the higher and additional rate thresholds). Above this level, the tax rates applying to dividends will be 7.5% for basic rate taxpayers, 32.5% for higher rate taxpayers and 38.1% for additional rate taxpayers.

#### UK exempt investors and other investors

Some investors (e.g. approved pension funds) may be exempt from tax. Different rules may also apply in the case of certain non-residents. Again, it is recommended that these investors seek their own professional tax advice.

#### Disposal of interest in reporting funds – Individual Investors

Any gain accruing to an individual investor upon the sale, redemption or other disposal of their interest in a reporting fund will be subsequently taxed as a capital gain, provided their interest has had reporting fund status (and, where applicable, for periods commencing prior to 1 December 2009, distributing fund status) throughout the period during which that investor held their interest. Any undistributed income relating to that interest that has been subject to tax may be treated as capital expenditure for the purpose of computing the amount of the capital gain.

Individuals are only liable to UK capital gains tax if their total chargeable gains (net of allowable losses) in the year exceed the annual exemption. If gains in excess of this exemption are realised the excess is taxable at the rate of UK capital gains tax applicable to the investor, being either 10% or (for higher and additional rate taxpayers) 20%.

#### Treatment of interest in reporting funds – Corporate Investors

UK resident corporate shareholders within the charge to UK corporation tax should note that under the loan relationships regime, if at any time in an accounting period they hold an interest in a 'bond fund' (regardless of reporting fund status) the relevant shares will be treated for corporation tax purposes as being rights under a creditor relationship, with the result that all returns on the shares in the relevant Fund in respect of each corporate investor's accounting period (including gains, profits and deficits) will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, a UK corporate investor in the Company may, depending on its own circumstances, incur a charge to UK corporation tax on an unrealised increase in the value of its holdings of shares (and, likewise, obtain relief against UK corporation tax for an unrealised reduction in the value of its holding of shares) on an annual basis. It is expected that the Funds of the Company will be treated as 'bond funds' under CTA 2009 Part 6 Chapter 3.

If the reporting Share Class is not treated as a 'bond fund', UK corporate investors would instead be charged to corporation tax on chargeable gains on disposal at their marginal rate of corporation tax, currently being 19%. Any capital gains arising to corporate investors may be reduced by available capital losses and the indexation allowance, which is an inflationary adjustment to base cost accruing between the purchase and disposal dates, where applicable. Indexation relief was frozen with effect from 31 December 2017.

It should be noted that a "disposal" for UK tax purposes might in some circumstances also include a switching of interests between Classes in the Company.

#### Disposal of interest in non-reporting funds

As outlined above, persons who are resident in the United Kingdom for taxation purposes are liable to income tax (or corporation tax on income) at their marginal rate in respect of any gains arising on the redemption, transfer or other disposal of shares in non-reporting funds. No indexation allowance is available and these gains are still subject to the rules for 'bond funds' for corporate investors as outlined above.

#### Other reporting fund considerations

Once reporting fund status is obtained from HMRC for the relevant Classes, it will remain in place permanently so long as the annual compliance requirements are satisfied and the Share Classes are not voluntarily withdrawn from the regime. If reporting fund status is revoked by HMRC for any reporting fund share class, that reporting fund Share Class will be unable to regain reporting fund status and will thereafter be permanently outside the reporting fund regime. Where, however, reporting fund status is voluntarily withdrawn under Regulation 116 of the Regulations 2009, the Company may make a subsequent application for reporting fund status to apply in the future, should the Directors wish to do so.

It is the Directors' intention that reporting fund status is obtained for certain Share Classes of the Funds, where appropriate. We refer you to the HMRC website (<https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>), which contains an up to date list of the Share Classes of the Funds with reporting fund status.

The Directors will take all steps that are practicable and consistent both with the laws and regulatory requirements of the Republic of Ireland and the UK and with the investment objectives and policies of the Funds, to ensure that, in respect of each reporting fund Share Class, UK reporting fund status is obtained and retained in respect of each of its accounting periods. It must be appreciated, however, that no assurance can be given as to whether such approval will, in practice, be granted in the first instance, and retained in respect of any particular accounting period. The exact conditions that must be fulfilled for the Company to obtain reporting fund status for each such Share Class may be affected by changes in HMRC practice or by subsequent changes to the relevant provisions of UK tax legislation

Under the Regulations 2009, the Company submits a one-off initial application by the later of i) the end of the first period to which reporting fund status is required; and ii) the expiry of a period of 3 months from when the interests in the relevant Share Class were made available to investors in the UK. The Company will subsequently submit an annual report to HMRC within six months of the year end. In addition, the Company will make a report available to investors within six months of the year end, stating any amount distributed to investors, and the excess of the amount of the reportable income over any amount actually distributed, the dates of the distribution and a statement as to whether the relevant Share Classes within the Company remain a reporting fund.

#### Other United Kingdom Considerations

The attention of individuals is drawn to the provisions of Sections 714 to 751 of the Income Tax Act 2007 (“ITA 2007”). These contain anti-avoidance provisions dealing with the transfer of assets to overseas persons in circumstances which may render such individuals liable to taxation in respect of undistributed profits of the Company.

UK resident corporate investors should be aware that if they invest into the Company, they could be subject to the UK Controlled Foreign Company (“CFC”) provisions contained in Part 9A of TIOPA 2010. This is only relevant for UK resident corporate investors with a relevant interest of 25% or more (alone or together with associated persons) in the Company. The CFC rules use both a “pre-gateway” and “gateway” test to specifically define where profits are being artificially diverted out of the UK. Where certain profits of a foreign company pass both the pre-gateway and the gateway test and are not excluded by any other exemption, entry condition or safe harbour, they will be apportioned to UK companies with a relevant interest of 25 per cent or more in the Company. This CFC charge can be reduced by a credit for any foreign tax attributable to the apportioned profits and by any UK relief which could otherwise be claimed. There are specific provisions which seek to provide relief for companies which are participants in offshore funds where there is a reasonable expectation that the 25 per cent relevant interest test will not be met. It is recommended that UK resident companies holding a right to 25 per cent or more of the profits of the Company (directly or indirectly) should seek their own specific professional tax advice. These provisions are not directed towards the taxation of capital gains.

The attention of investors is drawn to the provisions at Section 13 of the Taxation of Chargeable Gains Act, 1992 (“TCGA”) under which, in certain circumstances where the Company would be treated as a ‘close’ company for UK tax purposes, a portion of capital gains made by the Company may be attributed to an investor who holds, alone or together with associated persons, more than 25 per cent of the Shares, that portion being equal to that person’s proportionate interest in the Company. Section 13 TCGA does not apply where the asset giving rise to the gain was neither disposed of nor acquired or held as part of a scheme or arrangements having a tax avoidance main purpose. In the case of Shareholders who are individuals domiciled outside the United Kingdom, Section 13 TCGA applies subject to the remittance basis in particular circumstances.

As disposals of Share Classes that have not held distributing fund status / reporting fund status are subject to tax as offshore income gains, the provisions of Chapter 2 of the Regulations 2009, substitute “offshore income gains” for any reference to “chargeable gain” in section 13 TCGA.

The attention of United Kingdom resident and domiciled investors is also drawn to Part 13 Chapter 1 ITA 2007 under which HMRC may seek to cancel tax advantages from certain transactions in securities. Whilst the Directors do not believe this section should apply to Shareholders as a result solely of the issue to them of Shares, no clearance under that section has been sought or obtained.

#### Stamp Duty and Stamp Duty Reserve Tax (SDRT)

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

No United Kingdom stamp duty or SDRT will be payable on the issue of the Shares. No United Kingdom stamp duty should be payable to register a transfer of the Shares in a register kept in Ireland. However, United Kingdom stamp duty would be payable, together with interest and any applicable penalties if it became necessary to rely on such a transfer in United Kingdom court proceedings (other than criminal proceedings) and the transfer was executed in the United Kingdom or related to any matters or thing done or to be done in the United Kingdom. Provided that the Shares are not registered in any register of the Company kept in the United Kingdom and the Shares are not paired with any UK shares, any agreement to transfer the Shares should not be subject to United Kingdom SDRT

#### Other Jurisdictions

The receipt of any dividends by Shareholders and the repurchase of Shares may result in a tax liability for Shareholders according to the tax regime applicable in their various countries of residence, citizenship or domicile. Investors resident in or citizens of certain countries which have anti-offshore fund legislation may have a current liability for the undistributed income and gains of the Company. The Directors, the Company, any Fund and each of the Company's agents shall have no liability in respect of the individual tax affairs of investors.



This information is of a general nature based on the Directors' understanding of the current revenue law and practice in Ireland and the United Kingdom, and is subject to change. It applies only to persons holding Shares as investments and may not apply to certain classes of persons such as securities dealers. It should not be regarded as legal or tax advice.

Investors who are in any doubt as to their tax position or who require more detailed information than the general outline above, should take appropriate advice regarding the tax liabilities arising from the acquisition, holding, redemption, sale, switching or other disposal of Shares under the law of their country of domicile, residence or citizenship.

## PART 9 RISK FACTORS

### **General Risks**

The Funds will primarily be investing in assets selected by the Sub-Investment Manager in accordance with their respective investment objectives and policies. The investments of a Fund in securities and derivatives are subject to normal market fluctuations and other risks inherent in investing in securities and derivatives. The value of investments and the income from them, and therefore the value of, and income from, Shares relating to each Fund can go down as well as up and an investor may not get back the amount s/he invests.

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

### **Fund Investment Risks**

#### Significant Repurchases/Subscriptions

If there are significant repurchases it may be more difficult for the Sub-Investment Manager to ensure that sufficient funds are available without liquidating positions either at an inappropriate time or on unfavourable terms. If there are substantial subscriptions it may be more difficult for the Sub-Investment Manager to invest sufficient investments in a single Dealing Day.

#### Unquoted Securities Risk

A Fund may invest in unquoted securities which will be valued at their probable realisation value in the manner described above. Estimates of the fair value of such securities are inherently difficult to establish and are the subject of substantial uncertainty. The Sub-Investment Manager may be consulted with respect to the valuation of assets such as derivative contracts and will be approved for the purpose by the Depositary. There is an inherent conflict of interest between the involvement of the Sub-Investment Manager in verifying the value of derivative contracts provided by the counterparty and the Sub-Investment Manager's other responsibilities. However, this risk is mitigated by the oversight role of the Depositary as described in Part 4 above.

#### Liquidity Risk

Not all securities or instruments held by the Funds may be listed or rated and consequently liquidity may be low. Liquidity risk exists when particular investments are difficult to purchase or sell. Also, some of the markets in which a Fund invests may be less liquid and more volatile than the world's leading stock markets and this may result in the fluctuation in the price of the securities.

A Fund's investments in illiquid securities may reduce the returns of the Fund because it may be unable to sell the illiquid securities at an advantageous time or price which could prevent the Fund from taking advantage of other investment opportunities. Funds with principal investment strategies that involve foreign securities, derivatives or securities with substantial market and/or credit risk tend to have the greatest exposure to liquidity risk.

Additionally, the market for certain investments may become illiquid under adverse market or economic conditions independent of any specific adverse changes in the conditions of a particular issuer. In such cases, a Fund, due to limitations on investments in illiquid securities and the difficulty in purchasing and selling such securities or instruments may be unable to achieve its desired level of exposure to a certain sector. To the extent that a Fund's principal investment strategies involve securities of companies with smaller market capitalisations, foreign securities, illiquid sectors of fixed income securities, or securities with substantial market and/or credit risk, the Fund will tend to have the greatest exposure to liquidity risk. Further, fixed income securities with longer durations until maturity face heightened levels of liquidity risk as compared to fixed income securities with shorter durations until maturity. Finally, liquidity risk also refers to the risk of unusually high redemption requests or other unusual market conditions that may make it difficult for a Fund to fully honour redemption requests within the allowable time period. Meeting such redemption requests could require a Fund to sell securities at reduced prices or under unfavourable conditions. As a result, the Fund may suffer losses and the Net Asset Value of the Fund may be adversely affected. It may also be the case that other market participants may be attempting to liquidate fixed income holdings at the same time as a Fund, causing increased supply in the market and contributing to liquidity risk and downward pricing pressure.

## Interest Rate Risk

Interest rate risk refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate obligations) or directly (especially in the case of Debt Securities whose rates are adjustable). In general, rising interest rates will negatively affect the price of a fixed rate instrument and falling interest rates will have a positive effect on the price of a fixed rate instrument. Adjustable rate debt instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in debt instruments with uncertain payment or prepayment schedules. In addition, interest rate increases generally will increase the interest carrying cost to a Fund of borrowed securities.

## Credit Ratings Risk

Credit ratings of debt instruments or obligor(s) represent the rating agencies' opinions or estimates regarding their credit quality and are not a guarantee of quality. In addition, rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value. Therefore, such credit ratings may not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes to their credit ratings in response to subsequent events and an obligor's current financial condition may be better or worse than a rating indicates.

## Credit Risk and Risk of Default

Credit risk refers to the likelihood that an issuer or obligor will default on the payment of principal, interest or other amounts owed on an instrument.

Financial strength and solvency of an obligor are the primary factors influencing credit risk, but other factors, including, but not limited to, an obligor's failure to meet its business plan, a downturn in its industry, changing competitive environment or negative economic conditions may also contribute to credit risk. In addition, lack of, inadequacy of, or a deterioration in value of, collateral or other assets expected to be the source of repayment or credit enhancement for a debt instrument may affect its credit risk. A Fund's investments may be subordinated to the senior debt obligations of an issuer or obligor. These subordinated investments may carry greater credit risk and higher loss in the event of default than those associated with the senior obligations of the same obligor. Subordinated or junior tranches in the capital structure may absorb losses from default before the more senior tranches of debt. Credit risk may change over the life of an instrument and debt instruments that are rated by rating agencies may be subject to a downgrade at a later date.

Certain debt obligations in which a Fund invests may have an interest-only payment schedule, with the principal amount remaining outstanding and at risk until the maturity of the investment. In addition, junior and certain other types of loans may provide for payments-in-kind (or the ability to "toggle" between cash pay interest and a capitalisation of interest amounts), which have a similar effect of deferring current cash payments. In such cases, an obligor's ability to repay the principal of an investment may depend on the successful outcome of a liquidity event (such as a disposal of assets), a refinancing of its debt obligations and/or the long-term success of the obligor (and its wider corporate group), the occurrence of which is uncertain.

A Fund's investments may be adversely affected if any of the issuers or obligors it is invested in are subject to an actual or perceived deterioration to their credit quality. A Fund's performance may be affected by default or perceived credit impairment of any individual security or debt obligation and by general or sector-specific or rating class-specific credit spread movement. Any actual or perceived deterioration may lead to an increase in the credit spreads of the issuer's or obligor's securities.

## ***No Assurance or Guarantee***

There can be no assurance or guarantee that the stated investment objectives of the Funds will be met and all of a Shareholder's investment is at risk. Each Shareholder may therefore receive a return from their investment which is insufficient at that time to meet their investment objective. Shareholders in each Fund will share economically the investment risks in relation to that Fund on a pooled basis during the period of time that they are recorded as having Shares.

