

## **RV CAPITAL UCITS FUND ICAV**

An Irish collective asset-management vehicle with variable capital constituted as an umbrella fund with segregated liability between sub-funds under the laws of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended (the "**Regulations**").

## **PROSPECTUS**

This Prospectus is dated 15 April 2026

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## DIRECTORY

### Directors

Fiona Mulhall  
John Skelly (chairperson)  
Vickram Mangalgi  
Ranodeb Roy

### Registered Office

55 Charlemont Place  
Dublin D02 F985  
Ireland

### Manager

Carne Global Fund Managers (Ireland) Limited  
55 Charlemont Place  
Dublin D02 F985  
Ireland

### Investment Manager and Distributor

RV Capital Management Private Ltd  
16 Raffles Quay  
#21-03 Hong Leong Building  
Singapore 048581

### Depository

Mitsubishi UFJ Investor Services & Banking  
(Luxembourg) S.A. - Dublin Branch  
3rd Floor  
15 George's Quay  
Dublin 2  
Ireland  
D02 VR98

### Auditors

Valaston Limited  
(formerly known as Cohen & Co. Chartered  
Accountants Limited)  
59/60 O'Connell Street  
Limerick  
V94 E95T  
Ireland

### Administrator

SS&C Financial Services (Ireland) Limited  
Bishop's Square  
Redmond's Hill  
Dublin  
D02 TD99

### Secretary

Carne Global Financial Services Limited  
55 Charlemont Place  
Dublin D02 F985  
Ireland

### Irish Legal Advisers

Walkers (Ireland) LLP  
5th Floor  
The Exchange  
George's Dock, IFSC  
Dublin 1  
D01 W3P9  
Ireland

### UK Facilities Agent

Carne International Financial Services (UK)  
Limited  
2<sup>nd</sup> Floor  
29-30 Cornhill  
London  
England  
EC3V 3NF

## IMPORTANT INFORMATION

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

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

Certain terms used in this Prospectus are defined under "Definitions" below.

### AUTHORISATION BY THE CENTRAL BANK

The ICAV is authorised by the Central Bank as a UCITS within the meaning of the Regulations. The authorisation of the ICAV as a UCITS by the Central Bank is not an endorsement or guarantee of the ICAV by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus. The authorisation of the ICAV by the Central Bank shall not constitute a warranty by the Central Bank as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV.

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

The Directors do not intend, but reserve the right to accept subscriptions from Applicants that are employee benefit plans subject to the United States Employee Retirement Income Security Act 1974, as amended (**ERISA**).

**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 and such translations shall contain only the same information as this Prospectus. In the event of any inconsistency or ambiguity in relation to the meaning of any word or phrase in any translation, the English text shall prevail and all disputes as to the terms thereof shall be governed by, and construed in accordance with, the law of Ireland.

### INVESTOR RESPONSIBILITY

Prospective investors should review this Prospectus carefully and in its entirety and consult a stockbroker, bank manager, solicitor, accountant or other financial advisers in relation to (i) the legal requirements within their own countries for the purchase, holding, exchange, redemption or disposal of Shares; (ii) any foreign exchange restrictions to which they are subject in their

**own countries in relation to the purchase, holding, exchange, redemption or disposal of Shares; and (iii) the legal, tax, financial or other consequences of subscribing for, purchasing, holding, exchanging, redeeming or disposing of Shares. Prospective investors should seek the advice of their legal, tax and financial advisers if they have any doubts regarding the contents of this Prospectus.**

## **INVESTMENT RISKS**

There can be no assurance that a Fund will achieve its investment objective. An investment in a Fund involves investment risks, including possible loss of the amount invested. **In view of the fact that a sales fee or a redemption fee may be payable on a subscription or redemption by an investor in a Fund, the difference at any one time between the sale and repurchase price of shares in a Fund means that the investment should be regarded as a medium to long term investment.** Details of certain investment risks and other information for an investor are set out more fully in this Prospectus.

## **DISTRIBUTION AND SELLING RESTRICTIONS**

The distribution of this Prospectus and the offering or purchase of the Shares may be restricted in certain jurisdictions. No persons receiving a copy of this Prospectus or the accompanying Application Form in any such jurisdiction may treat this Prospectus or such Application Form as constituting an invitation to them to subscribe for Shares, nor should they in any event use such Application Form, unless in the relevant jurisdiction such an invitation could lawfully be made to them and such Application Form could lawfully be used without compliance with any registration or other legal requirements. Accordingly, this Prospectus does not constitute an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not lawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. It is the responsibility of any persons in possession of this Prospectus and any persons wishing to apply for Shares, pursuant to this Prospectus or the Application Form, to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves as to the legal requirements of so applying and any applicable exchange control regulations and taxes in the countries of their respective citizenship, residence or domicile.

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

## **Information for Investors in the US**

The ICAV has not been and will not be registered under the Securities Act (as defined herein) or the securities laws of any of the States of the United States. Except with respect to permitted U.S. Persons (as defined herein) the Shares may not be offered, sold or delivered directly or indirectly in the United States of America, its territories or possessions or in any State or the District of Columbia (the "United States") or to or for the account or benefit of any U.S. Person (as defined herein). In reliance on the private placement exemption from the registration requirements of the Securities Act provided by Section 4(2) of the Securities Act and Regulation D thereunder, the ICAV may arrange or permit the private sale of Shares to a limited number (being not more than 100) of "accredited investors" (as defined in Rule 501(a) of Regulation D under the Securities Act) in the United States under restrictions and other circumstances designed to preclude a distribution that would otherwise require registration of the Shares under the Securities Act. Any resales or transfers of the Shares in the United States or to U.S. Persons may constitute a violation of U.S. law and requires the prior written consent of the ICAV. Applicants for Shares will be required to certify whether or not they are a "U.S. Person".

The ICAV will not be registered under the Investment Company Act (as defined herein) since it will limit to not more than 100 the number of beneficial owners of its securities that are U.S. Persons. The Directors will not knowingly permit the number of Shareholders who are U.S. Persons to exceed 100. To ensure this limit is maintained the Directors may require the mandatory repurchase of Shares beneficially owned by U.S. Persons.

The Instrument of Incorporation gives powers to the Directors to impose restrictions (but not the obligation) on the holding of Shares by (and consequently to effect the redemption of Shares held by) or the transfer of Shares to any US Person (unless permitted under certain exceptions under the laws of the United States) or by any person or persons in circumstances (whether directly or indirectly affecting such person or person, 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 ICAV incurring any liability to taxation or suffering pecuniary disadvantage which the ICAV might not otherwise have incurred or suffered.

### **Information for Investors in the UK**

The ICAV has made an application to the Financial Conduct Authority (the "FCA") for the ICAV to be registered in the United Kingdom, in accordance with the requirements of Section 264 of the United Kingdom Financial Services and Markets Act 2000.

The FCA has not approved and takes no responsibility for the contents of this Prospectus or for the financial soundness of the ICAV or any of its sub-funds or for the correctness of any statements made or expressed in this Prospectus.

The ICAV is a recognised collective investment scheme within the meaning of Section 264 of the UK Financial Services and Markets Act 2000 (the "FSMA") and shares in the ICAV may be promoted to the UK public by persons authorised to carry on investment business in the UK and will not be subject to restrictions contained in Section 238 of the FSMA.

The ICAV does not carry on regulated activities in the UK and so does not require the conduct of its business to be regulated under the FSMA. Investors will therefore not benefit from the protections provided by the UK regulatory system such as the Financial Services Compensation Scheme or the Financial Ombudsman Service.

Investors' attention is drawn to the section of the Prospectus entitled "Fees and Expenses".

#### **UK Facilities Agent**

In connection with the ICAV's recognition under Section 264 of FSMA, the ICAV maintains the facilities required of a recognised scheme by the rules contained in the Financial Conduct Authority's Collective Investment Schemes Sourcebook at the offices of the UK Facilities Agent. At these facilities any person may:

1. inspect (free of charge) a copy (in English) of:
  - a. the registration order and instrument of incorporation of the ICAV;
  - b. the latest version of the Prospectus;
  - c. the latest version of the key investor information document (the "**KIID**") and/or key information document for packaged retail and insurance-based investment products (the "**PRIIPs KID**") for the relevant Fund;
  - d. the latest annual and half-yearly reports most recently prepared and published by the ICAV;
2. obtain a copy of any of the above documents (free of charge);
3. obtain information (in English) about the prices of shares in the ICAV; and
4. make a complaint about the operation of the ICAV, which the UK Facilities Agent will transmit to the ICAV.

Further, any Shareholder may redeem or arrange for the redemption of shares in the ICAV and obtain payment at the offices of the UK Facilities Agent.

### **Information for Investors in Singapore**

This Prospectus has not been registered and will not be registered as a prospectus with the Monetary Authority of Singapore (the "**MAS**"), and the ICAV or any of its sub-funds are not authorised or recognised by the MAS, pursuant to the exemptions from compliance with prospectus requirements

under Section 304 and Section 305 of the Securities and Futures Act (Cap. 289) of Singapore (as amended) ("**SFA**"). The MAS assumes no responsibility for the contents of this Memorandum.

Accordingly, this Prospectus and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered and sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public or any member of the public in Singapore unless permitted under any applicable exemption. Moreover, this Prospectus is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. Investors should consider carefully whether the investment is suitable in light of their own personal circumstances.

In respect of distribution in Singapore, each Singapore investor must also satisfy the requirements for an "**accredited investor**" or an "**institutional investor**", each as defined under the SFA. The list of categories of "accredited investor" and "institutional investor" prescribed under present regulations are set out in the Application Form. For more information, please see section titled "Additional Information for Shareholders in Singapore" in the relevant Supplement.

### **RELIANCE ON THIS PROSPECTUS AND ON THE KIID AND/OR PRIIPS KID**

Shares in the ICAV are offered only on the basis of the information contained in this Prospectus and the KIID and/or PRIIPs KID and, as appropriate, after publication of the first half-yearly report of the ICAV or, after publication of the first audited annual accounts of the ICAV, the latest audited annual accounts and any subsequent half-yearly report of the ICAV. These reports form part of the Prospectus. Any further information or representations given or made by any dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representations in connection with the offering of Shares in the ICAV other than those contained in this Prospectus and in any subsequent half-yearly or annual report for the ICAV and, if given or made, such information or representations must not be relied on as having been authorised by the Directors, the Manager, the Investment Manager, the Administrator or the Depositary.

Statements in this Prospectus are based on the law and practice currently in force in Ireland at the date hereof and are subject to change. Neither the delivery of this Prospectus nor the issue of Shares shall, under any circumstances, create any implication or constitute any representation that the affairs of the ICAV have not changed since the date hereof.

This Prospectus should be read in its entirety before making any application for Shares.

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

Distribution of this Prospectus in certain jurisdictions will require that the Prospectus be translated into other languages. Where such translation is required, the translated version of the Prospectus will accord in all respects with the English version.

**Shareholders should note that the Instrument of Incorporation permits the ICAV to impose a sales charge of up to a maximum of 5% of the Net Asset Value per Share to purchases. A redemption fee of up to 3% may also be chargeable. Details of any such charges intended to be imposed shall be set out in the relevant Supplement. In the event that such charges are imposed the difference at any time between the sale and repurchase price of Shares means that any investment in the ICAV should be viewed as being in the medium to long term. Prices of Shares in the ICAV may fall as well as rise. These charges may only be applied if provided for in the relevant Fund's Supplement.**

The ICAV, the Manager and the Administrator have a responsibility to regulators for compliance with money laundering regulations around the world and for that reason, existing Shareholders and potential subscribers for and transferees of Shares may be asked for proof of identity. Until satisfactory proof of identity is provided by potential investors or transferees, either of the above reserve the right to withhold

issuance of Shares or any transfer of Shares. In case of delay or failure to provide satisfactory proof of identity, any of the above may take such action as they see fit.

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

## DEFINITIONS

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

<b>Accounting Period</b>	means a calendar year ending 31 December;
<b>Administration Agreement</b>	means the agreement between the Manager, the ICAV and the Administrator pursuant to which the administrator has been appointed to provide administration services to the ICAV, as may be amended from time to time;
<b>Administrator</b>	means SS&C Financial Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank as the administrator of the ICAV and each Fund;
<b>AIFMD II</b>	means Directive 2024/927/EU - Alternative Investment Fund Managers Directive II, as may be amended, consolidated or replaced from time to time;
<b>Applicant</b>	means any person who completes and submits the Application Form to the Administrator with a copy to the Investment Manager in accordance with the manner set out in the Prospectus and any Supplement;
<b>Application Form</b>	means the agreement pursuant to the provisions of which an Applicant agrees to purchase Shares in and become a Shareholder of the ICAV (this includes template forms in respect of redemptions, subsequent subscriptions and switching);
<b>Associated Person</b>	<p>means a person who is associated with a Director if, and only if, he or she is:</p> <ul style="list-style-type: none"><li>(a) that Director's spouse, parent, brother, sister or child;</li><li>(b) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls; or</li><li>(c) a partner of that Director.</li></ul> <p>A company will be deemed to be associated with a Director if it is controlled by that Director;</p>
<b>Base Currency</b>	means in relation to any Fund such currency as is specified in the Supplement for the relevant Fund;
<b>Board</b>	means the board of directors of the ICAV;
<b>Business Day</b>	means in relation to any Fund such day or days as is or are specified in the Supplement for the relevant Fund;
<b>Central Bank</b>	means the Central Bank of Ireland or any successor regulatory authority with responsibility for authorising and supervising the ICAV;