Additional risk factors (if any) in respect of each Fund are set out in the relevant Supplements. The investment risks set out in this Prospectus do not purport to be an exhaustive or complete explanation of all the risks. Investors should seek professional advice before investing.

## **Derivatives Risks**

### Financial Derivative Instrument and Securities Financing Transactions Risk

Derivatives (such as options, futures, forward contracts, forward foreign exchange contracts, swaps, credit default swaps) whether OTC or listed on a regulated market are highly specialised instruments that require investment techniques and risk analyses different from those associated with equity securities and debt instruments. The use of derivatives and Securities Financing Transactions requires an understanding not only of the underlying instrument but also of the derivatives and Securities Financing Transactions. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into and the ability to assess the risk that a derivative transaction adds to a portfolio. There can be no guarantee or assurance that the use of derivatives will meet or assist in meeting the investment objectives of a Fund.

Where a Fund enter into swap arrangements using derivative techniques, it will be exposed to the risk that the counterparty or a market infrastructure provider (e.g. a clearing house) may default on its obligations to perform under the relevant contract. In the event of a bankruptcy or insolvency of a counterparty or a market infrastructure provider, a Fund could experience delays in liquidating the position and may incur significant losses, including loss of assets provided as collateral. There is also a possibility that ongoing derivative transactions will be terminated unexpectedly as a result of events outside the control of the Investment Manager or Sub-Investment Manager, for instance, bankruptcy, termination of services or failure to perform services by service providers, supervening illegality or a change in the tax or accounting laws relative to those transactions at the time the agreement was originated.

The swap market has grown substantially in recent years with a large number of banks and investment banking firms acting as principals, service providers and as agents utilising standardised documentation. As a result, the swap market has become liquid but there can be no assurance that a liquid secondary market will exist at any specified time for any particular swap. There is also the possibility that derivatives do not completely correlate with their underlying assets, interest rates or indices. Inappropriate valuations can result in higher demands for cash by counterparties or in a loss in the value of a Fund's Net Asset Value. There is not always a direct or parallel relationship between a derivative and the value of the assets, interest rates or indices from which it is derived. For these reasons, the use of derivatives by a Fund is not always an effective means of attaining the Fund's investment objective and can at times even have the opposite effect.

In addition, the use of derivatives may have a leverage effect on a Fund's assets or may correspond to a short sale. This leads to the risk arising from the use of relatively small financial resources to obtain a large number of market positions. In a falling market, leverage can increase the losses on the derivatives position concerned. In a falling market, the sale of options and other derivatives may mean that their entire purchase price or premiums are lost.

Securities Financing Transactions create several risks for a Fund and its investors, including, but not limited to, counterparty risk if the counterparty to a Securities Financing Transaction defaults on its obligation to return assets equivalent to the ones provided to it by the relevant Fund and liquidity risk if the Fund is unable to liquidate collateral provided to it to cover a counterparty default.

**Securities Lending Risk:** 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 (if any) provided in connection with such transaction will be called upon. A securities lending transaction may involve the receipt of collateral. However there is a risk that the value of the collateral (if any) may fall and the Fund suffer loss as a result.

**Repurchase Agreements:** A Fund may enter into repurchase arrangements. Accordingly, the Fund will bear a risk of loss in the event that, amongst other things, the counterparty to the repurchase transaction defaults on its obligations and the Fund is delayed or prevented from exercising its rights to dispose of the underlying securities. The Fund will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Fund seeks to assert its right to them, the risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement. Following the sale of any collateral, the Fund would be an unsecured creditor against the counterparty for any residual claim.

## Counterparty and Settlement Risk

The Company may enter into OTC derivative contracts and Securities Financing Transactions in relation to each Fund, and accordingly will be exposed to the risk that the counterparties to such contracts may, in an insolvency or similar event, be unable to meet their contractual obligations under the contracts. If a counterparty was unable to meet its contractual obligations under a contract, the Fund in relation to which the Company had entered into that contract could incur a loss and this would have an adverse effect on the value of the Fund. The Company will not be restricted from concentrating any or all of the derivative or Securities Financing contracts with one counterparty. To the extent a Fund enters into OTC derivative contracts, rather than on a regulated market, it may increase the potential for loss by a Fund. The Company will seek to mitigate this risk by receiving collateral with a value at least equal to the mid-market mark to market exposure of each Fund to each relevant counterparty at the time of valuation, subject to threshold and minimum transfer amounts. In the event that a counterparty defaults and a Fund is "in-the-money" in respect of transactions facing that counterparty, the amount of collateral held by a Fund is likely to be insufficient to cover the crystallised mark to market. The relevant Fund will rank as an unsecured creditor against that counterparty in respect of the residual amount owed to that Fund (being, the difference between the liquidated value of collateral held by the Fund and the crystallised mark to market of that Funds' claim amount under the contracts).

## Leverage Risk

The Sub-Investment Manager may use leverage, through the use of swaps and other derivative instruments, which is likely to increase the volatility of the Funds. There can be no guarantee that the desired level of leverage will be achieved for each Fund. While leverage presents opportunities for increasing total returns, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment, either directly or indirectly, by a Fund would be magnified to the extent that leverage is employed by such Fund. The cumulative effect of the use of leverage by a Fund, directly or indirectly, in a market that moves adversely to the investments of the entity employing the leverage could result in a loss to the relevant Fund that would be greater than if leverage were not employed by the relevant Fund. In addition, to the extent that a Fund borrows, the rates at which it can borrow will affect the operating results of the Fund. The level of leverage may vary throughout the lifetime of each Fund.

## Collateral Risk

The Central Bank requires that collateral received by a Fund under a stocklending arrangement or repurchase agreement be marked to market daily to ensure that the value of the collateral equals or exceeds the value of the securities loaned or the amount invested. Where due to market movements, the value of the collateral is less than the value of the loaned securities or the amount invested the Fund can call for additional collateral from the counterparty such that the value of the collateral and margin requirement is maintained. In the event there is a decline in value of the collateral, a counterparty credit risk will increase pending delivery of the additional collateral. In the normal course of events, additional collateral is delivered the business day following the date on which the collateral is called.

A Fund may also receive collateral from a counterparty to an OTC derivative transaction in order to reduce that Fund's exposure to that counterparty below the limits laid down by the Central Bank. The Central Bank also requires such collateral provided by an OTC derivative counterparty to be marked to market daily and a similar credit risk arises where due to market movement the value of the collateral falls and additional collateral has not yet been delivered.

A Fund may, in accordance with the Central Bank Rules, invest cash collateral received under a stocklending arrangement, repurchase agreement or from a counterparty to an OTC derivative transaction in shares or units issued by a Qualifying Money Market Fund where any such fund is a fund managed directly or by delegation by the Investment Manager or by another company to which the Investment Manager is linked by common management or control. Any such investment may be subject to a pro rata portion of that Qualifying Money Market Fund's management fees which would be in addition to the annual investment management fees charged by the relevant Fund. No subscription, conversion or redemption charge can be made by the Qualifying Money Market Fund.

Risks related to a counterparty's right of re-use of any collateral include that, upon the exercise of such right of re-use, such assets will no longer belong to the relevant Fund and the Fund will only have a contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty the Fund shall rank as an unsecured creditor and may not recover its assets from the counterparty. More broadly, assets subject to a right

of re-use by a counterparty may form part of a complex chain of transactions over which the Fund or its delegates will not have any visibility or control.

### Exchange Traded Derivatives

A Fund may be obliged to pay margin deposits and option premia to brokers in relation to futures and option contracts entered into for the relevant Fund. While exchange traded contracts are generally guaranteed by the relevant exchange, the relevant Fund may still be exposed to the fraud or insolvency of the broker through which the transaction is undertaken. The relevant Fund will seek to minimise this risk by trading only through high quality names which are determined by factors such as their credit ratings, regulatory and market capitalisation, regulatory status and home jurisdiction, and/or that of their parent group.

## **Currency Risk**

### FX Transactions, Currency Risk and Currency Exposure

A Fund's investments may be denominated in various currencies. However, each Fund will value its investments in its relevant Base Currency. Prospective investors whose assets and liabilities are predominantly in currencies, other than the Base Currency of the relevant Fund, should take into account the potential risk of loss arising from fluctuations in value between the currency of investment and such other currencies. A change in the value of such foreign currencies against the Base Currency will result in a corresponding change in the Base Currency value of the relevant Fund's assets denominated in those currencies. Foreign currency exchange rates are determined by forces of supply and demand in foreign exchange markets. These forces are, in turn, affected by international balance of payments and other economic and financial conditions, government intervention, speculation and other factors. Foreign currency exchange rates may also be affected by government policies or intervention in the foreign exchange markets, and certain currencies may be affirmatively supported relative to Sterling by their or other governments. Changes in government policy, including a cessation of currency support intervention, may result in abrupt changes in the valuation of such currencies. The Manager or its delegate may, depending on the investment objective of the Fund, seek to mitigate this exchange rate risk by using derivatives. No assurance, however, can be given that such mitigation will be successful.

### Currency Exchange Rates Risk

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, a Fund's Net Asset Value to fluctuate as well. To the extent that a substantial portion of a Fund's total assets is denominated in the currencies of particular countries, the Fund will be more susceptible to the risk of adverse economic and political developments within those countries.

### Base Currency/ Denominated Currency of Classes Risk

Classes of Shares in a Fund may be denominated in currencies other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the denominated currency of the class may lead to a depreciation of the value of the investor's holding as expressed in the Base Currency even in cases where the class is hedged. No assurance, however, can be given that such mitigation will be successful. Where the class is unhedged a currency conversion will take place on subscription, repurchase, exchange and distributions at prevailing exchange rates.

It is not intended to engage in any material derivatives activity at Share Class level within a Fund, other than for currency hedging purposes. Such currency hedging activity may expose each Share Class to cross-contamination risk as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant Share Class. Although the costs, gains and losses of the currency hedging transactions will accrue solely to the relevant Share Class, investors are nonetheless exposed to the risk that currency hedging transactions undertaken in one Share Class may impact negatively on another Share Class, particularly where (pursuant to Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories ("**EMIR**")) such currency hedging transactions require the Fund to post collateral (i.e. initial or variation margin). Any such collateral is posted by a Fund and at the Fund's risk (rather than by the Share Class and at the risk of the Share Class only because the Share Class does not represent a segregated portion of the Fund's assets) thus exposing investors in other Share Classes to a proportion of this risk.

Due to the lack of asset segregation between Share Classes, the derivatives used in the currency hedging of a

given Share Class become part of the common pool of assets which introduces potential counterparty and operational risk for all investors in the Fund. This could lead to a risk of contagion (also known as spill-over) to other Share Classes, some of which might not have any currency hedging in place. Whilst all measures will be taken to mitigate this contagion risk, it cannot be fully eliminated i.e. through the default of a derivative counterparty or through the losses relating to Share Class specific assets exceeding the value of the respective Share Class.

To the extent that a Fund employs a strategy of hedging the return of a particular Class of Shares to an exchange rate other than the relevant Fund's Base Currency, this may substantially limit the Shareholders of that Class from benefiting if the currency to which it is hedged falls against the Base Currency of the Fund.

A Fund may enter into currency exchange transactions and/or use derivatives to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange 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 the hedged currency, they also limit any potential gain that might be realised should the value of the hedged currency increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange 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. Performance of a Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a Fund may not correspond with the securities positions held.

### **Loans**

The specific collateral used to secure a loan may decline in value or become illiquid, which would adversely affect the loan's value. Also, many loans are not actively traded, which may impair the ability of the Fund to realise full value in the event of the need to liquidate such assets.

### **Loan Participation Risk**

In purchasing loan participations, a Fund will acquire contractual rights only against the seller, not the borrower. Payments due to a Fund will only be made to the extent received by the seller from the borrower. Accordingly, a Fund will assume the credit risk of both seller and borrower, as well as of any intermediate participant. The liquidity of assignments and participations is limited and it is anticipated that such securities may only be sold to a limited number of institutional investors.

Some loans may incorporate delayed drawdown characteristics, where although the obligation is created prior to investment the amount advanced is drawn down and repaid and/or redrawn in stages. Furthermore, some loans may incorporate revolving credit characteristics, where although the obligation is created prior to investment the amount advanced may be fully drawn down or drawn down in stages, repaid and redrawn over the term of the loan. In each case, the Fund is committed to supply these amounts at each stage up to the level of the Fund's full contractual commitment for the period it remains a participant in the loan facility.

### **Fixed Interest Securities**

Fixed interest securities are particularly affected by trends in interest rates and inflation. If interest rates increase, capital values may fall and vice versa. Inflation will erode the real value of capital. In addition, companies may not be able to honour repayment on bonds they issue.

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

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

### **Emerging Markets Risk**

A Fund may invest directly or indirectly in securities of companies based in emerging countries or issued by the governments of such countries. Investing in securities of such countries and companies involves certain considerations not usually associated with investing in securities of developed countries or of companies located in developed countries, including political and economic considerations, such as greater risks of expropriation, nationalisation and general social, political and economic instability; the small size of the securities markets in such countries and the low volume of trading, resulting in potential lack of liquidity and in price volatility; fluctuations in the rate of exchange between currencies and costs associated with currency conversion; certain government policies that may restrict a Fund's investment opportunities; and problems that may arise in connection with the clearance and settlement of trades. In addition, accounting and financial reporting standards that prevail in certain of such countries generally are not equivalent to standards in more developed countries and, consequently, less information is available to investors in companies located in these countries than is available to investors in companies located in more developed countries. There is also less regulation, generally, of the securities markets in emerging countries than there is in more developed countries. Placing securities with a custodian in an emerging country may also present considerable risks.

### ***Special Risks of Investing in Russian Securities***

Although investment in Russian securities does not constitute the principal investment focus of any Fund, rather it constitutes a sector in the investment discretion of certain Funds, the Funds may invest a portion of their assets in securities of issuers located in Russia. In addition to the risks disclosed above under the heading "Emerging Markets Securities", investments in securities of Russian issuers may involve a particularly high degree of risk and special considerations not typically associated with investing in more developed markets, many of which stem from Russia's continuing political and economic instability and the slow-paced development of its market economy. Investments in Russian securities should be considered highly speculative. Such risks and special considerations include: (a) delays in settling portfolio transactions and the risk of loss arising out of Russia's system of share registration and custody; (b) pervasiveness of corruption, insider trading, and crime in the Russian economic system; (c) difficulties associated in obtaining accurate market valuations of many Russian securities, based partly on the limited amount of publicly available information; (d) the general financial condition of Russian companies, which may involve particularly large amounts of inter-company debt; (e) the risk that the Russian tax system will not be reformed to prevent inconsistent, retroactive and/or exorbitant taxation or, in the alternative, the risk that a reformed tax system may result in the inconsistent and unpredictable enforcement of the new tax laws (f) the risk that the government of Russia or other executive or legislative bodies may decide not to continue to support the economic reform programs implemented since the dissolution of the Soviet Union (g) the lack of corporate governance provisions applying in Russia generally, and (h) the lack of any rules or regulations relating to investor protection.