<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 2019 (S.I. No. 230 of 2019), as may be amended or supplemented from time to time and the guidelines issued by the Central Bank from time to time affecting the ICAV;
<b>Class(es)</b>	means a particular class of Shares;
<b>Collection Account</b>	means the collection account for each Fund in the name of the Fund through which subscription and redemption proceeds and dividend income (if any) for each Fund are channelled, operated in accordance with the Central Bank's requirements and the details of which are specified in the Application Form;
<b>Connected Person</b>	means the person defined as such in the section headed "Portfolio Transactions and Conflicts of Interest";
<b>Data Controller</b>	has the meaning given to that term in the Data Protection Legislation;
<b>Data Protection Legislation</b>	means the Irish Data Protection Acts 1988 to 2018 (as may be amended or re-enacted) from time to time, the EU General Data Protection Regulation, Regulation (EU) 2016/679, the effective date of which is 25 May 2018, the European Union Electronic Communications Data Protection Directives (2002/58/EC and 2009/136/EC), the European Union (Electronic Communications Networks Services) (Privacy and Electronic Communications) Regulations 2011 (SI 336/2011) and all other applicable laws and regulations of any country from time to time relating to processing of personal data and data privacy or analogous laws or regulations under other relevant jurisdiction including any jurisdiction in or from which the Manager receives any services;
<b>Dealing Day</b>	means in respect of each Fund such Business Day or Business Days as is or are specified in the Supplement for the relevant Fund provided that there shall be at least two dealing days at regular intervals in every month;
<b>Dealing Deadline</b>	means in relation to applications for subscription, redemption or switching of Shares in a Fund, the day and time specified in the Supplement for the relevant Fund;
<b>Declaration</b>	has the meaning given to that term in the "Taxation" section below;
<b>Depository</b>	means Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A., Dublin Branch or any successor thereto duly appointed depository of the ICAV in accordance with the requirements of the Central Bank;
<b>Depository Agreement</b>	means the agreement between the ICAV and the Depository as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank pursuant to which the Depository was appointed to the ICAV;
<b>Directors</b>	mean the directors of the ICAV, each a "Director";

<b>EEA</b>	means the European Economic Area which comprises the Member States together with Iceland, Lichtenstein and Norway;
<b>EEA Member State</b>	means a member state of the EEA;
<b>Eligible Investor</b>	shall have the meaning prescribed in the sub-section entitled "Eligible Investors" in the section entitled "The ICAV" of this Prospectus.
<b>Emerging Market Country</b>	means any market not included in the following group of industrialised countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom and the United States;
<b>ESMA</b>	means the European Securities and Markets Authority and any successor body from time to time carrying out all or any part of the relevant functions thereof;
<b>EU</b>	means the European Union;
<b>Euro, EUR or €</b>	means the lawful currency of the Eurozone;
<b>Exempt Investor</b>	means an Irish Resident Shareholder who is entitled to hold shares without the deduction of Irish tax provided the ICAV has in its possession a completed Declaration from the Shareholder and there is no information to suggest that the information contained within the Declaration is not materially correct, including: (i) a qualifying management company within the meaning of Section 739B(1) TCA; (ii) a company carrying on life business within the meaning of Section 706 TCA; (iii) a pension scheme which is an exempt approved scheme within the meaning of Section 774 TCA, or a retirement annuity contract or Trust scheme to which Section 784 or Section 785 TCA applies; (iv) an investment undertaking as referred to in Section 739B(1) TCA, a common contractual fund within the meaning of Section 739I TCA or an investment limited partnership within the meaning of Section 739J TCA; (v) a special investment scheme within the meaning of Section 737 TCA; (vi) a unit trust of a type referred to in Section 731(5)(a) TCA; (vii) a charity being a person referred to in Section 739D(6)(f)(i) TCA; (viii) a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 784A(2) TCA in circumstances where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund; (ix) a qualifying fund manager within the meaning of Section 784A TCA or a qualifying savings manager within the meaning of Section 848B TCA, in respect of Shares which are assets of a special savings incentive account within the meaning of Section 848C TCA; (x) a specified company as referred to in Section 734(1) TCA; (xi) a person entitled to exemption from income tax and capital gains tax by virtue of Section 787I TCA in circumstances where the shares are assets of a PRSA; (xii) a credit union with the meaning of Section 2 of the Credit Union Act, 1997; (xiii) the Courts Service; (xiv) the National Treasury Management Agency or a sub-fund investment vehicle or the Irish State acting through the National Treasury Management Agency (within the meaning of Section 37 of the National Treasury Management Agency (Amendment) Act 2014); (xv) the National Asset Management Agency; (xvi) an

Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the ICAV is a money market fund; (xvii) a company within the charge to corporation tax in accordance with Section 110(2) TCA; or (xviii) any other person resident in Ireland who is permitted to own Shares under Irish taxation legislation or by practice or concession of the Irish Revenue Commissioners without requiring the ICAV to deduct appropriate tax in respect of any payment to a Shareholder or the transfer by a Shareholder of any Shares, and in each case in respect of whom the ICAV is in possession of a Declaration, as applicable;

<b>Fund</b>	means a distinct portfolio of assets established by the Directors (with the prior approval of the Central Bank) constituting in each case a separate fund represented by a separate Series of Shares with segregated liability from the other Funds and invested in accordance with the investment objective and policies applicable to such fund as specified in the relevant Supplement;
<b>ICAV</b>	means RV Capital UCITS Fund ICAV and includes where the context so admits or requires the Funds;
<b>Initial Offer Price</b>	means the price per Share at which Shares are initially offered in a Fund during the Initial Offer Period as specified in the Supplement for the relevant Fund;
<b>Initial Offer Period</b>	means the period during which Shares in a Fund are initially offered at the Initial Offer Price as specified in the Supplement for the relevant Fund;
<b>Instrument of Incorporation</b>	means the instrument of incorporation for the time being in force and as may be modified from time to time;
<b>Intermediary</b>	means a person who carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons or holds shares in an investment undertaking on behalf of other persons;
<b>Investment Company Act</b>	means the United States Investment Company Act of 1940 as amended;
<b>Investment Agreement</b>	<b>Management</b> means the investment management agreement between the Manager, the Investment Manager and the ICAV as substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank Regulations pursuant to which the Investment Manager was appointed to provide investment management services to the Manager, the ICAV and the Funds;
<b>Investment Manager</b>	means RV Capital Management Private Ltd. or any successor or any addition thereto duly appointed in accordance with the requirements of the Central Bank Regulations and/or as specified in the Supplement in respect of each Fund as the investment manager for that relevant Fund;
<b>Irish Resident</b>	means any company resident, or other person resident or ordinarily resident, in Ireland for the purposes of Irish tax. Please see the "Taxation" section below for the summary of the concepts