Russian securities are issued in book-entry form, with ownership recorded in a share register held by the issuer's registrar. Transfers are effected by entries to the books of registrars. Transferees of shares have no proprietary rights in respect of shares until their name appears in the register of shareholders of the issuer. The law and practice relating to registration of shareholdings are not well developed in Russia and registration delays and failures to register shares can occur. In common with other emerging markets, Russia has no central source for the issuance or publication of corporate actions information. The Depository therefore cannot guarantee the completeness or timeliness of the distribution of corporate actions notifications.

### ***Stock Connect Risks***

A Fund may trade through the Shanghai and Shenzhen Stock Connect programmes.

The Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect are securities trading and clearing linked programs developed by Hong Kong Securities Clearing Company Limited ("HKSCC"), The Stock Exchange of Hong Kong Limited ("SEHK"), Shanghai Stock Exchange ("SSE"), Shenzhen Stock Exchange ("SZSE") and China Securities Depository and Clearing Corporation Limited ("ChinaClear") with an aim to achieve mutual stock market access between mainland China and Hong Kong. The SSE, SZSE and SEHK will enable investors to trade eligible shares listed on the other's market through local securities firms or brokers ("Stock Connect Securities", with those programs hereafter referred to as "Stock Connect"). Stock Connect comprises a "Northbound Trading Link" (for investment in People's Republic of China ("PRC") shares) and a "Southbound Trading Link" (for investment in Hong Kong shares). Under the Northbound Trading Link, investors, through their Hong Kong brokers and the securities trading service company established by SEHK, may be able to place orders to trade eligible shares listed on SSE and SZSE by routing orders to SSE and SZSE.



Stock Connect is subject to quota limitations. In particular, once the remaining balance of the northbound daily quota drops to zero or the northbound daily quota is exceeded during the opening call session, new buy orders will be rejected (though investors will be allowed to sell their cross-boundary securities regardless of the quota balance). Therefore, quota limitations may restrict the Fund's ability to invest in China A-Shares through Stock Connect on a timely basis, and the Fund may not be able to effectively pursue its investment strategies. It is contemplated that SEHK, SSE and SZSE would reserve the right to suspend northbound and/or southbound trading if necessary for ensuring an orderly and fair market and that risks are managed prudently. Consent from the relevant regulator would be sought before a suspension is triggered. Where a suspension in the northbound trading through Stock Connect is effected, the Fund's ability to access the PRC market will be adversely affected. The "connectivity" in the Stock Connect program requires routing of orders across the border. There is no assurance that the systems of the SEHK and market participants will function properly or will continue to be adapted to changes and developments in both markets. In the event that the relevant systems failed to function properly, trading in both markets through the program could be disrupted. The Fund's ability to access the China A-Share market (and hence to pursue its investment strategy) could be adversely affected.

PRC regulations require that before an investor sells any share, there should be sufficient shares in the account; otherwise SSE or SZSE will reject the sell order concerned. SEHK will carry out pre-trade checking on China A-Shares sell orders of its participants (i.e. the stock brokers) to ensure there is no over-selling. If the Fund wishes to sell certain China A-Shares it holds, it must transfer those China A-Shares to the respective accounts of its brokers before the market opens on the day of selling. If it fails to meet this deadline, it will not be able to sell those shares. Because of this requirement, the Fund may not be able to dispose of holdings of China A-Shares in a timely manner.

HKSCC is the "nominee holder" of the Stock Connect Securities acquired by Hong Kong and overseas investors through the Stock Connect. Foreign investors like the Fund investing through the Stock Connect holding the Stock Connect Securities through HKSCC are the beneficial owners of the assets and are therefore eligible to exercise their rights through the nominee. Stock Connect Securities are uncertificated and are held by HKSCC for its account holders. Physical deposit and withdrawal of Stock Connect Securities are not available currently for the Fund. Hong Kong and overseas investors such as the Fund can only hold Stock Connect Securities through their brokers/custodians. Their ownership of such is reflected in their brokers/custodians' own records such as client statements.

A failure or delay by the HKSCC in the performance of its obligations may result in a failure of settlement, or the loss, of Stock Connect Securities and/or monies in connection with them and the Fund and its investors may suffer losses as a result. Neither the Fund nor the Manager shall be responsible or liable for any such losses.

Because HKSCC is only a nominee holder and not the beneficial owner of Stock Connect Securities, in the unlikely event that HKSCC becomes subject to winding up proceedings in Hong Kong, investors should note that Stock Connect Securities will not be regarded as part of the general assets of HKSCC available for distribution to creditors even under mainland China law.

Stock Connect is relatively new, and will be subject to regulations promulgated by regulatory authorities and implementation rules made by the stock exchanges in the PRC and Hong Kong. Further, new regulations may be promulgated from time to time by the regulators in connection with operations and cross-border legal enforcement in connection with cross-border trades under the Stock Connect. It should be noted that the regulations are untested and there is no certainty as to how they will be applied. Moreover, the current regulations are subject to change. There can be no assurance that Stock Connect will not be abolished. The Fund, which may invest in the PRC markets through Stock Connect, may be adversely affected as a result of such changes.

### ***Contamination Risk***

The Company is an umbrella investment company with segregated liability between Funds. As a result, as a matter of Irish law, any liability attributable to a particular Fund may only be discharged out of the assets of that Fund and the assets of other Funds may not be used to satisfy the liability of that Fund. In addition, any contract entered into by the Company will by operation of law include an implied term to the effect that the counterparty to the contract may not have any recourse to assets of any of the Funds other than the Fund in respect of which the contract was entered into. These provisions are binding both on creditors and in any insolvency but do not prevent the application of any enactment or rule of law which would require the application of the assets of one Fund to discharge some, or all liabilities of another Fund on the grounds of fraud or misrepresentation. In

addition, whilst these provisions are binding in an Irish court which would be the primary venue for an action to enforce a debt against the Company, these provisions have not been tested in other jurisdictions, and there remains a possibility that a creditor might seek to attach or seize assets of one Fund in satisfaction of an obligation owed in relation to another Fund in a jurisdiction which would not recognise the principle of segregation of liability between Funds

As at the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Fund of the Company.

### ***Volatility***

The Fund will invest in instruments that can be extremely volatile. If the investments to which the Fund is exposed are significantly more volatile than expected, this may lead to large and sudden fluctuations in the Net Asset Value and very significant losses.

### ***High Yield/Sub-Investment Grade Securities Risk***

Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which react primarily to fluctuations in the general level of interest rates. During an economic downturn or a sustained period of rising interest rates, highly leveraged issuers of high yield securities may experience financial stress and may not have sufficient revenues to meet their interest payment obligations. There are fewer investors in lower-rated securities, and it may be harder to buy and sell securities at an optimum time.

### ***Investment Management Risk***

The investment performance of each Fund will be substantially dependent on the services of certain key employees of the Sub-Investment Manager. In the event of the death, incapacity or departure of any of these individuals, the performance of the relevant Fund may be adversely affected.

### ***Concentration of Investments***

A Fund may subject to the restrictions set out in the Prospectus at certain times hold relatively few investments and/or substantial amounts of cash or cash equivalents. The relevant Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer. To the extent that a Fund holds substantial amounts of cash or cash equivalents any time investors should note that a subscription for Shares of the Fund at that time is not the same as making a deposit with a bank or other deposit taking body, the value of the Shares will not be insured or guaranteed and will fluctuate in line with the performance of the underlying investments.

### ***Performance Fee***

For any Fund of the Company, the performance fee is calculated for each individual Share in issue at the end of the Performance Period, and the total fee payable for a particular Share Class is the sum of all such individual calculations relating to that Share Class. While efforts will be made to eliminate potential inequalities between Shareholders through the performance fee calculation methodology, there may be occasions where a Shareholder may pay a performance fee for which they have received no benefit.

Positive performance may be generated by market movements as well as active portfolio management; this may lead to circumstances where a portion of the performance fee is paid based on market movements.

### ***LIBOR Discontinuance Risk***

From the end of 2021, panel banks will no longer be compelled by the FCA to submit rates for the calculation of LIBOR and therefore it is not possible to predict whether, and to what extent, they will continue to provide submissions from this date and whether LIBOR will continue on its current basis. In the event that LIBOR is discontinued or otherwise unavailable, the rate of interest on debt instruments which reference LIBOR will need to be determined based on any applicable fall-back provisions. This may in certain circumstances be reliant upon the provision by reference banks of offered quotations for the LIBOR rate, which may not be available, or require the application of a fixed rate based on the last relevant LIBOR rate available. Additionally, where such fall-back provisions need to be amended to reflect such discontinuance and there is uncertainty on the establishment of an alternative interest rate measure, there can be no assurance that any such amendments or

alternative interest rates will adequately mitigate future interest rate risk. Therefore, such changes could have an adverse effect on the applicable interest rates of debt instruments referencing LIBOR and their value and liquidity, and this in turn may have an adverse effect on the performance of a Fund, the Net Asset Value, a Fund's earnings and returns to Shareholders.

### ***Profit Sharing***

A performance fee may create an incentive for the Investment Manager to make investments for a Fund which are riskier than would be the case in the absence of a fee based on the performance of the Fund.

### ***Repurchase and Reverse Repurchase Agreement Risks***

Subject to the Regulations, a Fund may enter into repurchase agreements. If the other party to a repurchase agreement should default, the Fund might suffer a loss to the extent that the proceeds from the sale of the underlying securities and other collateral held by the Fund in connection with the repurchase agreement are less than the repurchase price. In addition, in the event of bankruptcy or similar proceedings of the other party to the repurchase agreement or its failure to repurchase the securities as agreed, the Fund could suffer losses, including loss of interest on or principal of the security and costs associated with delay and enforcement of the repurchase agreement. A bankruptcy court may determine that the securities do not belong to the Fund and order that the securities be sold to pay off the seller's debt.

### ***Taxation Risk***

Please refer to Part 8 – "Taxation", where the potential tax implications for Shareholders are set out.

### ***Legal, Tax and Regulatory Risks***

Legal, tax and regulatory changes may occur during the life of the Funds which may adversely affect the ability of the Funds to pursue their investment objectives.

### ***Operational Risks (including Cyber Security and Identity Theft)***

An investment in a Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers such as the Investment Manager, Sub-Investment Manager or the Administrator. While the Company seeks to minimise such events through controls and oversight, there may still be failures that could cause losses to a Fund.

The Investment Manager, Sub-Investment Manager, Administrator and Depositary (and their respective groups) each maintain information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the Investment Manager's, Sub-Investment Manager's, Administrator's and/or Depositary's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the Company and its delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the Company.

### ***Volcker Rule Risk***

U.S. regulators have adopted the "Volcker Rule" which imposes a number of restrictions on financial organizations like The Bank of New York Mellon Corporation and its affiliates ("**BNY Mellon**"), but also provides various exemptions.

The Volcker Rule excludes "foreign public funds," such as the Funds, that meet certain criteria, including, in the case of each Fund, that ownership interests in the Fund be sold predominantly to persons other than BNY Mellon and its directors and employees (the regulators expect at least 85% of the Fund to be held by non-U.S. persons who are neither affiliated with, nor directors or employees of, BNY Mellon). Therefore, to the extent BNY Mellon provides seed capital to a Fund, it will take steps to raise enough fund assets through investments by third parties and/or reduce its seed capital investments so that its investments will constitute less than 15% of the Fund within, generally, three years of the Fund's establishment.

If BNY Mellon is required to divest some or all of its seed capital investments, it will involve sales of portfolio holdings to raise cash. Such sales entail the following risks: BNY Mellon may initially own a larger percentage of the Fund, and any mandatory reductions may increase Fund portfolio turnover rates with corresponding increased brokerage and transfer costs and expenses and tax consequences. Details of BNY Mellon's investment in the Funds are available upon request.

### ***Dodd-Frank Risk***

The Dodd-Frank Wall Street Reform and Consumer Protection Act (**DFA**) was adopted by the US Congress in July 2010. It requires financial regulators to propose and adopt numerous rules to implement the statutory provisions of the DFA. With the passage of DFA, there have been (and will continue to be) extensive rulemaking and regulatory changes that have affected and will continue to affect private fund managers, the funds that they manage and the financial industry as a whole. Under the DFA, the U.S. Securities and Exchange Commission has mandated additional registration, reporting and recordkeeping requirements, which may add costs to the legal, operations and compliance obligations of the Manager, the Investment Manager, the Sub-Investment Manager and the Company and increase the amount of time spent on non-investment related activities. Until the U.S. federal regulators implement all of the requirements of DFA, it is unknown how burdensome such requirements will be. The DFA affects a broad range of market participants with whom the Company may interact, including commercial banks, investment banks, other non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies and broker-dealers. Regulatory changes that affect other market participants are likely to change the way in which the Manager, the Investment Manager or the Sub-Investment Manager conducts business with its counterparties. It may take several years to understand the impact of the DFA on the financial industry as a whole, and therefore, such continued uncertainty may make markets more volatile, and it may be more difficult for the Investment Manager and Sub-Investment Manager to execute the investment strategy of the Company and its Funds. Moreover, the current U.S. administration has suggested that parts of the DFA may be delayed, modified or eliminated, and legislation has been proposed that would make numerous changes to the DFA. As a result, there is substantial uncertainty surrounding the regulatory environment for the financial industry in the United States.

### ***Impact of EU Securitisation Rules***

It is anticipated that, subject to certain exemptions and transitional provisions, the instruments held by a Fund may constitute Securitisation Positions within the scope of the Securitisation Regulation. In such cases, the Fund will be characterised as an "institutional investor" for the purposes of the Securitisation Regulation, and as such, shall be directly subject to obligations outlined in the Securitisation Regulation with respect to the relevant Securitisation Positions it holds or proposes to hold. In particular, the Securitisation Regulation includes provisions harmonising and replacing the risk retention and due diligence requirements (including the corresponding guidance provided through technical standards) applicable to the Fund with respect to Securitisation Positions it holds.

There are material differences between the regulatory rules which applied to securitisations prior to 1 January 2019 and the regime which now applies pursuant to the Securitisation Regulation.

The Securitisation Regulation places requirements on the Fund intending to invest in an EU regulated securitisation to, amongst other things, (i) be able to demonstrate that such investor has carried out a due-diligence assessment in respect of various matters including the risk characteristics of the individual securitisation and its underlying exposures, (ii) verify that the originator, sponsor or original lender in respect of the relevant securitisation has explicitly disclosed to the investor that it will retain, on an ongoing basis, a material net economic interest of not less than 5 per cent. in respect of certain specified credit risk tranches or asset exposures, (iii) verify, where applicable, certain matters relating to the granting of credits giving rise to the underlying exposures by the originator or original lender and (iv) verify that the originator, sponsor or securitisation special purpose entity ("**SSPE**") has, where applicable, made available to the investor certain information in accordance with the transparency requirements therein. An institutional investor is also subject to various requirements under the Securitisation Regulation relating to procedures and other matters related to the monitoring of such investment.