	of residence and ordinary residence issued by the Irish Revenue Commissioners;
<b>Irish Revenue Commissioners</b>	means the Irish authority responsible for taxation;
<b>Issue Price</b>	means the Net Asset Value per Share of the relevant Fund as at the Valuation Point;
<b>Manager</b>	means Carne Global Fund Managers (Ireland) Limited, or such company as may be appointed to act as Manager of the ICAV with the approval of the Central Bank;
<b>Management Agreement</b>	means the management agreement between the ICAV and the Manager, as may be substituted, amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank pursuant to which the Manager was appointed;
<b>Member State</b>	means a member state of the EU;
<b>Minimum Initial Investment Amount</b>	means such amount (if any) as the Directors may from time to time determine as the minimum initial investment amount required by each Applicant for Shares of each Class in a Fund as is specified in the Supplement for the relevant Fund;
<b>Minimum Net Asset Value</b>	means such amount as the Directors decide for each Fund and as set out in the Supplement for the relevant Fund;
<b>Minimum Redemption Amount</b>	means such amount as the Directors decide for each Fund and as set out in the Supplement for the relevant Fund;
<b>Minimum Shareholding</b>	means such value of Shares of any Class (if any) as specified in the Supplement for the relevant Class of Shares within a Fund;
<b>money market instruments</b>	shall have the meaning prescribed in the Central Bank Regulations;
<b>month</b>	means a calendar month;
<b>Net Asset Value or Value or Net Asset per Share</b>	means in respect of the assets of a Fund or the Shares in a Fund, the amount determined in accordance with the principles set out in the section entitled "Calculation of Net Asset Value/Valuation of Assets" below as the Net Asset Value of a Fund or the Net Asset Value per Share;
<b>Non-Member State</b>	means a state which is not a Member State;
<b>OECD</b>	means the Organisation for Economic Co-operation and Development;
<b>Professional investor</b>	means an investor which is considered to be a professional client or may, on request, be treated as a professional client within the meaning of Annex II to Directive 2014/65/EU;
<b>Prospectus</b>	means this document, any addenda and Supplements designed to be read and construed together with and to form part of this document and the ICAV's most recent annual report and

		accounts (if issued) or, if more recent, its interim report and accounts;
<b>Redemption Price</b>		means the Net Asset Value per Share of the relevant Fund as at the Valuation Point;
<b>Redemption Proceeds</b>		means the amount reflecting the Net Asset Value of the Shares to be redeemed on the relevant Dealing Day less any redemption charges applicable to such redemption, if any;
<b>Recognised Market</b>		means any recognised market or exchange listed in accordance with the requirements of the Central Bank, which does not issue a list of approved markets. The Recognised Markets are listed at Appendix I;
<b>Regulations or Regulations</b>	<b>UCITS</b>	mean the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) as may be further amended, consolidated or substituted from time to time;
<b>Related Companies</b>		has the meaning assigned thereto in the Companies Act, 2014;
<b>Sales Charge</b>		means in respect of a Fund, the charge payable (if any) on the subscription for Shares as is specified in the Supplement for the relevant Fund;
<b>Securities Act</b>		means the United States Securities Act of 1933, as amended;
<b>Settlement Date</b>		means, in respect of receipt of monies for subscription for Shares or dispatch of monies for the redemption of Shares, the date specified in the Supplement for the relevant Fund;
<b>Share or Shares</b>		means, unless the context otherwise requires, a share or shares of whatsoever Class in the capital of the ICAV (other than Subscriber Shares) entitling the holders to participate in the profits of the ICAV as described in this Prospectus;
<b>SFDR</b>		means EU Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector, as may be amended, consolidated or replaced from time to time;
<b>SFTR</b>		means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, modified or re-enacted from time to time;
<b>Shareholders</b>		means a person registered as a holder of Shares;
<b>Subscriber Shares</b>		means the subscriber shares for which the subscribers to the Instrument of Incorporation of the ICAV agree to subscribe as more particularly hereinbefore set forth after their names and entitling the holders thereof to attend and vote at general meetings of the ICAV as provided for in the Instrument of Incorporation but not to participate in the profits and assets of the ICAV except for a return of paid-up capital on a winding-up of the ICAV as provided for in Instrument of Incorporation;

<b>Supplement</b>	means any supplement to the Prospectus issued on behalf of the ICAV or in respect of a Fund from time to time;
<b>Sustainability Risk</b>	means an environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investments made by the Funds;
<b>Tax Documentation</b>	Any tax forms, declarations, attestations, powers of attorney, or other documentation which may be requested to allow the ICAV or Depositary to apply for reduced rates or reclaims of withholding tax that may be permitted in the name of the Shareholder under the applicable laws, guidance and market practice on investments made by the Funds;
<b>Taxonomy Regulation</b>	means Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending SFDR, as may be amended, consolidated or replaced from time to time.
<b>TCA</b>	means the Taxes Consolidation Act 1997, of Ireland (as amended);
<b>transferable securities</b>	shall have the meaning prescribed in the Central Bank Regulations;
<b>UCITS</b>	means an undertaking for collective investment in transferable securities established pursuant to the Regulations;
<b>UCITS Directive</b>	means Directive 2009/65/EC, as amended, supplemented or replaced from time to time;
<b>UK Facilities Agent</b>	means Carne International Financial Services (UK) Limited;
<b>United Kingdom and UK</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>United States and US</b>	means the United States of America, (including each of the states, the District of Columbia and the Commonwealth of Puerto Rico) its territories, possessions and all other areas subject to its jurisdiction;
<b>US Dollars, USD, US\$ Dollars</b>	means the lawful currency of the United States or any successor currency;
<b>U.S. Person</b>	shall have the meaning prescribed in Regulation S under the Securities Act and thus shall include (i) any natural person resident in the United States; (ii) any partnership or corporation organised or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. Person; (iv) any trust of which any trustee is a U.S. Person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person; (vii) any discretionary account dealer or other fiduciary organised or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated, or (if an individual) resident in the United States; and (viii) any partnership or corporation if (A) organised or incorporated under the laws of any foreign

jurisdiction; and (B) formed by a U.S. Person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organised or incorporated, and owned by accredited investors (as defined in Rule 501(a) under the Securities Act) who are not natural persons, estates or trusts; and

**Valuation Point**

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

In this Prospectus any reference to any law, including statute, statutory provisions, any order or regulation or to any guidance from a competent authority, such as the Central Bank (collectively, the "**Law**"), shall be construed as a reference to:

- (a) the Law as extended, amended, replaced or re-enacted from time to time;
- (b) all statutory instruments and guidance made under the Law or deriving validity from it;
- (c) any statutory instruments and guidance made under any enactment to be read and/or construed with the Law; and
- (d) any rules made by competent authorities under or pursuant to the Law.

Any references to agreements in the Prospectus shall be construed as references those agreements as may be amended, restated, novated or replaced from time to time.

## THE ICAV

### General

The ICAV is an Irish collective asset-management vehicle constituted as an umbrella fund with segregated liability between sub-funds registered in Ireland on 18 November 2015 under registration number C146346. The ICAV is authorised by the Central Bank as a UCITS. A separate portfolio of assets will be maintained in relation to each Fund.

All holders of Shares are entitled to the benefit of, are bound by and are deemed to have notice of the provisions of the Instrument of Incorporation, copies of which are available as described under the heading "Documents for Inspection" in this Prospectus.