Failure to comply with one or more of the requirements described above may result in various administrative sanctions or remedial measures being imposed on (i) the Fund, or, (ii) with respect to the underlying instruments subject to the Securitisation Regulation, the originator, sponsor, lender and/or SSPE (as applicable), which, in such case, may be payable or reimbursable by the transaction parties to

the underlying instruments to the extent such sanctions or measures are in the form of pecuniary sanctions imposed on such transaction party.

The rules establishing sanctions are to be set by the individual member states of the EEA in accordance with the framework set out in the Securitisation Regulation. Among other things, this framework allows for criminal sanctions and specifies maximum fines of at least EUR 5,000,000 (or equivalent) or of up to 10 per cent. of total annual net turnover, or (even if that is higher than the other maximum levels stated) at least twice the amount of the benefit derived from the infringement.

As at the date of this Prospectus, the technical standards which are expected to provide more granular guidance on the application of the provisions of the Securitisation Regulation to the transaction are still in the process of being finalised. Without limiting the foregoing, investors should be aware that at this time, there is limited binding guidance relating to the satisfaction of the Securitisation Regulation requirements. Aspects of the requirements and what is or will be required to demonstrate compliance to national regulators remains unclear, particularly in respect of Article 7 of the Securitisation Regulation. Investors should therefore make themselves aware of such requirements (and any corresponding implementing rules of their regulator), where applicable to them, in addition to any other regulatory requirements applicable to them with respect to their investment in the Fund.

The imposition of sanctions or remedial measures on the Fund (or indirectly as a result of the transaction parties to the underlying instruments) may directly and adversely affect the amounts payable under the instrument.

The Securitisation Regulation and any other changes in the law or regulation, the interpretation or application of any or regulation or changes in the regulatory capital treatment of the instruments may negatively impact the regulatory position of the Fund and, in addition, may have a negative impact on the price and liquidity of the instruments in the secondary market. Without limitation to the foregoing, no assurance can be given that the requirements of the Securitisation Regulation, or the interpretation or application thereof, will not change (whether as a result of the legislative proposals put forward by the European Commission or otherwise), and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the instruments, in particular as aspects of the requirements and what is or will be required to demonstrate compliance to the national regulators remains unclear.

### ***Subscriptions/Redemptions Account***

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

### ***FATCA***

The United States and Ireland have entered into an intergovernmental agreement to implement FATCA (the "IGA"). Under the IGA, an entity classified as a Foreign Financial Institution (an "FFI") that is treated as resident in Ireland is expected to provide the Revenue Commissioners with certain information in respect of its "account" holders (i.e. Shareholders). The IGA provides for the automatic reporting and exchange of information between the Revenue Commissioners and the IRS in relation to accounts held in Irish FFIs by U.S. persons, and the reciprocal exchange of information regarding U.S. financial accounts held by Irish residents. Provided the Company complies with the requirements of the IGA and the Irish legislation, it should not be subject to FATCA withholding on any payments it receives and may not be required to withhold on payments which it makes.

Although the Company will attempt to satisfy any obligations imposed on it to avoid the imposition of the FATCA withholding tax, no assurance can be given that the Company will be able to satisfy these obligations. In order to satisfy its FATCA obligations, the Company will require certain information from investors in respect of their FATCA status. If the Company becomes subject to a withholding tax as a result of the FATCA regime, the value of the Shares held by all Shareholders may be materially affected.

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

## **CRS**

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

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

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

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

## **UK Banking Act 2009**

The UK Banking Act 2009 outlines the special resolution powers and mechanisms to be made available to the Bank of England, the Treasury and Financial Conduct Authority (together, the Authorities) to deal with banks that have failed or are likely to fail the threshold conditions under the UK Financial Services and Markets Act 2000 to carry on regulated activities. If the appropriate triggers are met, the Authorities may: (i) transfer shares in, or the property of, a bank to a commercial purchaser; (ii) transfer the property of a bank to a bridge company which is wholly owned by the Bank of England; or (iii) transfer shares of a bank to a nominee of the Treasury. Under the Banking Act 2009, the Authorities can order the transfer of any property of a bank without regard to any requirements for consent to transfer or any contractual or other restrictions on transfer.

If the Company in respect of a Fund has entered into agreements, including, but not limited to, any interest rate swaps or participations with an affected bank, the rights of the Company under any transferred property may be compromised. Further, if any property held on trust for the Fund by the affected bank is transferred, the Authorities may order the alteration or removal of such trust.

## **Depository Risk**

If a Fund invests in assets that are financial instruments that can be held in custody ("**Custody Assets**"), the Depository is required to perform full safekeeping functions and will be liable for any loss of such assets held in custody unless it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In the event of such a loss (and the absence of proof of the loss being caused by such an external event), the Depository is required to return identical assets to those lost or a corresponding amount to the Fund without undue delay.

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

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

The Funds enjoy a strong level of protection in terms of Depository liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater

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

### ***Political and/or Regulatory Risks***

The value of a Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investments may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

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

The Funds may face potential risks associated with the referendum on the United Kingdom's continued membership of the EU, which took place on June 23, 2016 and which resulted in a vote for the United Kingdom to leave the EU. Where applicable, that decision to leave could materially and adversely affect the regulatory regime to which the Investment Manager and Sub-Investment Manager are currently subject in the United Kingdom, particularly in respect of financial services regulation and taxation. Furthermore, the vote to leave the EU may result in substantial volatility in foreign exchange markets and may lead to a sustained weakness in the British pound's exchange rate against the United States dollar, the euro and other currencies which may have a material adverse effect on the Funds. The vote for the United Kingdom to leave the EU may set in train a sustained period of uncertainty, as the United Kingdom seeks to negotiate the terms of its exit. It may also destabilize some or all of the other 27 members of the EU (some of which are countries in which the Investment Manager and/or Sub-Investment Manager conducts business) and/or the Eurozone. There may be detrimental implications for the value of certain of a Fund's investments, its ability to enter into transactions, to value or realise certain of its investments or otherwise to implement its investment policy. This may be due to, among other things, increased uncertainty and volatility in United Kingdom, EU and other financial markets, fluctuations in asset values, fluctuations in exchange rates, increased illiquidity of investments located, traded or listed within the United Kingdom, the EU or elsewhere, changes in the willingness or ability of financial and other counterparties to enter into transactions, or the price and terms on which they are prepared to transact; and/or changes in legal and regulatory regimes to which the Company, the Investment Manager, the Sub-Investment Manager and/or certain of a Fund's assets are or become subject to.

### ***Risk Factors Not Exhaustive***

The risks set out in this Prospectus do not purport to be an exhaustive or complete explanation of all the risks. Potential investors should be aware that an investment in the Company or any Fund may be exposed to risks of an exceptional nature from time to time. Investors should seek professional advice before investing.

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

Persons interested in purchasing Shares should inform themselves as to

- (a) the legal requirements within their own countries for the purchase of Shares
- (b) any foreign exchange restrictions which may be applicable, and
- (c) the income and other tax consequences of purchase and repurchase of Shares.

### **Incorporation and Share Capital**

The Company is incorporated and registered in Ireland under the Act as an open-ended umbrella investment company with variable capital and with segregated liability between Funds on 5<sup>th</sup> December 2006 with registered number 431087.

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

The unclassified shares are available for issue as Shares. The issue price is payable in full on acceptance. There are no rights of pre-emption attaching to the Shares in the Company.

### **Memorandum and Articles**

Clause 2 of the Memorandum provides that the sole object of the Company is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk-spreading in accordance with the Regulations.

The Articles contain provisions to the following effect:

- (i) **Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company.
- (ii) **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 Company 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 holding or representing by proxy at least one third of the issued shares of the Class in question and the quorum at an adjourned meeting shall be one person holding Shares of the Class in question or his/her proxy.
- (iii) **Voting Rights.** Subject to disenfranchisement in the event of non-compliance with any notice requiring disclosure of the beneficial ownership of Shares and subject to any rights or restrictions for the time being attached to any Class or Classes of Shares, on a show of hands at a general meeting or Class meeting of the Company, every Shareholder holding shares who is present in person or by proxy shall have one vote and on a poll every Shareholder present in person or by proxy shall have one vote for every Share of which s/he is the holder.
- (iv) **Change in Share Capital.** The Company may, from time to time, by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe. The Company may also by ordinary resolution, consolidate and divide its share capital into Shares of larger amount, subdivide its Shares into Shares of smaller amounts or value or 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 or redenominate the currency of any Class of Shares.
- (v) **Directors' Interests.** Provided that the nature and extent of his/her interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his/her office from contracting with the Company nor shall any such 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 Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

The nature of a Director's interest must be declared by him/her 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 s/he became so interested.

A Director shall not vote at a meeting of the Directors or a committee of the Directors on any resolution concerning a matter in which s/he has, directly or indirectly an interest which is material (other than an interest arising by virtue of his/her interest in shares or debentures or other securities or otherwise in or through the Company) or a duty which conflicts or may conflict with the interest of the Company. A Director shall not vote (or be counted in the quorum present) on any resolution in respect of his/her appointment (or the arrangement of the terms of appointment) to hold any office or place of profit with the Company.

A Director shall be entitled (in the absence of some other material interest than is indicated under "Directors Interests" below) to vote and be counted in the quorum in respect of any resolutions concerning the following matters, namely:

- (a) the giving of any security, guarantee or indemnity to him/her in respect of money lent by him/her to the Company or any of its subsidiary or associated companies or obligations incurred by him/her at the request of, or for the benefit of, the Company or any of its subsidiary or associated companies;
- (b) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries or associated companies for which s/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;
- (c) any proposal concerning any offer of shares or debentures or other securities of or by the Company or any of its subsidiary or associated companies for subscription, purchase or exchange in which offer s/he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (d) any proposal concerning any other company in which s/he is interested, directly or indirectly and whether as an officer, shareholder or otherwise howsoever.

The Company by ordinary resolution may suspend or relax the provisions described above to any extent or ratify any transaction not duly authorised by reason of a contravention thereof.

- (vi) **Borrowing Powers.** Subject to the Regulations, the Directors may exercise all the powers of the Company to borrow or raise money and charge its undertaking, property and assets (both present and future) and uncalled capital or any part thereof, provided that all such borrowings shall be within the limits laid down by the Central Bank.
- (vii) **Committees.** The Directors may delegate any of their powers to any committee whether or not consisting of Directors. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of Directors so far as they are capable of applying.
- (viii) **Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age.
- (ix) **Directors' Remuneration.** Unless otherwise determined from time to time by the Company 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 serves on any committee, 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 expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any Class of shares of the Company or otherwise in connection with the discharge of their duties.

- (x) **Transfer of Shares.** Subject as set out above, the shares of any Shareholder may be transferred by instrument in writing in any usual or common form or any other form which the Directors may approve. The Directors in their absolute discretion and without assigning any reason therefor may decline to register any transfer of a share to a United States Person, any person who, by holding shares, would be in breach of any law or requirement of any country or governmental authority or might result in regulatory, pecuniary, legal, taxation or material administrative disadvantage for the relevant Fund or its unitholders as a whole or any transfer to or by a minor or a person of unsound mind. The Directors may decline to recognise any instrument of transfer unless it 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.
- (xi) **Right of Repurchase.** Shareholders have the right to request the Company to repurchase their Shares in accordance with the provisions of the Articles.
- (xii) **Dividends.** The Articles permit the Directors to declare such dividends on any Class of Shares as appears to the Directors to be justified by the profits of the relevant Fund. The Directors may, satisfy any dividend due to holders of Shares in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. Any dividend unclaimed for six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund.
- (xiii) **Funds.** The Directors are required to establish a separate portfolio of assets for each Fund created by the Company from time to time, to which the following shall apply:-
- (a) the proceeds from the allotment and issue of shares of each Class in the Fund shall be applied to the Fund established for that purpose, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
  - (b) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
  - (c) in the event that there are any assets of the Company which the Directors do not consider are attributable to a particular Fund or Funds, the Directors shall, with the approval of the Depositary, allocate such assets to and among any one or more of the Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors shall have the power to and may from time to time, with the approval of the Depositary, vary the basis in relation to assets previously allocated;
  - (d) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund and any such liabilities, expenses, costs, charges, or reserves of the Company not attributable to any particular Fund or 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;
  - (e) In the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of section 1406 of the Act shall apply.
- (xiv) **Fund Exchanges**
- Subject to the provisions of the Articles, a holder holding Shares in any Class in a 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).

(xv) **Termination of Fund**

- (a) any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Depositary in any of the following events:-
- (i) if at any time the Net Asset Value of the relevant Fund shall be less than such amount as may be determined by the Directors in respect of that Fund; or
  - (ii) if any Fund shall cease to be authorised or otherwise officially approved; or
  - (iii) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund; or
  - (iv) if there is a change in the material aspects of the business, in the economic or political situation relation to a Fund which the Directors consider would have material adverse consequences on the investments of the Funds; or
  - (v) if the Directors consider that it is in the best interests of the Shareholders of the relevant Fund.
- (b) the Directors shall give notice of termination of a Fund to the Shareholders in the relevant Fund and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine;
- (c) with effect on and from the date as at which any Fund is to terminate or in the case of (i) below such other date as the Directors may determine:-
- (i) No Shares of the relevant Fund may be issued or sold by the Company;
  - (ii) The Sub-Investment Manager shall, on the instructions of the Directors, realise all the assets then comprised in the relevant Fund (which realisation shall be carried out and completed in such manner and within such period after the termination of the relevant Fund as the Directors think advisable);
  - (iii) The Depositary shall, on the instructions of the Directors from time to time, distribute to the Shareholders in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of the relevant Fund and available for the purpose of such distribution, provided that the Depositary shall not be bound (except in the case of the final distribution) to distribute any of the monies for the time being in its hands the amount of which is insufficient to pay Stg£1 or its equivalent amount in the relevant currency in respect of each Share of the relevant Fund and provided also that the Depositary shall be entitled to retain out of any monies in its hands as part of the relevant Fund full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Depositary or the Directors in connection with or arising out of the termination of the relevant Fund and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands; and
  - (iv) Every such distribution referred to above shall be made in such manner as the Directors shall, in their sole and absolute discretion, determine but shall be made only against production of the certificates or warrants relating to the Shares of the relevant Fund if issued in respect of which the same is made and upon delivery to the Depositary of such form of request for payment as the Depositary shall in its absolute discretion require. Any unclaimed proceeds or other cash held by the Depositary may, at the expiration of twelve months from the date upon which the same were payable, be paid into court subject to the right of the Depositary to deduct therefrom any expenses it may incur in making such payment;

- (d) the Directors shall have the power to propose and implement a reconstruction and/or amalgamation of the Company or any Fund(s) on such terms and conditions as are approved by the Directors subject to the following conditions namely:
  - (i) that the prior approval of the Central Bank has been obtained; and
  - (ii) that the Shareholders in the relevant Fund or Funds have been circulated with particulars of the scheme of reconstruction and/or amalgamation in a form approved by the Directors and a special resolution of the Shareholders in the relevant Fund or Funds has been passed approving the said scheme.