### Umbrella Fund

The ICAV is an umbrella fund with segregated liability, which is comprised of different Funds, each with one or more Classes of Shares. Different Classes of Shares may be issued from time to time with the prior notification and clearance of the Central Bank. Each Class represents interests in a Fund. Prior to the issue of any Shares, the ICAV will designate the Fund in relation to which such Shares shall be issued. Each Share will represent a beneficial interest in the Fund in respect of which it is issued. A separate Fund with separate records and accounts will be maintained and assets in such Fund will be invested in accordance with the investment objectives, policies and restrictions applicable to such Fund.

### Eligible Investors

Only persons who satisfy the requirements of this Prospectus (referred to herein as "**Eligible Investors**") may subscribe for or hold Shares in the ICAV. The Directors have the right to compulsorily redeem any or all Shares held by a Shareholder who is not or who ceases to be an Eligible Investor.

For these purposes an Eligible Investor is a person to whom the issue or transfer of, or where the holding of Shares (i) would not constitute a breach of the laws of any jurisdiction; (ii) would not be contrary to the regulations of any government authority; (iii) would not give rise to circumstances (whether taken alone or conjunctively with other persons or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the ICAV and/or its Shareholders as a whole incurring any liability for taxation or suffering any other regulatory, pecuniary, legal or material administrative disadvantage that the ICAV and/or its Shareholders might not otherwise have suffered or incurred; (iv) would not give rise to circumstances which may cause the ICAV to breach the terms of any license, registration or approval procured by it in relation to its investments; (v) would satisfy the requirements set out in this section entitled "**Eligible Investors**"; and (vi) would satisfy any other requirements determined by the Directors in their discretion.

## **INVESTMENT OBJECTIVE AND POLICIES**

The objective of each Fund is to invest in transferable securities and/or other liquid financial assets with the aim of spreading investment risk. The transferable securities and other assets in which the Funds may invest generally must be quoted, or dealt in, on a Recognised Market.

Prior to the relevant Fund reaching the size of USD 45,000,000, the Manager shall not make any change to the investment objective or material changes to the investment policies of a Fund each as disclosed in the relevant Supplement unless Shareholders have, in advance, and on the basis of a resolution passed with the support of 90% or more of the votes cast in its favour by the Shareholders entitled to attend and vote at general meetings of the ICAV or on matters effecting the relevant Class as the case may be, or with the prior written approval of all the Shareholders of that Fund in accordance with the Instrument of Incorporation. The Manager shall provide reasonable notice to the Shareholders of that Fund to enable Shareholders to redeem prior to implementation.

Shareholders of the relevant Fund will be notified when the size of the Fund reaches USD 45,000,000.

Upon the relevant Fund reaching a size of USD 45,000,000, the Manager shall not make any change to the investment objective or material changes to the investment policies of a Fund each as disclosed in the relevant Supplement unless Shareholders have, in advance, and on the basis of a resolution passed with the support of 50% or more of the votes cast in its favour by the Shareholders entitled to attend and vote at general meetings of the ICAV or on matters effecting the relevant Class as the case may be, or with the prior written approval of all the Shareholders of that Fund in accordance with the Instrument of Incorporation. The Manager shall provide reasonable notice to the Shareholders of that Fund to enable Shareholders to redeem prior to implementation.

Details of the investment objectives and policies of each Fund appear in the Supplement for the relevant Fund. There can be no assurance that each Fund will achieve its investment objective.

## **MATERIAL AMENDMENTS**

In addition to the requirements of the Central Bank, the Directors have agreed to provide Shareholders with reasonable advance notice and the opportunity to approve (if appropriate in accordance with the UCITS Regulations and the Instrument of Incorporation) any material changes to the Prospectus, a Supplement, the methodology in calculating the Net Asset Value, an increase in the percentage of fees per annum payable to any of the Manager, Investment Manager, Administrator or the Depositary or to the liquidity and redemption frequency of a Fund, or any other changes which require shareholders' approval in accordance with the Central Bank's requirements. For the avoidance of doubt, notice will only be issued to Shareholders that are impacted by any proposed changes and reasonable notice means at least 2 weeks in respect of Funds with daily or weekly liquidity and two dealing days in the case of fortnightly dealing Funds.

## **INVESTMENT RESTRICTIONS**

### **1. PERMITTED INVESTMENTS**

Investments of a Fund are confined to:

- (a) transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State;
- (b) recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
- (c) money market instruments other than those dealt in on a Recognised Market;
- (d) shares or units of UCITS;
- (e) shares or units of AIFs;
- (f) deposits with credit institutions; and
- (g) financial derivative instruments.

### **2. INVESTMENT RESTRICTIONS**

2.1. A Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.

Recently Issued Transferable Securities

2.2. Subject to paragraph (2), the Manager shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations 2011 apply. Paragraph (1) does not apply to an investment by the Manager in US Securities known as "Rule 144 A securities" provided that:

- (i) the relevant securities have been issued with an undertaking to register the securities with the US Securities and Exchanges Commission within 1 year of issue; and
- (ii) the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, which they are valued by the UCITS.

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

2.4. Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect 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 a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.

2.6. The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.

2.7. A UCITS shall not invest more than 20% of its assets in deposits made with the same body.

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

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

2.9. 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: investments in transferable securities or money market instruments; - deposits, and/or - counterparty risk exposures arising from OTC derivatives transactions.

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

2.11. Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.

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

The individual issuers must be listed in the Prospectus and may be drawn from the following list:

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

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

### **3. INVESTMENT IN OTHER COLLECTIVE INVESTMENT SCHEMES ("CIS")**

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

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

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

3.4. When a Fund invests in the shares or units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by

common management or control, or by a substantial direct or indirect holding, the Manager or other company may not charge subscription, switching or redemption fees on account of the investment by the Fund in the shares or units of such other CIS.

- 3.5. Where by virtue of investment in the units of another investment fund, the Manager, the Investment Manager, any sub-investment manager or an investment adviser receives a commission on behalf of the Fund (including a rebated commission), the Manager shall ensure that the relevant commission is paid into the property of the Fund.

#### **4. INDEX TRACKING UCITS**

- 4.1. A Fund may invest up to 20 per cent 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 Regulations and is recognised by the Central Bank.
- 4.2. The limit in paragraph 4.1 above may be raised to 35 per cent, and applied to a single issuer, where this is justified by exceptional market conditions.

#### **5. GENERAL PROVISIONS**

- 5.1. The ICAV, the Manager, or the Investment Manager, acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights that would enable it to exercise significant influence over the management of an issuing body.

- 5.2. A Fund may acquire no more than:

- (a) 10 per cent of the non-voting shares of any single issuing body;
- (b) 10 per cent of the debt securities of any single issuing body;
- (c) 25 per cent of the shares or units of any single CIS;
- (d) 10 per cent of the money market instruments of any single issuing body.