The relevant scheme of reconstruction and/or amalgamation shall take effect upon such conditions being satisfied or upon such later date as the scheme may provide or as the Directors may determine whereupon the terms of such scheme shall be binding upon all the Shareholders and the Directors shall have the power to and shall do all such acts and things as may be necessary for the implementation thereof.

(xvi) **Winding up.** The Articles contain provisions to the following effect:

- (a) If the Company shall be wound up the liquidator shall, subject to the provisions of the Act, apply the assets of each Fund in such manner and order as s/he thinks fit in satisfaction of creditors' claims relating to that Fund.
- (b) The assets available for distribution amongst the holders shall be applied as follows. Firstly, the proportion of the assets in a Fund attributable to each Class of Share shall be distributed to the Shareholders 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 will be applied in the payment to the holder(s) of the Subscriber Shares of sums up to the nominal amount paid thereon and thereafter shall be apportioned *pro-rata* as between the Classes of Shares based on the Net Asset Value of 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.
- (c) A Fund may be wound up pursuant to section 1406 of the Act and in such event the winding up provisions of the Articles shall apply mutatis mutandis in respect of that Fund.
- (d) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the Central Bank of a special resolution of the relevant Shareholders and any other sanction required by the Act divide among the Shareholders of any Class or Classes within a Fund in specie the whole or any part of the assets of the Company relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as s/he deems fair upon any one or more Class or Classes of property, and may determine how such division shall be carried out as between all the Shareholders of the Company or the holders of different Classes of Shares in a Fund. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no Shareholder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may request the liquidator, instead of transferring the assets *in specie* to it, to dispose of them and to pay the net sales proceeds instead.

(xvii) **Share Qualification.** The Articles do not contain a share qualification for Directors.

#### **Directors' Interests**

- (a) Each of Charles Farquharson and Lee Hutson-Pope is an employee of the Sub-Investment Manager. Greg Brisk is a director of the Investment Manager and the Sub-Investment Manager, and an employee of BNY Mellon.

#### **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 Company and are or may be material:

- (a) The Management Agreement provides that the Manager shall manage the Company in accordance with the Articles and the provisions of this Prospectus. Pursuant to the Management Agreement the Manager will be entitled to receive fees as described in each Supplement.

The Management Agreement shall continue in force until terminated by either party on ninety days' prior written notice in writing to the other party. Either party may at any time terminate the Management Agreement in the event of the appointment of an examiner over the party's assets or on the happening of a like event or either party materially breaches its obligations and fails to make good such material breach within thirty/(30) calendar days of receipt of notice from other party requiring it to do so. The Company may also terminate the Management Agreement if the Central Bank determines that the Manager is no longer permitted to perform its functions and duties.

The Manager shall not be liable for any loss suffered by the Company or its Shareholders in connection with the performance of the Manager's obligations under the Management Agreement, except loss resulting from negligence, fraud or wilful default in the performance or non-performance by the Manager or persons designated by it of its obligations or duties. The Company shall indemnify and keep indemnified and hold harmless the Manager and each of its directors, officers, servants, employees, agents and appointees from and against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses (including legal and professional fees and expenses) which may be made or brought against or directly or indirectly suffered or incurred by the Manager as a consequence of any breach by the Company of any term of the agreement or as a result of any party claiming to be entitled to any of the Investments or in the performance or non-performance of its obligations or duties thereunder but excluding tax on the overall income or profits of the Manager save to the extent that such actions, proceedings, claims, demands, losses, damages, costs and expenses are attributable to the fraud, negligence or wilful default in the performance or non-performance by the Manager or persons designated by it of its obligations or duties hereunder.

The Management Agreement allows the Manager to delegate its management duties to other parties

- (b) The Investment Management Agreement between the Manager and the Investment Manager. This agreement provides that the appointment of the Investment Manager will continue in force until terminated by either party by three months' written notice. In certain circumstances set out in this agreement either party may terminate this agreement with immediate effect by notice in writing (in accordance with the procedure set out in the agreement) upon the occurrence of certain events as specified in the agreement such as the liquidation of either party. This agreement also provides that the Manager may complain to the compliance officer of the Investment Manager in accordance with FCA requirements for the effective consideration and proper handling of complaints of an investment business nature from investors in the Company. The agreement contains certain indemnities in favour of the Investment Manager (and each of its directors, officers, servants, employees, agents and appointees) which are restricted to exclude matters to the extent that they are attributable to the fraud, negligence or wilful default in the performance or non-performance by the Investment Manager (or persons designated by it) of its duties or obligations under the agreement.
- (c) The Depositary Agreement between the Company and the Depositary pursuant to which the Company has appointed the Depositary to act as Depositary of all of the relevant Fund's monies and assets. This agreement is for an indefinite period unless terminated by the Company or the Depositary on not less than ninety days' prior written notice. In certain circumstances set out in the agreement either party may terminate the agreement with immediate effect by notice in writing (in accordance with the procedure set out in the Depositary Agreement upon the occurrence of certain events as specified in the agreement such as the liquidation of either party). The agreement provides that the Depositary shall be liable to the Company, or to the Shareholders, for all losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and UCITS V. The Depositary shall be liable to the Company and to the Shareholders, for the loss by the Depositary or a duly appointed third party of any financial instruments held in custody unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable measures to the contrary (determined in accordance with UCITS V) and shall be responsible for the return of financial instruments or corresponding amount to the Fund or the Company without undue delay. The Depositary Agreement contains indemnities in favour of the Depositary for certain losses incurred but excluding circumstances where the Depositary is liable for the losses incurred. The

Depository Agreement shall be governed by the laws of Ireland and the courts of Ireland shall have non-exclusive jurisdiction to hear any disputes or claims arising out of or in connection with the Depository Agreement.

- (d) The Administration Agreement between the Company, the Manager and the Administrator pursuant to which the Administrator has been appointed to provide certain administration, accounting, registration, transfer agency, secretarial and related services to the Fund. This agreement may be terminated by a party on giving 90 days' prior written notice to the other party and may be terminated: (i) by either party forthwith by notice in writing in the event of the winding-up of, or the appointment of a receiver to, another party or upon another party not being able to pay its debts as they fall due; (ii) by a party forthwith in the event of a material breach of the agreement by the other party and the failure of such party to remedy such breach within 30 days of receipt of written notice requesting it to do so; or (iii) by the Company and/or the Manager if the Administrator is no longer permitted to act as administrator by the Central Bank. The Administration Agreement provides that the Administrator shall not be liable for any loss of any nature whatsoever suffered by the Company, the Manager or the Shareholders in connection with the performance of its obligations, except where that loss results from negligence, bad faith, fraud or wilful default in the performance of its obligations. Notwithstanding any other provision of the agreement, the Administrator is not held to be liable for any indirect, special or consequential loss howsoever arising out of or in connection therewith. The Company also undertakes to hold harmless and indemnify the Administrator out of the assets of the Company against all costs, demands and expenses which may be brought against, suffered or incurred by the Administrator by reason of its proper performance or non-performance of its duties and obligations thereunder. Notwithstanding any other provision of the agreement and for the avoidance of doubt the protection and indemnity provided therein does not cover any special, indirect or consequential loss or for lost profits or loss of business suffered or incurred by the Administrator, on its own behalf or on behalf of its permitted delegates, servants and agents.
- (e) The Distribution Agreement between the Company, the Manager and the Distributor; this Agreement provides that the appointment of the Distributor as a distribution agent will continue unless and until terminated by either party giving to the other party not less than three months' written notice although in certain circumstances the Agreement may be terminated forthwith by notice in writing by either party to the other; this Agreement contains certain indemnities in favour of the Distributor as distribution agent which are restricted to exclude matters arising by reason of the fraud, negligence or wilful default on the part of the Distributor, its servants or agents in the performance of its obligations and duties.
- (f) The Sub-Investment Management Agreement between the Investment Manager and the Sub-Investment Manager; this agreement provides that the appointment of the Sub-Investment Manager will continue unless and until terminated by either party giving to the other not less than 90 days' prior written notice (or such other period as may be agreed between the parties) although in certain circumstances the agreement may be terminated forthwith by notice in writing by either party to the other; this agreement contains certain indemnities in favour of the Sub-Investment Manager which are restricted to exclude matters arising by reason of the negligence, wilful default, fraud in the performance or non-performance by the Sub-Investment Manager or persons designated by it of its obligations or duties hereunder.

## **Information for Investors in the United Kingdom**

### **1. Documents**

Copies of the following documents may be inspected, free of charge, at the offices of the Investment Manager during usual business hours on weekdays, except Saturdays and public holidays:-

- (a) the Memorandum and Articles of the Company and any amendments thereto;
- (b) the most recent annual and semi-annual reports; and
- (c) the most recent Prospectus.

Copies of the most recent Prospectus, Memorandum and Articles and the annual and semi-annual reports may be obtained from the Investment Manager free of charge.

The Investment Manager's principal place of business is 160 Queen Victoria Street, London, EC4V 4LA.

## 2. Other Information and Services Available from the Investment Manager

- (a) Information about each Fund's most recently published Net Asset Value per Share may be obtained at the office of the Investment Manager;
- (b) Investors in each Fund may request the repurchase of shares in the Fund and obtain payment of the price on repurchase via the Investment Manager; and
- (c) Complaints concerning the operation of the Company may be submitted to the Investment Manager.

### **Documents for Inspection and Up-to-date Information**

Copies of the Memorandum and Articles of the Company (and, after publication thereof, the periodic reports and accounts) may be obtained from the Manager or Administrator free of charge during usual business hours on weekdays, except Saturdays and public holidays.

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

- this Prospectus
- once published, the latest annual and semi-annual reports of each Fund
- the Articles.

To the extent not captured in this Prospectus or in the event such details have changed and have not been reflected in a revised version of this Prospectus, up-to-date information will be provided to Shareholders on request, free of charge regarding:

- the identity of the Depositary and a description of its duties and of conflicts of interest that may arise; and
- a description of any safe-keeping functions delegated by the Depositary, a list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation.

Information regarding the Company's complaints procedures and its best execution policies are also available from the Administrator free of charge.

### **Remuneration Policy**

The Manager has a remuneration policy in place to ensure compliance with UCITS V. This remuneration policy imposes remuneration rules on staff and senior management within the Company whose activities have a material impact on the risk profile of the Funds. The Manager will ensure that its remuneration policies and practices are consistent with sound and effective risk management, will not encourage risk-taking which is inconsistent with the risk profile of the Funds and the Articles, and will be consistent with UCITS V. The Manager will ensure that the remuneration policy is at all times consistent with the business strategy, objectives, values and interests of the Manager, the Funds and Shareholders, and includes measures to ensure that all relevant conflicts of interest may be managed appropriately at all times. Further details with regard to the remuneration policy (including how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits) are available at the following website: [www.insightinvestment.com](http://www.insightinvestment.com). A paper copy of the remuneration policy may be obtained free of charge on request from the Manager.

## PART 11 DEFINITIONS

<b>Accumulation Shares</b>	means shares of the Company carrying no right to any distribution of income but the income attributable to such shares is retained within the relevant Fund and reflected in the Net Asset Value of such shares.
<b>Act</b>	means the Irish Companies Act, 2014 as may be amended, supplemented, consolidated or otherwise modified from time to time.
<b>Administration Agreement</b>	means the amended and restated agreement made between the Company and the Administrator dated 1 February 2017 as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed as administrator of the Company.
<b>Administrator</b>	means State Street Fund Services (Ireland) Limited or any other person or persons for the time being duly appointed administrator in succession to the said Administrator in accordance with the Central Bank Rules.
<b>AIF</b>	means an alternative investment fund as defined in regulation 5(1) of the European Union (Alternative Investment Fund) Managers Regulations 2013 (S.I No. 257 of 2013) and/or any other collective investment undertaking meeting the criteria outlined in Regulation 68(e) of the Regulations.
<b>Application Form</b>	means the form which must be submitted upon an initial application for, or a transfer of, Shares.
<b>Articles</b>	means the Articles of Association of the Company as amended from time to time.
<b>Associated Person</b>	a person is associated with a Director if, and only if, s/he is; that director's spouse, parent, brother, sister or child; a person acting in his/her capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his/her spouse or any of his/her children or any body corporate which s/he controls; or a partner of that Director.
<b>Base Currency</b>	means in relation to any Class of Shares such currency as is specified in the relevant Supplement for each Fund.
<b>Benchmark Regulation</b>	means Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds.
<b>Benefit Plan Investor</b>	is used as defined in U.S. Department of Labor (DOL) Regulation 29 C.F.R. §2510.3-101 and Section 3(42) of the U.S. Employee Retirement Income Security Act of 1974, as amended (ERISA) (collectively, the Plan Asset Rule) and includes (a) any employee benefit plan subject to Part 4, Subtitle B of Title I of ERISA; (b) any plan to which U.S. Internal Revenue Code of 1986, as amended (the Code) Section 4975 applies (which includes a trust described in Code Section 401(a) that is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement account or annuity described in Code Section 408 or 408A, a medical savings account described in Code Section 220(d), a health savings account described in Code Section 223(d) and an education savings account described in Code Section 530); and (c) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (generally because 25 per cent. or more of a class of equity interests in the entity is owned by plans). An entity described in (c) immediately above will be considered to hold plan assets only to the extent of the percentage of the equity interests in the entity held by Benefit Plan Investors. Benefit Plan Investors also include that portion of any insurance company's general account assets that are considered "plan assets" and



(except if the entity is an investment company registered under the U.S. Investment Company Act of 1940, as amended) also include assets of any insurance company separate account or bank common or collective trust in which plans invest.

<b>Business Day</b>	means a day on which banks are open for business in such jurisdictions and/or cities as are specified in the relevant Supplement for each Fund or such other day(s) as the Directors (or their duly appointed delegate) may determine.
<b>Central Bank</b>	means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the Company.
<b>Central Bank Regulations</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment in Transferable Securities) Regulations 2015 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
<b>Central Bank Rules</b>	means the Central Bank Regulations and any other statutory instrument, regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Company pursuant to the Regulations.
<b>Class(-es)</b>	means the class or classes of Shares (if any) relating to a Fund (each of which may have specific features with respect to preliminary, exchange, repurchase, minimum subscription amount, dividend policy, service provider fees or other specific features). The details applicable to each Class will be described in the relevant Supplement.
<b>Company</b>	means Absolute Insight Funds p.l.c.
<b>Company Base Currency</b>	means Sterling, or the lawful currency of the UK from time to time.
<b>Connected Person</b>	means the persons defined as such in the section headed "Company Transactions and Conflicts of Interest".
<b>CRS</b>	means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard.
<b>Data Protection Legislation</b>	means the EU data protection regime introduced by the General Data Protection Regulation (Regulation 2016/679).
<b>Dealing Day</b>	means in respect of each Class of Shares such Business Day or Business Days as are specified in the relevant Supplement for each Fund or such other day(s) as the Directors (or their duly appointed delegate) may determine from time to time and notified in advance to all Shareholders or to the Shareholders in the relevant Fund(s) provided that there shall be at least one Dealing Day per fortnight for each Fund.
<b>Dealing Deadline</b>	means in relation to applications for subscription or repurchase of Shares in a Fund, the dates and times specified in the relevant Supplement for each Fund.
<b>Debt and Debt-Related Securities</b>	includes but is not limited to securities, instruments, obligations, treasury bills, debentures, bonds (including additional tier 1 (AT1) bonds), asset-backed and mortgage backed securities, certificates of deposit, floating rate notes, short and medium term obligations and commercial paper, which may be fixed or floating rate and are issued or guaranteed by any sovereign government or their agencies, local authority, supranational or public international bodies, banks, corporates or other commercial issuers.