NOTE: The limits laid down in sub-paragraphs 5.2(b), 5.2(c) and 5.2(d) 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. Paragraphs 5.1 and 5.2 above shall not be applicable to:

- (a) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- (b) transferable securities and money market instruments issued or guaranteed by a Non-Member State;
- (c) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
- (d) shares held by a Fund in the capital of a company incorporated in a Non-Member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that Non-Member State, where under the legislation of that Non-Member State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that Non-Member State. This waiver is applicable only if in its investment policies the company from the Non-Member State complies with the limits laid down in paragraphs 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2 above and paragraphs 5.4, 5.5 and 5.6 below, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed; or

(e) shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of shares or units at the request of share or unit holders exclusively on their behalf.

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

5.5. The Central Bank may allow recently authorised Funds to derogate from the provisions of paragraphs 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 above 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. Neither the ICAV, the Manager of the Investment Manger may carry out uncovered sales of transferable securities; money market instruments; shares or units of CIS; or financial derivative instruments. Any short selling of money market instruments by a Fund is prohibited.

5.8. A Fund may hold ancillary liquid assets.

## **6. FINANCIAL DERIVATIVE INSTRUMENTS ("FDIS")**

6.1. The UCITS global exposure relating to FDI must not exceed its total Net Asset Value.

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

6.3. UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

6.4. Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

## **7. EFFICIENT PORTFOLIO MANAGEMENT**

7.1. The ICAV may employ investment techniques and FDI for efficient portfolio management of the assets of any Fund including hedging against market movements, currency exchange or interest rate risks under the conditions and within the limits stipulated by the Central Bank under the Regulations and the Central Bank Regulations and described below. Please see Appendix II for more information. A Fund will only utilise those FDIs as set out in the relevant Supplement and as listed in the RMP that have been cleared by the Central Bank. Each Fund's leverage through the use of derivative instruments, i.e. the global exposure of a Fund, including but not limited to, its exposure from the use of any derivative instruments, must not exceed the total Net Asset Value of the Fund.

7.2. Efficient portfolio management means investment decisions involving transactions that are entered into for one or more of the specific aims:

(a) the reduction of risk;

(b) the reduction of cost; or

- (c) the generation of additional capital or income for the UCITS with an appropriate level of risk, taking into account the risk profile of the UCITS as described in this Prospectus and the general provisions of the UCITS Directive.

## **8. BORROWING AND LENDING POWERS**

- 8.1. Under the Instrument of Incorporation, the Directors are empowered to exercise all of the borrowing powers of the ICAV, subject to any limitations under the Regulations, and to charge the assets of the ICAV as security for any such borrowings.
- 8.2. Under the Regulations, a Fund may borrow up to 10% of its assets provided this borrowing is on a temporary basis. A Fund may not borrow money, grant loans or act as guarantor on behalf of third parties.
- 8.3. A Fund may acquire foreign currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions under Regulation 103(1) of the Regulations provided that the offsetting deposit (i) is denominated in the base currency of the Fund and (ii) equals or exceeds the value of the foreign currency loan outstanding.
- 8.4. The Manager shall ensure that a Fund with foreign currency borrowings which exceed the value of a back to back deposit treats that excess as borrowing for the purpose of Regulation 103 of the Regulations. Where the balance returned to the Fund is in a foreign currency other than the Base Currency, the Fund may be exposed to currency risk such that the amount returned may be less than it would have been if the offsetting balance had been held in the Base Currency.

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

## **9. SHARE CLASS HEDGING**

- 9.1. The Investment Manager may hedge the foreign currency exposure of some or all of a Fund's non-Base Currency denominated Classes against the relevant Fund's Base Currency ("Hedged Classes"). The purpose of such hedging is for Shareholders to receive a return substantially in line with the investment performance of the relevant Fund by reducing the effect of exchange rate fluctuations. Details on the currency hedging strategy of each Fund, including details and the features of any Hedged Classes offered by such Fund, are set out in the relevant Supplement.
- 9.2. As foreign exchange hedging may be utilised for the benefit of only the Hedged Classes, the costs and related gains and losses of such hedging transactions will accrue solely to the relevant Hedged Class(es). Hedging transactions will be clearly attributable to a specific Hedged Class and therefore currency exposures of different Classes will not be combined or offset. Additionally, currency exposures of a Fund's Investments may not be allocated to separate Classes. Accordingly, the costs and related gains and losses for Hedged Classes will be reflected in such Classes' Net Asset Value.
- 9.3. The Investment Manager will limit hedging to the particular Hedged Class' currency exposure. While it is not the intention of the ICAV to over or under hedge positions, this may arise due to circumstances outside of the ICAV's control. Hedged positions will be kept under review to ensure that over-hedged positions do not exceed 105% of the Net Asset Value per Share of the Hedged Class and underhedged positions do not fall short of 95% of the portion of the Net

Asset Value of the Hedged Class and keep any under-hedged positions under review to ensure it is not carried forward from month to month. This review will also incorporate a procedure to ensure that under-hedged positions and overhedged positions materially in excess of 100% will not be carried forward from month to month.

- 9.4. To the extent that foreign exchange hedging for Hedged Classes is successful, the performance of such Classes is likely to move in line with the performance of the relevant Fund's Investments and therefore protect Shareholders of such Hedged Class(es) from a decline in the value of the relevant Class' currency vis-à-vis the Base Currency. However, Shareholders of Hedged Classes will not benefit to the extent that the currency of a Hedged Class appreciates against the relevant Base Currency. There can be no guarantee that the hedging techniques employed by the Investment Manager will be successful.
- 9.5. For Unhedged Classes, a currency conversion will take place on subscription, redemption, switching and distributions at prevailing exchange rates. Unhedged Classes will have currency exposure to the relevant Base Currency. Shareholders should have regard to "Risk Factors" – "Currency Risks"; "Risks associated with Futures and Options"; and "Hedging, Derivatives, and other Strategic Transactions Risk" for more details.

#### **DIVIDEND POLICY**

The Instrument of Incorporation empowers the Directors and Manager to declare semi-annual and/or annual dividends in respect of any Shares out of net income (including dividend and interest income) and the excess of realised and unrealised capital gains over realised and unrealised losses in respect of investments of the ICAV, subject to such adjustments as may be determined to be appropriate by the Directors from time to time, including to allow for the effect of sales or purchases, to reflect an estimated or actual repayment of tax or to reflect any income accrued but not received by the ICAV, provided that all such adjustments will be in accordance with the Instrument of Incorporation.

Any dividend unclaimed after a period of 6 years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund.

The distribution policy for each Fund will be determined by the Directors from time to time and shall be specified in the relevant Supplement to the Prospectus.

## **RISK FACTORS**

### **General Risk**

The Funds will be investing in assets selected by the Investment Manager in accordance with the respective investment objectives and policies. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, will therefore be closely linked to the performance of such investments. Investments made by the Investment Manager will be speculative and an investment in a Fund, therefore, involves a degree of risk. There is no guarantee that the investment objective of a Fund, or its risk monitoring, will be achieved and results may vary substantially over time. A Fund's investment strategy may carry considerable risks. It should be remembered that the price of Shares and the income from them may fall as well as rise, and that investors may not get back the amount they have invested. Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase.