<b>Depository</b>	means State Street Custodial Services (Ireland) Limited or any successor thereto duly appointed with the approval of the Central Bank as the depository of the Company in accordance with the Central Bank Rules.
<b>Depository Agreement</b>	means the agreement made between the Company and the Depository dated 1 July 2017 as may be amended or supplemented from time to time in accordance with the Central Bank Rules, pursuant to which the latter was appointed depository of the Company.
<b>Directors</b>	means the directors of the Company or any duly authorised committee or delegate thereof, each a <b>Director</b> .
<b>Distribution Agreement</b>	means the amended and restated agreement made between the Company and the Distributor dated 1 February 2017 as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed distributor of the Company.
<b>Distributor</b>	means, unless specifically stated otherwise in the Supplement for the relevant Fund, Insight Investment Funds Management Limited and/or such other person(s) duly appointed either in succession thereto or in addition thereto in accordance with the Central Bank Rules.
<b>Duties and Charges</b>	means all stamp and other duties, taxes, governmental charges, agents' fees, brokerage fees, bank charges, transfer fees, registration fees and other charges, payable in respect of the acquisition or disposal of assets of the Company or a Fund, as the case may be.
<b>EEA</b>	means the European Economic Area.
<b>EEA Member States</b>	means the member states of the European Economic Area, the current members at the date of this Prospectus being the EU Member States, Iceland, Liechtenstein and Norway.
<b>Eligible Counterparty</b>	means a counterparty to OTC derivatives with which a Fund may trade and belonging to one of the categories approved by the Central Bank which at the date of this Prospectus comprise the following: <ul style="list-style-type: none"> <li>(a) a Relevant Institution;</li> <li>(b) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA Member State; or</li> <li>(c) a group company of an entity approved as a bank holding company by the Federal Reserve of the United States of America where that group company is subject to bank holding company consolidated supervision by the Federal Reserve.</li> </ul>
<b>Eligible Assets</b>	means those investments which are eligible for investment by a UCITS as detailed in the Regulations.
<b>EMIR</b>	means Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories.
<b>Equity and Equity-Related Securities</b>	includes but is not limited to Transferable Securities, depository receipts, convertible securities, preferred shares, warrants and bonds convertible into common or preferred shares.
<b>EU</b>	means the European Union.
<b>EU Member States</b>	means the member states of the European Union.

<b>Euro and €</b>	means the lawful currency of the Republic of Ireland and all other members of the Eurozone.
<b>Eurozone</b>	means a collective term for the participating member states of the EU that adopt the single currency in accordance with the EC Treaty of Rome dated 25 March 1957 (as amended by the Maastricht Treaty dated 7 February 1992).
<b>Exempt Irish Shareholder</b>	<p>means</p> <ul style="list-style-type: none"> <li>(a) a qualifying management company within the meaning of section 739B(1) TCA;</li> <li>(b) an investment undertaking within the meaning of section 739B(1) TCA;</li> <li>(c) an investment limited partnership within the meaning of section 739J TCA;</li> <li>(d) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;</li> <li>(e) a company carrying on life business within the meaning of section 706 TCA;</li> <li>(f) a special investment scheme within the meaning of section 737 TCA;</li> <li>(g) a unit trust to which section 731(5)(a) TCA applies;</li> <li>(h) a charity being a person referred to in section 739D(6)(f)(i) TCA;</li> <li>(i) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848B TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;</li> <li>(j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;</li> <li>(k) the National Asset Management Agency;</li> <li>(l) the Courts Service;</li> <li>(m) a credit union within the meaning of section 2 of the Credit Union Act 1997;</li> <li>(n) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the Company is a money market fund;</li> <li>(o) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company;</li> <li>(p) 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 Company in respect of that Shareholder under Part 27, Chapter 1A TCA; and</li> <li>(q) the National Treasury Management Agency of Ireland, or a fund investment vehicle within the meaning of Section 739D(6)(kb) TCA;</li> </ul> <p>and where necessary the Company is in possession of a Relevant Declaration in respect of that Shareholder.</p>
<b>FATCA</b>	means (a) sections 1471 to 1474 of the U.S. Internal Revenue Code of 1986 or any associated regulations or other official guidance; (b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; and (c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs.
<b>FCA</b>	means the UK Financial Conduct Authority including any successor authority.
<b>FOE</b>	means Fixed Operating Expenses, as described in more detail in Part 6 "Fees and Expenses" above.
<b>Fund</b>	means a sub-fund of the Company, the proceeds of issue of which are pooled separately in a segregated portfolio of assets and invested in accordance with

the investment objective and policies applicable to such sub-fund and which is established by the Company with the prior approval of the Central Bank.

<b>Income Shares</b>	means Shares in respect of which, subject to the availability of distributable profits in the relevant Fund attributable to those Shares, the Directors intend to declare and pay dividends.
<b>Initial Offer</b>	means the initial offering for subscription of the Shares during the Initial Offer Period and at the Initial Issue Price as specified in the Supplement for the relevant Fund.
<b>Initial Offer Period</b>	means the period during which Shares are initially offered at the Initial Issue Price as set out in the relevant Supplement as may be shortened or extended by the Directors at their discretion.
<b>Initial Issue Price</b>	means the price (excluding any preliminary charge) per Share at which Shares are initially offered in a Fund for such period as is specified in the relevant Supplement for each Fund.
<b>Institutional Investor</b>	<p>Includes:</p> <ul style="list-style-type: none"><li>undertakings or organisations such as banks, money managers or other professionals in the financial sector investing either on their own behalf or on behalf of other Institutional Investors or clients under a discretionary management agreement;</li><li>insurance and reinsurance companies;</li><li>pension funds;</li><li>industrial, commercial and financial group companies;</li><li>regional and local authorities;</li><li>collective investment schemes;</li><li>experienced and knowledgeable investors;</li></ul> <p>the structures which any of the above investor types put into place for the management of their own assets.</p>
<b>Intermediary</b>	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 shares in an investment undertaking on behalf of other persons.
<b>Investment Agreement</b>	<b>Management</b> means the amended and restated agreement made between the Manager and the Investment Manager dated 1 February 2017 as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed investment manager of the Company.
<b>Investment Manager</b>	means Insight Investment Funds Management Limited or any other person or persons for the time being duly appointed by the Manager to act as investment manager of the Company or of any of the Company's Funds in succession to Insight Investment Funds Management Limited that has been appointed in accordance with the Central Bank Rules.
<b>Ireland</b>	means the Republic of Ireland.
<b>Investor Money Regulations</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers, as may be amended from time to time.

<b>Irish Resident</b>	means any person resident in Ireland or ordinarily resident in Ireland (as described in the Taxation section of this Prospectus) other than an Exempt Irish Shareholder.
<b>KIID</b>	means the key investor information document.
<b>Liquid or Near Cash Assets</b>	includes but is not limited to Debt and Debt-Related Securities, bank deposits, instruments and obligations issued or guaranteed by any sovereign government or their agencies and securities, instruments and obligations issued by supranational or public international bodies, banks, corporates or other commercial issuers. It is intended that issuers and/or guarantors of any such securities, instruments or obligations will have a credit rating at the time of purchase of at least A1/P1 (or its equivalent) from a recognised ratings agency such as Standard & Poor's, or will be deemed by the Sub-Investment Manager to be of equivalent quality.
<b>Management Agreement</b>	means the agreement made between the Company and the Manager dated 1 February 2017 as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed as manager of the Company.
<b>Manager</b>	means Insight Investment Management (Europe) Limited or any other person or persons for the time being duly appointed manager of the Company in succession to Insight Investment Management (Europe) Limited that has been appointed in accordance with the Central Bank Rules.
<b>Memorandum</b>	means the Memorandum of the Company as amended from time to time.
<b>MiFID II</b>	means the Markets in Financial Instruments Directive (recast) (Directive 2014/65/EU).
<b>MiFID II Delegated Directive</b>	means Commission Delegated Directive (EU) of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits.
<b>Minimum Holding</b>	means such number of Shares or Shares having such value (if any) as specified in the Supplement for the relevant Fund.
<b>Minimum Repurchase Amount</b>	means such amount, if any, as may be specified in the relevant Supplement.
<b>Minimum Initial Subscription</b>	means such amount (excluding any preliminary charge) in the relevant currency which must be initially subscribed by each Shareholder for Shares of any Class in a Fund as specified in the relevant Supplement for the Fund.
<b>Money Market Instruments</b>	means instruments normally dealt in on the money markets which are liquid, and have a value which can be accurately determined at any time (for example, certificates of deposit, floating rate notes and fixed rate commercial paper listed or traded on permitted markets).
<b>Month</b>	means calendar month.
<b>Net Asset Value or Net Asset Value Per Share</b>	means in respect of the assets of a Fund or in respect of a Share of any Class, the amount determined in accordance with the principles set out under Part 4 above as the Net Asset Value of a Fund or the Net Asset Value per Share.
<b>OECD</b>	means the Organisation for Economic Co-operation and Development.
<b>OECD Member States</b>	means the member states from time to time of the Organisation for Economic

Co-operation and Development.

<b>OTC</b>	means over-the-counter and refers to derivatives negotiated between two counterparties.
<b>PRC</b>	means the People's Republic of China (excluding for the purposes of this Prospectus, the Hong Kong and Macau Special Administration Regions and Taiwan)
<b>Prospectus</b>	means the prospectus issued, from time to time, by the Company as may be amended, supplemented, consolidated, substituted or otherwise modified from time to time.
<b>Qualifying Money Market Fund</b>	means a qualifying money market fund as defined under the European Union (Markets In Financial Instruments) Regulations 2017 S.I. 375 of 2017 as may be amended, consolidated or substituted from time to time.
<b>Recognised Clearing System</b>	means Bank One NA, Depository and Clearing Centre, Clearstream Banking AG, Clearstream Banking SA, CREST, Depository Trust Company of New York, Euroclear, National Securities Clearing System, Sicovam SA, SIS Sega Intersettle AG or any other system for clearing units which is designated for the purposes of Chapter 1A in Part 27 of the TCA, by the Irish Revenue Commissioners as a recognised clearing system.
<b>Regulations</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended and may be further amended, consolidated or substituted from time to time.
<b>Regulated Markets</b>	means the exchanges and markets contained in Appendix 2.
<b>Relevant Institutions</b>	means credit institutions authorised in an EEA Member State or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988, or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
<b>Re-Investment Shares</b>	means Shares in respect of which, subject to the availability of distributable profits in the relevant Fund attributable to those Shares, the Directors intend to declare and re-invest in the relevant Fund dividends for the account of the relevant Shareholders.
<b>Related Companies</b>	has the meaning assigned thereto in Section 2(10) of the Act as amended from time to time. In general, this provision states that companies are related where 50% of the paid up share capital of, or 50% of the voting rights in, one company are owned directly or indirectly by another company.
<b>Relevant Declaration</b>	means the declaration relevant to the Shareholder as set out in Schedule 2B TCA.
<b>Relevant Period</b>	means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.
<b>Repurchase Form</b>	means the Repurchase Form for Shares.
<b>Revenue Commissioners</b>	means the Irish Revenue Commissioners.
<b>Securities Financing Transactions</b>	means repurchase agreements, reverse repurchase agreements, securities lending agreements and any other transactions within the scope of SFTR that a Fund is permitted to engage in.

<b>Securitisation Position</b>	means an instrument held by a Fund that meets the criteria of a "Securitisation" contained in Article 2 of the Securitisation Regulation, which, subject to certain exemptions and transitional provisions, will bring such instruments into the scope of the Securitisation Regulation and trigger obligations which must be met by the Fund (as an "institutional investor" under the Securitisation Regulation). Without prejudice to the precise definition in Article 2 of the Securitisation Regulation, this generally covers transactions or schemes, whereby (i) the credit risk associated with an exposure or a pool of exposures is divided into classes or tranches; (ii) payments are dependent upon the performance of the exposure or of the pool of exposures; and (iii) the subordination of classes or tranches determines the distribution of losses during the ongoing life of the transaction or scheme.
<b>Securitisation Regulation</b>	means Regulation (EU) 2017/2402 of the European Parliament and the Council of 12 December 2017 laying down a European framework for securitisation and creating a specific framework for simple, transparent and standardised securitisation, including any implementing regulation, technical standards and official guidance published in connection therewith.
<b>Settlement Date</b>	means in respect of receipt of monies for payment of subscription monies or dispatch of monies for the repurchase of Shares the dates specified in the Supplement of the relevant Fund.
<b>SFT Regulations or SFTR</b>	means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
<b>Shares</b>	means shares in the Company and includes, where the context so permits or requires, the shares in a Fund.
<b>Shareholders</b>	means holders of Shares, and each a <b>Shareholder</b> .
<b>State</b>	means the Republic of Ireland.
<b>Stg, £, Sterling and Pound</b>	means the lawful currency of the United Kingdom.
<b>Sub-Investment Management Agreement</b>	means the amended and restated agreement made between the Investment Manager and the Sub-Investment Manager dated 1 February 2017 as may be amended or supplemented from time to time in accordance with the Central Bank Rules pursuant to which the latter was appointed sub-investment manager of the Company.
<b>Sub-Investment Manager</b>	means Insight Investment Management (Global) Limited or any other person or persons for the time being duly appointed Sub-Investment Manager of the Company or of any of the Company's Funds in succession to Insight Investment Management (Global) Limited.
<b>Subscriber Shares</b>	means subscriber shares in the capital of the Company.
<b>Subscriptions/Redemptions Account</b>	means the account in the name of the Company through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the Application Form.
<b>Supplement</b>	means a supplement to this Prospectus outlining information in respect of a Fund and the Classes of Shares of that Fund (where applicable).
<b>TCA</b>	means the Irish Taxes Consolidation Act, 1997, as amended.