### **Market Risk**

Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. During a general downturn in the securities markets, multiple asset classes may decline in value simultaneously. Equity securities generally have greater price volatility than fixed-income securities.

### **Taxation Risk**

Potential Applicants' attention is drawn to the taxation risks associated with investing in the ICAV and in the Funds. See section headed "Taxation".

### **Goods and Services Tax Risk**

The ICAV may be liable to pay goods and services tax or other forms of value added tax on certain services received from its service providers, such as the Investment Manager.

The Directors intend to conduct the affairs of the ICAV in such manner as to minimise, so far as they consider reasonably practicable, taxation suffered by the Fund, including where feasible submitting claims to applicable taxation authorities for recovery of goods and services tax paid by the ICAV. However, investors should note that there is no assurance that the ICAV will be able to recover all or any of such taxes paid.

### **Political Risks**

The value of a Fund's assets may be affected by uncertainties such as political developments, changes in government policies, taxation, currency repatriation restrictions and restrictions on foreign investment in some of the countries in which the Fund may invest.

### **Currency Risks**

A Fund's investments may be acquired in a wide range of currencies and changes in exchange rates between currencies may cause the value of an investment in a Fund to fluctuate due to the fact that the currency positions held by a Fund may not correspond with the securities positions held. The Fund may utilise financial instruments such as forward contracts to seek to hedge against fluctuations in the relative values of the Fund's portfolio positions as a result of changes in currency exchange rates. Where a Class currency exposes Shareholders in that Class to additional currency risk, such exposure may also be hedged. In such events, the exchange rate used for the purposes of hedging is likely to be

the rate prevailing at the time the necessary currency hedging contracts are put in place and accordingly Shareholders in such Classes will bear the risk of not benefiting from any potential rise in the exchange rate of the Class currency against the Base Currency and/or other currencies in which the assets of a Fund are denominated between the time the hedging contracts are put in place and the time when such contracts settle. It may not be possible for the Fund to hedge against any exchange rate fluctuation that is so generally anticipated the Fund is not able to enter into a hedging transaction at a price sufficient to protect the Fund from the decline in value of the portfolio position anticipated as a result of such a fluctuation.

A Fund may issue Classes of Shares denominated in a currency other than the Base Currency of that Fund and accordingly the value of a Shareholder's investment in such a Class may be affected favourably or unfavourably by fluctuations in the rates of the two different currencies. For example, a Shareholder may not benefit if the Class currency falls against the Base Currency and/or the currencies in which the assets of a Fund are denominated. A currency conversion will take place on subscription, redemption, switching and distribution at prevailing exchange rates.

### **Legal and Regulatory Risks**

Legal and regulatory (including taxation) changes could adversely affect the ICAV. Regulation (including taxation) of investment vehicles such as the ICAV is still evolving and therefore subject to change. In addition, many governmental agencies, self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The effect of any future legal or regulatory (including taxation) change on the ICAV is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

### **Reliance on the Investment Manager, Administrator and Depositary**

The Shareholders will have no right to participate in the management of a Fund or in the control of its business. Accordingly no person should purchase any Shares unless he is willing to entrust all aspects of management of the Fund to the Directors and all aspects of selection and management of the Fund's investments to the Investment Manager. The Fund's success will depend completely on the efforts of the Directors, the Investment Manager, the Administrator and the Depositary.

### **Difficult to Value**

Assets in which a Fund invests may be valued on a less frequent basis than the Fund. Accordingly there is a risk that (i) the valuations of a Fund may not reflect the true value of assets held by a Fund at a specific time which could result in losses or inaccurate pricing for a Fund and/or (ii) the valuations may not be available at the relevant Valuation Point so that some of the assets of the Fund may be valued at their probable realisation value as set out in this Prospectus.

### **Custodial Risk**

The Funds' assets will be held in one or more accounts maintained for such Fund by the Depositary or at other local sub-custodian banks which may be located in other jurisdictions, including jurisdictions where depositary and/or settlement systems are not fully developed. The insolvency of the Depositary, or of any local broker, sub-custodian, bank or clearing corporation used by the Depositary, may result in the loss of all or a substantial portion of the Fund's assets or in a significant delay in the Fund having access to those assets.

Where a Fund can invest in markets including Emerging Market Countries, where trading, custodial and/or settlement systems are not fully developed, the assets of the Fund which are traded in such markets and which have been entrusted to sub-custodians in circumstances where the use of sub-custodians is necessary may be exposed to risk in circumstances where the Depositary will have no liability.

### **Collection Account Risk**

Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering purposes, as described above, may result in a delay in the settlement of redemption

proceeds or dividend payments. In such circumstances, the Administrator will process any redemption request received by a Shareholder and by doing so that investor is no longer considered a Shareholder. Accordingly, Shareholders should note that any redemption proceeds and any sums payable by way of dividend being paid out by a Fund and held for any time in the Collection Account shall remain an asset of the relevant Fund. In the event of the insolvency of the ICAV or the relevant Fund, the Shareholder will rank as an unsecured creditor of the relevant Fund until such time as the Administrator is satisfied that its anti-money-laundering procedures have been fully complied with, following which redemption proceeds will be released or the dividend paid (as applicable) to the relevant Shareholder. Accordingly, Shareholders are advised to promptly provide the ICAV or Administrator (as appropriate) with all documentation requested to reduce the risk in this scenario.

As detailed under the heading "Subscription for Shares" above, the Administrator also operates the Collection Account with respect to receipt of subscription monies. In this scenario, the investor is subject to the risk of becoming an unsecured creditor in the event of the insolvency of the relevant Fund during the period between receipt of subscription monies and the Dealing Day on which the Shares are issued and the subscription monies are transferred to the Fund operating account.

The ICAV reserves the right to reverse any allotment of Shares in the event of a failure by the Shareholder to settle the subscription monies on a timely basis. In such circumstances, the ICAV shall compulsorily redeem any Shares issued and the Shareholder shall be liable for any loss suffered by the ICAV in the event that the redemption proceeds are less than the amount originally subscribed for. For the avoidance of doubt, the relevant Shareholder shall not be entitled to any profit arising from such a redemption of shares in the event that the redemption proceeds are worth more than the amount originally subscribed for.

Shareholders in solvent Funds should not be impacted by the insolvency of a sister Fund as the ICAV is established with segregated liability. However, there can be no categorical assurance that, should an action be brought against the ICAV in the courts of another jurisdiction, that the segregated nature of the Funds will necessarily be upheld. Shareholders attention is drawn to the risk factor under the heading "Umbrella Structure".

### **Operating History**

The ICAV and the first Fund commenced operations in 2016. The ICAV's and each Fund's investment programmes should be evaluated on the basis that past performance may not be indicative of future performance, and there can be no assurance that the Manager's or the Investment Manager's assessment of the short-term or long-term prospects of investments will prove accurate or that the ICAV or each Fund will achieve its investment objective.