<b>Total Return Swap</b>	means a derivative (and a transaction within the scope of SFTR) whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty.
<b>Transferable Securities</b>	shall have the meaning ascribed to that term in the Regulations, which at the date hereof means: <ul style="list-style-type: none"> <li>(i) shares in companies and other securities equivalent to shares in companies which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the Regulations;</li> <li>(ii) bonds and other forms of securitised debt which fulfil the applicable criteria specified in Part 1 of Schedule 2 of the Regulations;</li> <li>(iii) other negotiable securities which carry the right to acquire any securities within (i) or (ii) above by subscription or exchange which fulfil the criteria specified in Part 1 of Schedule 2 of the Regulations; and</li> <li>(iv) securities specified for this purpose in Part 2 of Schedule 2 of the Regulations.</li> </ul>
<b>UCITS</b>	means an undertaking for collective investment in transferable securities which is authorised under the Regulations or authorised by a competent authority in another member state of the European Union in accordance with Directive 2009/65/EC of the European Parliament and of the Council, as amended, supplemented, consolidated or otherwise modified from time to time.
<b>UCITS V</b>	means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time.
<b>United Kingdom or UK</b>	means the United Kingdom of Great Britain and Northern Ireland.
<b>United States or U.S.</b>	means the United States of America, its territories, possessions and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico) including the district of Columbia.
<b>United States Person or U.S. Person</b>	means for the purposes of this Prospectus a person who is in either of the following two categories: (a) a person included in the definition of "U.S. person" under Rule 902 of Regulation S under the U.S. Securities Act of 1933, as amended (the 1933 Act) or (b) a person excluded from the definition of a "Non-United States person" as used in U.S. Commodity Futures Trading Commission (CFTC) Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it does not satisfy any of the definitions of "U.S. person" in Rule 902 and qualifies as a "Non-United States person" under CFTC Rule 4.7. <p>"U.S. person" under Rule 902 of Regulation S includes the following:</p> <ul style="list-style-type: none"> <li>(a) any natural person resident in the United States;</li> <li>(b) any partnership or corporation organised or incorporated under the laws of the United States;</li> <li>(c) any estate of which any executor or administrator is a U.S. person;</li> <li>(d) any trust of which any trustee is a U.S. person;</li> <li>(e) any agency or branch of a non-U.S. entity located in the United States;</li> <li>(f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;</li> <li>(g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and</li> </ul>



- (h) any partnership or corporation if:
  - (i) organised or incorporated under the laws of any non-U.S. jurisdiction; and
  - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, "U.S. person" under Rule 902 does not include: (a) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. person, if (i) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (ii) the estate is governed by non-U.S. law; (c) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (d) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (e) any agency or branch of a U.S. person located outside the United States if (i) the agency or branch operates for valid business reasons, and (ii) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (f) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

CFTC Rule 4.7 currently provides in relevant part that the following persons are considered "Non-United States persons":

- (a) a natural person who is not a resident of the United States or an enclave of the U.S. government, its agencies or instrumentalities;
- (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (c) an estate or trust, the income of which is not subject to U.S. income tax regardless of source;
- (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than ten per cent. of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of Part 4 of the CFTC's regulations by virtue of its participants being Non-United States persons; and
- (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

**US Dollar, USD, US\$ or \$**

means the lawful currency of the United States.

**Valuation Point**

means the point in time by reference to which the Net Asset Value of a Fund is calculated as specified in the relevant Supplement for the Fund and/or such other time as the Directors (or their duly appointed delegate) may from time to time determine.

## APPENDIX 1 INVESTMENT RESTRICTIONS

The particular investment restrictions for each Fund will be formulated by the Directors at the time of the creation of each Fund and will appear in the relevant Supplement for that Fund.

Details of the investment restrictions laid down in accordance with the Regulations in respect of each Fund are set out below.

### 1. Permitted Investments

Investments of each Fund are confined to:

- 1.1. Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State (and is provided for in Appendix 2 to this Prospectus).
- 1.2. Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3. Money market instruments other than those dealt on a regulated market.
- 1.4. Units of UCITS.
- 1.5. Units of AIFs.
- 1.6. Deposits with credit institutions.
- 1.7. FDI.

### 2. Investment Restrictions

- 2.1. Each Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2. Each Fund may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by each Fund in certain US securities known as Rule 144A securities provided that:
  - (a) the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
  - (b) the securities are not illiquid securities i.e. they may be realised by each Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- 2.3. Each Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4. Subject to the prior approval of the Central Bank the limit of 10% in 2.3 is raised to 25%, in the case of bonds that are issued by a credit institution which has its registered office in an EU Member State and is subject by law to special public supervision designed to protect bondholders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund.
- 2.5. The limit of 10% in 2.3 is raised to 35% if the transferable securities or money market

instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members.

2.6 The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 4.3.

2.7 Each Fund may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than with Relevant Institutions, held as ancillary liquidity, must not exceed 10% of net assets. This limit may be raised to 20% in the case of deposits made with the Depositary.

2.8 The risk exposure of each Fund to a counterparty in an OTC transaction may not exceed 5% of net assets.

This limit is raised to 10% in the case of Relevant Institutions.

2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

- (a) investments in transferable securities or money market instruments;
- (b) deposits, and/or
- (c) counterparty risk exposures arising from OTC derivatives transactions.

2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 4.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

2.12 Each Fund may invest up to 100 per cent of its net assets in transferable securities or money market instruments issued or guaranteed by any Member State, local authority of a Member State or by an OECD member country (provided they are investment grade), Japan, Canada, New Zealand, Australia, Norway, United States of America, Switzerland, European Union, European Investment Bank, Euratom, Eurofima, Council of Europe, The Asian Development Bank, Inter-American Development Bank, European Bank for Reconstruction and Development, International Bank for Reconstruction and Development (the World Bank), African Development Bank, International Finance Corporation, International Monetary Fund, Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac), the Federal Home Loan Bank, the Federal Farm Credit Bank, the Tennessee Valley Authority, the Student Loan Marketing Association, or the Government National Mortgage Association (Ginnie Mae) provided further that the relevant Fund holds securities from at least six different issues and that securities from any one issue may not account for more than 30% of its net assets.

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

3.1 A Fund may not invest more than 20% of net assets in any one CIS.

3.2 Investment in AIFs may not, in aggregate, exceed 30% of net assets.

3.3 The CIS are prohibited from investing more than 10% of net assets in other open-ended, CIS.

3.4 When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding that management company or other company may not charge subscription,

conversion or redemption fees on account of that Fund's investment in the units of such other CIS.

- 3.5 Where a commission (including a rebated commission) is received by the Investment Manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the relevant Fund.

#### 4 Index Tracking Funds

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

#### 5 General Provisions

- 5.1 The Company or management company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

- 5.2 Each Fund may acquire no more than:

- 5.2.1 10% of the non-voting shares of any single issuing body;
- 5.2.2 10% of the debt securities of any single issuing body;
- 5.2.3 25% of the units of any single CIS;
- 5.2.4 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in (5.2.2), (5.2.3) and (5.2.4) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

- 5.3 5.1 and 5.2 shall not be applicable to:

- (a) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
- (b) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
- (c) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
- (d) shares held by each Fund in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which each Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, 5.5 and 5.6 are observed;
- (e) shares held by a Fund in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at Shareholder's request exclusively on their behalf.

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

- 5.5 The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
- 5.6 If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
- 5.7 A Fund may not carry out uncovered sales of:
- (a) transferable securities;
  - (b) money market instruments<sup>1</sup>;
  - (c) units of CIS; or
  - (d) FDIs.
- 5.8 A Fund may hold ancillary liquid assets.
6. FDI
- 6.1 A Fund's global exposure relating to FDI must not exceed its total Net Asset Value (this provision may not be applicable to Funds that calculate their global exposure using the VaR methodology as disclosed in the relevant Supplement).
- 6.2 Position exposure to the underlying assets of FDI including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Notices. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Rules.
- 6.3 A Fund may invest in FDIs dealt in OTC derivatives provided that the counterparties to OTC derivatives are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

The Company will not amend such investment restrictions except in accordance with the Central Bank Rules.

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<sup>1</sup> Any short selling of money market instruments by UCITS is prohibited.

## APPENDIX 2 REGULATED MARKETS

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

With the exception of permitted investment in unlisted securities, OTC derivatives or in units of open-ended collective investment schemes, investment will be limited to the following stock exchanges and regulated markets in accordance with the regulatory criteria as defined in the Central Bank Regulations:

1.
  - (a) any stock exchange which is:
    - located in a Member State; or
    - located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, the United Kingdom, United States of America; or
  - (b) any stock exchange included in the following list:-
 

Algeria	-	Algiers Stock Exchange;
Argentina	-	Bolsa de Comercio de Buenos Aires, Cordoba, Mendoza, Rosario and La Plata Stock Exchange;
Bahrain	-	Bahrain Stock Exchange;
Bosnia	-	Sarajevo Stock Exchange;
Brazil	-	Bolsa de Valores de Sao Paulo, Bolsa de Valores de Brasilia, Bolsa de Valores de Bahia-Sergipe - Alagoas, Bolsa de Valores de Extremo Sul, Bolsa de Valores de Parana, Bolsa de Valores de Regional, Bolsa de Valores de Santos, Bolsa de Valores de Pernambuco e Paraiba and Bolsa de Valores de Rio de Janeiro;
Bulgaria	-	Sofia Stock Exchange;
Channel Islands	-	Channel Islands Stock Exchange;
Chile	-	Santiago Stock Exchange and Valparaiso Stock Exchange;
China	-	Shanghai Stock Exchange, Shenzhen Stock Exchange, Shanghai-Hong Kong Stock Connect and Shenzhen-Hong Kong Stock Connect
Colombia	-	Bolsa de Bogota and Bolsa de Medellin;
Costa Rica	-	Bolsa Nacional de Valores;
Croatia	-	Stock Exchange of Zagreb);
Dominican Republic	-	The Stock Exchange of the Dominican Republic;
Ecuador	-	Quito Stock Exchange and Guayaquil Stock Exchange;
Egypt	-	Cairo Stock Exchange and Alexandria Stock Exchange;
El Salvador	-	San Salvador Stock Exchange;
Guatemala	-	Bolsa de Valores Nacional SA Guatemala;
India	-	Mumbai Stock Exchange, Madras Stock Exchange, Delhi Stock Exchange, Ahmedabab Stock Exchange, Bangalore Stock Exchange, Cochin Stock Exchange, Guwahati Stock Exchange, Magadh Stock Exchange, Pune Stock Exchange, Hyderabad Stock Exchange, Ludhiana Stock Exchange, Uttar Pradesh Stock Exchange, Calcutta Stock Exchange and the National Stock Exchange of India;
Indonesia	-	Jakarta Stock Exchange and Surabaya Stock Exchange;
Iran	-	Tehran Stock Exchange;
Israel	-	Tel Aviv Stock Exchange;
Ivory Coast	-	Abidjan Stock Exchange;

Jamaica	-	Jamaica Stock Exchange;
Jordan	-	Amman Stock Exchange;
Kazakhstan	-	Kazakhstan Stock Exchange;
Lebanon	-	Beirut Stock Exchange;
Macedonia	-	Macedonian Stock Exchange;
Malaysia	-	Kuala Lumpur Stock Exchange;
Mexico	-	Bolsa Mexicana de Valores;
Morocco	-	Casablanca Stock Exchange;
Nigeria	-	Lagos Stock Exchange, Kaduna Stock Exchange and Port Harcourt Stock Exchange;
Pakistan	-	Lahore Stock Exchange and Karachi Stock Exchange;
Panama	-	Panama Stock Exchange;
Peru	-	Bolsa de Valores de Lima ;
Philippines	-	Philippines Stock Exchange;
Qatar	-	Doha Stock Exchange;
Romania	-	Bucharest Stock Exchange;
Russia	-	RTS Stock Exchange, MICEX (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
Serbia	-	Belgrade Stock Exchange;
Singapore	-	The Stock Exchange of Singapore;
South Africa	-	Johannesburg Stock Exchange;
South Korea	-	Seoul Stock Exchange;
Taiwan	-	Taipei Stock Exchange Corporation;
Thailand	-	The Stock Exchange of Thailand;
Trinidad & Tobago	-	The Trinidad & Tobago Stock Exchange;
Tunisia	-	Tunis Stock Exchange;
Turkey	-	Istanbul Stock Exchange;
Ukraine	-	Ukrainian Stock Exchange;
Uruguay	-	Montevideo Stock Exchange;
Venezuela	-	Caracas Stock Exchange and Maracaibo Stock Exchange;
Vietnam	-	Securities Trading Centre (STC), Ho Chi Minh City

(c) any of the following:

The market organised by the International Capital Markets Association (formerly known as that International Securities Market Association);

The (i) market conducted by banks and other institutions regulated by the Financial Conduct Authority (**FCA**) and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (iii) market in non-investment products which is subject to the guidance contained in the Non Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;

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

The over-the-counter market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the Financial Industry Regulatory Authority Inc. (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

KOSDAQ;

NASDAQ;

SESDAQ;

TAISDAQ/Gretai Market;

The Chicago Board of Trade;

The Chicago Mercantile Exchange;

The Johannesburg Securities Exchange;

The Singapore International Monetary Exchange;

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

The Over-the-Counter market in Canadian Government Bonds as regulated by the Investment Dealers Association of Canada;

The French market for **Titres de Creance Negotiable** (over-the-counter market in negotiable debt instruments);

The Chinese Inter-Bank Bond Market regulated by the Chinese Central Bank – People's Bank of China.

2. In relation to any exchange traded financial derivative contract, any stock exchange or market on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in a Member State, or (ii) the United Kingdom, or (iii) the Channel Islands Stock Exchange, or (iv) included in the lists of exchanges and markets at 1(a), (b) and (c) above.



**APPENDIX 3  
CURRENT LIST OF STATE STREET BANK AND TRUST COMPANY'S DELEGATES/SUB-DELEGATES**

**State Street Global Custody Network List**

<b>MARKET</b>	<b>SUBCUSTODIAN</b>	<b>DEPOSITARY</b>
<b>Albania</b>	<b>Raiffeisen Bank sh.a.</b>	<b>Bank of Albania</b>
<b>Australia</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b>	<b>Austraclear Limited</b>
<b>Austria</b>	<b>Deutsche Bank AG</b>	<b>OeKB Central Securities Depository GmbH</b>
	<b>UniCredit Bank Austria AG</b>	
<b>Bahrain</b>	<b>HSBC Bank Middle East Limited</b>  (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>Clearing, Settlement, Depository and Registry System of the Bahrain Bourse</b>
<b>Bangladesh</b>	<b>Standard Chartered Bank</b>	<b>Bangladesh Bank</b>
		<b>Central Depository Bangladesh Limited</b>
<b>Belgium</b>	<b>Deutsche Bank AG, Netherlands</b>  (operating through its Amsterdam branch with support from its Brussels branch)	<b>Euroclear Belgium</b>
		<b>National Bank of Belgium</b>
<b>Benin</b>	<b>Via Standard Chartered Bank Cote d'Ivoire S. A., Abidjan, Ivory Coast</b>	<b>Dépositaire Central – Banque de Règlement</b>
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>
<b>Bermuda</b>	<b>HSBC Bank Bermuda Limited</b>	<b>Bermuda Securities Depository</b>
<b>Federation of Bosnia and Herzegovina</b>	<b>UniCredit bank d.d.</b>	<b>Registar vrijednosnih papira u Federaciji Bosne i Hercegovine, d.d.</b>
<b>Botswana</b>	<b>Standard Chartered Bank Botswana Limited</b>	<b>Bank of Botswana</b>
		<b>Central Securities Depository Company of Botswana Ltd.</b>
<b>Brazil</b>	<b>Citibank, N.A.</b>	<b>Central de Custódia e de Liquidação Financeira de Títulos Privados (CETIP)</b>

		<b>Companhia Brasileira de Liquidação e Custódia (CBLC)</b>
		<b>Sistema Especial de Liquidação e de Custódia (SELIC)</b>
<b>Bulgaria</b>	<b>Citibank Europe plc, Bulgaria Branch</b>	<b>Bulgarian National Bank</b>
	<b>UniCredit Bulbank AD</b>	<b>Central Depository AD</b>
<b>Burkina Faso</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b>	<b>Dépositaire Central – Banque de Règlement</b>
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>
<b>Canada</b>	<b>State Street Trust Company Canada</b>	<b>The Canadian Depository for Securities Limited</b>
<b>Chile</b>	<b>Banco Itaú Chile S.A.</b>	<b>Depósito Central de Valores S.A.</b>
<b>People's Republic of China</b>	<b>HSBC Bank (China) Company Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>China Securities Depository and Clearing Corporation Limited, Shanghai Branch</b>
	<b>China Construction Bank Corporation</b> (for A-share market only)	<b>China Securities Depository and Clearing Corporation Limited, Shenzhen Branch</b>
	<b>Citibank N.A.</b> (for Shanghai – Hong Kong Stock Connect market only)	<b>China Central Depository and Clearing Co., Ltd.</b>
	<b>The Hongkong and Shanghai Banking Corporation Limited</b> (for Shanghai – Hong Kong Stock Connect market only)	
<b>Colombia</b>	<b>Cititrust Colombia S.A. Sociedad Fiduciaria</b>	<b>Depósito Central de Valores</b>
		<b>Depósito Centralizado de Valores de Colombia S.A. (DECEVAL)</b>
<b>Costa Rica</b>	<b>Banco BCT S.A.</b>	<b>Interclear Central de Valores S.A.</b>
<b>Croatia</b>	<b>Privredna Banka Zagreb d.d.</b>	<b>Središnje klirinško depozitarno društvo d.d.</b>

	<b>Zagrebacka Banka d.d.</b>	
<b>Cyprus</b>	<b>BNP Paribas Securities Services, S.C.A., Greece</b> (operating through its Athens branch)	<b>Central Depository and Central Registry</b>
<b>Czech Republic</b>	<b>Československá obchodní banka, a.s.</b>	<b>Centrální depozitář cenných papírů, a.s.</b>
	<b>UniCredit Bank Czech Republic and Slovakia, a.s.</b>	<b>Česká národní banka (Czech National Bank)</b>
<b>Denmark</b>	<b>Nordea Bank AB (publ), Sweden</b> (operating through its subsidiary, Nordea Bank Danmark A/S)	<b>VP Securities A/S</b>
	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Copenhagen branch)	
<b>Egypt</b>	<b>HSBC Bank Egypt S.A.E.</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>Misr for Central Clearing, Depository and Registry S.A.E.</b>
		<b>Central Bank of Egypt</b>
<b>Estonia</b>	<b>AS SEB Pank</b>	<b>AS Eesti Väärtpaberikeskus</b>
<b>Finland</b>	<b>Nordea Bank AB (publ), Sweden</b> (operating through its subsidiary, Nordea Bank Finland Plc.)	<b>Euroclear Finland</b>
	<b>Skandinaviska Enskilda Banken AB (publ), Sweden</b> (operating through its Helsinki branch)	
<b>France</b>	<b>Deutsche Bank AG, Netherlands</b> (operating through its Amsterdam branch with support from its Paris)	<b>Euroclear France</b>

	branch)	
Republic of Georgia	JSC Bank of Georgia	Georgian Central Securities Depository
		National Bank of Georgia
Germany	State Street Bank GmbH	Clearstream Banking AG, Frankfurt
	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	Central Securities Depository (Ghana) Limited
Greece	BNP Paribas Securities Services, S.C.A.	Bank of Greece, System for Monitoring Transactions in Securities in Book-Entry Form
		Hellenic Central Securities Depository
Guinea-Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Hong Kong	Standard Chartered Bank (Hong Kong) Limited	Central Moneymarkets Unit
		Hong Kong Securities Clearing Company Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe	KELER Központi Értéktár Zrt.
	UniCredit Bank Hungary Zrt.	
Iceland	Landsbankinn hf.	Nasdaq verðbréfamistöð hf.
India	Deutsche Bank AG	Central Depository Services (India) Limited
	The Hongkong and Shanghai Banking Corporation Limited	National Securities Depository Limited
		Reserve Bank of India
Indonesia	Deutsche Bank AG	Bank Indonesia
		PT Kustodian Sentral Efek Indonesia
Ireland	State Street Bank and Trust Company, United Kingdom branch	Euroclear UK & Ireland Limited
		Euroclear Bank S.A./N.V.
Israel	Bank Hapoalim B.M.	Tel Aviv Stock Exchange Clearing House Ltd. (TASE Clearing House)

<b>Italy</b>	<b>Deutsche Bank S.p.A.</b>	<b>Monte Titoli S.p.A.</b>
<b>Ivory Coast</b>	<b>Standard Chartered Bank Côte d'Ivoire S.A.</b>	<b>Dépositaire Central – Banque de Règlement</b>
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>
<b>Japan</b>	<b>Mizuho Bank, Limited</b>	<b>Bank of Japan – Financial Network System</b>
	<b>The Hongkong and Shanghai Banking Corporation Limited</b>	<b>Japan Securities Depository Center (JASDEC) Incorporated</b>
<b>Jordan</b>	<b>Standard Chartered Bank</b>	<b>Central Bank of Jordan</b>
		<b>Securities Depository Center</b>
<b>Kazakhstan</b>	<b>JSC Citibank Kazakhstan</b>	<b>Central Securities Depository</b>
<b>Kenya</b>	<b>Standard Chartered Bank Kenya Limited</b>	<b>Central Bank of Kenya</b>
		<b>Central Depository and Settlement Corporation Limited</b>
<b>Republic of Korea</b>	<b>Deutsche Bank AG</b>	<b>Korea Securities Depository</b>
	<b>The Hongkong and Shanghai Banking Corporation Limited</b>	
<b>Kuwait</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>Kuwait Clearing Company</b>
<b>Latvia</b>	<b>AS SEB banka</b>	<b>Latvijas Centrālais Depozitārijs (Latvian Central Depository)</b>
<b>Lithuania</b>	<b>AB SEB bankas</b>	<b>Lietuvos Centrinis Vertybinių Popierių Depozitoriumas (Central Securities Depository of Lithuania)</b>
<b>Malawi</b>	<b>Standard Bank Limited</b>	<b>Reserve Bank of Malawi</b>

<b>Malaysia</b>	<b>Deutsche Bank (Malaysia) Berhad</b>	<b>Bank Negara Malaysia</b>
<b>Mali</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b>	<b>Dépositaire Central – Banque de Règlement</b>
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>
<b>Mauritius</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b>	<b>Bank of Mauritius</b>
<b>Mexico</b>	<b>Banco Nacional de México, S.A.</b>	<b>S.D. Indeval, S.A. de C.V.</b>
<b>Morocco</b>	<b>Citibank Maghreb</b>	<b>Maroclear</b>
<b>Namibia</b>	<b>Standard Bank Namibia Limited</b>	<b>Bank of Namibia</b>
<b>Netherlands</b>	<b>Deutsche Bank AG</b>	<b>Euroclear Nederland</b>
<b>New Zealand</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b>	<b>New Zealand Central Securities Depository Limited</b>
<b>Niger</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b>	<b>Dépositaire Central – Banque de Règlement</b>
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>
<b>Nigeria</b>	<b>Stanbic IBTC Bank Plc.</b>	<b>Central Bank of Nigeria</b>
		<b>Central Securities Clearing System Limited</b>
<b>Norway</b>	<b>Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Norge ASA)</b>	<b>Verdipapirsentralen</b>
	<b>Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)</b>	
<b>Oman</b>	<b>HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)</b>	<b>Muscat Clearing &amp; Depository Company S.A.O.G.</b>
<b>Pakistan</b>	<b>Deutsche Bank AG</b>	<b>Central Depository Company of Pakistan Limited</b>

		State Bank of Pakistan
Panama	Citibank, N.A.	Central Latinoamericana de Valores, S.A. (LatinClear)
Peru	Citibank del Perú, S.A.	CAVALI S.A. Institución de Compensación y Liquidación de Valores
Philippines	Deutsche Bank AG	Philippine Depository & Trust Corporation
		Registry of Scripless Securities (ROSS) of the Bureau of the Treasury
Poland	Bank Handlowy w Warszawie S.A.	Rejestr Papierów Wartościowych
	Bank Polska Kasa Opieki S.A.	Krajowy Depozyt Papierów Wartościowych, S.A.
Portugal	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Lisbon branch)	INTERBOLSA - Sociedad Gestora de Sistemas de Liquidación e de Sistemas Centralizados de Valores Mobiliários, S.A.
Puerto Rico	Citibank N.A.	see U.S. depositories
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Qatar Central Securities Depository
Romania	Citibank Europe plc, Dublin – Romania Branch	National Bank of Romania
		S.C. Depozitarul Central S.A.
Russia	AO Citibank	National Settlement Depository
Saudi Arabia	HSBC Saudi Arabia Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Saudi Arabian Monetary Agency
		Tadawul Central Securities Depository
Senegal	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Serbia	UniCredit Bank Serbia JSC	Central Securities Depository and Clearinghouse

<b>Singapore</b>	<b>Citibank N.A.</b>	<b>Monetary Authority of Singapore</b>
	<b>United Overseas Bank Limited</b>	<b>The Central Depository (Pte.) Limited</b>
<b>Slovak Republic</b>	<b>UniCredit Bank Czech Republic and Slovakia a.s.</b>	<b>Centrálny depozitár cenných papierov SR, a.s.</b>
<b>Slovenia</b>	<b>UniCredit Banka Slovenija d.d.</b>	<b>KDD – Centralna klirinško depotna družba d.d.</b>
<b>South Africa</b>	<b>FirstRand Bank Limited</b>	<b>Strate (Pty) Ltd.</b>
	<b>Standard Bank of South Africa Limited</b>	
<b>Spain</b>	<b>Deutsche Bank S.A.E.</b>	<b>IBERCLEAR</b>
<b>Sri Lanka</b>	<b>The Hongkong and Shanghai Banking Corporation Limited</b>	<b>Central Bank of Sri Lanka</b>
		<b>Central Depository System (Pvt) Limited</b>
<b>Republic of Srpska</b>	<b>UniCredit Bank d.d.</b>	<b>Central Registry of Securities in the Republic of Srpska JSC</b>
<b>Swaziland</b>	<b>Standard Bank Swaziland Limited</b>	<b>Central Bank of Swaziland</b>
<b>Sweden</b>	<b>Nordea Bank AB (publ)</b>	<b>Euroclear Sweden</b>
	<b>Skandinaviska Enskilda Banken AB (publ)</b>	
<b>Switzerland</b>	<b>Credit Suisse AG</b>	<b>SIX SIS AG</b>
	<b>UBS Switzerland AG</b>	
<b>Taiwan – R.O.C.</b>	<b>Deutsche Bank AG</b>	<b>Central Bank of the Republic of China (Taiwan)</b>
	<b>Standard Chartered Bank (Taiwan) Limited</b>	<b>Taiwan Depository and Clearing Corporation</b>
<b>Tanzania</b>	<b>Standard Chartered Bank (Tanzania) Limited</b>	<b>Central Depository System (CDS), a department of the Dar es Salaam Stock Exchange</b>
<b>Thailand</b>	<b>Standard Chartered Bank (Thai) Public Company Limited</b>	<b>Thailand Securities Depository Company Limited</b>



<b>Togo</b>	<b>via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast</b>	<b>Dépositaire Central – Banque de Règlement</b>
		<b>Banque Centrale des Etats d'Afrique de l'Ouest</b>
<b>Tunisia</b>	<b>Banque Internationale Arabe de Tunisie</b>	<b>Tunisie Clearing</b>
<b>Turkey</b>	<b>Citibank, A.Ş.</b>	<b>Central Bank of Turkey</b>
	<b>Deutsche Bank A.Ş.</b>	<b>Central Registry Agency</b>
<b>Uganda</b>	<b>Standard Chartered Bank Uganda Limited</b>	<b>Bank of Uganda</b>
		<b>Securities Central Depository</b>
<b>Ukraine</b>	<b>PJSC Citibank</b>	<b>National Depository of Ukraine</b>
<b>United Arab Emirates Dubai Financial Market</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>Clearing, Settlement and Depository Division, a department of the Dubai Financial Market</b>
<b>United Arab Emirates Dubai International Financial Center</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>Central Securities Depository, owned and operated by NASDAQ Dubai Limited</b>
<b>United Arab Emirates Abu Dhabi</b>	<b>HSBC Bank Middle East Limited</b> (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	<b>Clearing, Settlement, Depository and Registry department of the Abu Dhabi Securities Exchange</b>
<b>United Kingdom</b>	<b>State Street Bank and Trust Company, United Kingdom branch</b>	<b>Euroclear UK &amp; Ireland Limited</b>
<b>United States</b>	<b>State Street Bank and Trust Company</b>	<b>Depository Trust &amp; Clearing Corporation</b>
		<b>Federal Reserve Bank</b>
<b>Uruguay</b>	<b>Banco Itaú Uruguay S.A.</b>	<b>Banco Central del Uruguay</b>
<b>Vietnam</b>	<b>HSBC Bank (Vietnam) Limited</b>	<b>Vietnam Securities Depository</b>

	(as delegate of The Hongkong and Shanghai Banking Corporation Limited)	
<b>Zambia</b>	<b>Standard Chartered Bank Zambia Plc.</b>	<b>Bank of Zambia</b>
		<b>LuSE Central Shares Depository Limited</b>
<b>Zimbabwe</b>	<b>Stanbic Bank Zimbabwe Limited</b>  (as delegate of Standard Bank of South Africa Limited)	<b>Chengetedzai Depository Company Limited</b>
		<b>Reserve Bank of Zimbabwe</b>
<b>Argentina</b>	<b>Citibank, N.A.*</b>	<b>Caja de Valores S.A.</b>

*\* Effective April 13, 2015, State Street began closing all securities accounts with Citibank, N.A. in Argentina that have no holdings. This action was taken due to circumstances with respect to our local custodial arrangements with Citibank, N.A. in Argentina, which no longer fully meets a standard of care such that, in State Street's determination, assets would be subject to reasonable care, based on the standards applicable to custodians in Argentina.*

<b>Transnational</b>		<b>Euroclear Bank S.A./N.V.</b>
		<b>Clearstream Banking, S.A.</b>