### **Umbrella Structure**

Pursuant to Irish law, there should not be the potential for cross-contamination of liabilities among Funds. There can, however, be no guarantee, and no guarantee is made, that, should an action be brought against the ICAV in the courts of another jurisdiction, the segregated nature of the Funds will be upheld.

### **Re-investment of Cash Collateral Risk**

As a Fund may reinvest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, that Fund will be exposed to the risk associated with such investments, such failure or default of the issuer of the relevant security.

### **Risks associated with Financial Derivative Instruments**

While the prudent use of financial derivative instruments ("FDI") can be beneficial, FDIs also involve risks different from, and in certain cases greater than, the risks presented by more traditional investments.

#### *Market Risk*

This is a general risk that applies to all investments, including FDIs, meaning that the value of a particular FDI may go down as well as up in response to changes in market factors. A Fund may also use FDIs to short exposure to some investments. Should the value of such investments increase rather than fall, the use of FDIs for shorting purposes will have a negative effect on the Fund's value and in extreme market conditions may, theoretically, give rise to unlimited losses for the Fund. Should such extreme market conditions occur, investors could, in certain circumstances, therefore face minimal or no returns, or may even suffer a loss on their investment in that particular Fund.

#### *Liquidity Risk*

Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a FDI transaction is particularly large or if the relevant market is illiquid, it may not be possible to initiate a transaction or liquidate a position at an advantageous price (however, the Fund will only enter into OTC FDIs if it is allowed to liquidate such transactions at any time at fair value).

#### *Counterparty Risk*

The Funds may enter into transactions in OTC markets, which will expose the Funds to the credit of their counterparties and their ability to satisfy the terms of such contracts. In the event of a bankruptcy or insolvency of a counterparty, a Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Fund seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that these arrangements may be terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated.

#### *Legal Risk*

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

#### *Correlation Risks*

Other risks in using FDIs include the inability of FDIs to correlate perfectly with underlying securities, rates and indices. Many FDIs, in particular OTC FDIs, are complex and the valuation can only be provided by a limited number of market professionals who often are acting as counterparties to the transaction to be valued.

#### *Settlement Risk*

Where a Fund enters into swap arrangements and other FDI's, it will be exposed to the risk that the counterparty may default on its obligations to perform under the relevant contract and may not settle a transaction. Delays in settlement may also result from disputes over the terms of the contract since the OTC markets may lack the established rules and procedures for swift settlement of disputes among market participants found in exchange-based markets.

#### *Risks associated with Futures and Options*

The Funds may from time to time use both exchange-traded and OTC futures and options as part of its investment policy or for hedging purposes. These instruments are highly volatile, involve certain special risks and expose applicants to a high risk of loss. The low initial margin deposits normally required to establish a futures position permit a high degree of leverage. As a result, a relatively small movement in the price of a futures contract may result in a profit or a loss which is high in proportion to the amount of funds actually placed as initial margin and may result in un-quantifiable further loss exceeding any margin deposited. Further, when used for hedging purposes there may be an imperfect correlation between these instruments and the investments or market sectors being hedged. Transactions in OTC derivatives may involve additional risk as there is no exchange or market on which to close out an open

position. It may be impossible to liquidate an existing position, to assess or value a position or to assess the exposure to risk.

### *Contractual Risks*

Futures are traded on a Recognised Market, which minimizes counterparty risk for these instruments. However, if the creditworthiness of a counterparty declines, the risk that the counterparty may not perform could increase, potentially resulting in a loss to the portfolio. To limit counterparty risk, the Investment Manager will only enter into trades on behalf of clients with counterparties that meet certain standards of creditworthiness. The credit quality of counterparties is evaluated by the Investment Manager.

### *Pricing Transparency*

Both futures and swaps are priced daily. Futures are priced by pricing sources such as Reuters while swap prices are sourced from Pricing Direct, S&P and the dealers. It is not always possible to find a reliable price for certain over-the-counter FDI.

### *Management Risk*

FDI products are highly specialized instruments that require investment techniques and risk analyses different from those associated with stocks and bonds. The use of a FDI requires an understanding not only of the underlying instrument but also of the FDI itself, without the benefit of observing the performance of the FDI under all possible market conditions. In particular, the use and complexity of FDIs require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a FDI adds to the Fund's portfolio and the ability to forecast price, interest rate or currency exchange rate movements correctly.

### *Operational Risk*

Margin requirements exist for all exchange traded futures. Margin collateral will be exchanged weekly with the ability to substitute more often. As with any singular investment, the Fund would be exposed to the consequences of an operational or systems failure at the counterparty, the futures clearing agent or at the futures exchange.

### *Leverage Risk*

Since many FDIs have a leverage component, adverse changes in the value or level of the underlying asset, rate or index can result in a loss substantially greater than the amount invested in the FDI itself. Certain FDIs have the potential for unlimited loss, regardless of the size of the initial investment.

### *Counterparty Insolvency*

The stability and liquidity of over-the-counter derivative transactions depend in large part on the creditworthiness of the parties to the transactions. If there is a default by the counterparty to such a transaction, a Fund will, under most normal circumstances, have contractual remedies pursuant to the agreements related to the transaction. However, exercising such contractual remedies may involve delays or costs which could result in the Net Asset Value of a Fund being less than if a Fund had not entered into the transaction. Furthermore, there is a risk that any of such counterparties could become insolvent. If one or more of a Fund's counterparties were to become insolvent or the subject of liquidation proceedings in the United States (either under the United States Securities Investor Protection Act or the United States Bankruptcy Code), there is a risk that the recovery of a Fund's securities and other assets from such counterparty will be delayed or be of a value less than the value of the securities or assets originally entrusted to such counterparty.

In addition, a Fund may use counterparties located in various jurisdictions around the world. Such counterparties are subject to various laws and regulations in various jurisdictions that are designed to protect their customers in the event of their insolvency. However, the practical effect of these laws and their application to a Fund's assets will be subject to substantial limitations and uncertainties. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios

involving the insolvency of a counterparty, it is impossible to generalise about the effect of their insolvency on a Fund and its assets. Prospective investors should assume that the insolvency of any counterparty would result in a loss to a Fund, which could be material.

#### *Over-the-Counter ("OTC") Transactions*

There has been an international effort to increase the stability of the financial system in general, and the OTC derivatives market in particular. The leaders of the G20 have agreed that all standardised OTC derivative contracts should be traded on exchanges or electronic trading platforms, where appropriate, and cleared through central counterparties, that OTC derivative contracts should be reported to trade repositories, and that non-centrally cleared contracts should be subject to higher capital requirements.

In the United States, certain interest rate and credit default index swaps must be centrally cleared, and additional standardised swap contracts are expected to be subject to new clearing and execution requirements in the future. OTC trades submitted for clearing are subject to minimum initial and variation margin requirements set by the relevant clearinghouse, as well as possible margin requirements mandated by the SEC or the CFTC. The regulators also have proposed margin requirements on non-cleared OTC derivatives, but have not yet finalised them. In addition, the OTC derivative dealers with which a Fund may execute its OTC derivatives are required to post margin to the clearinghouses through which they clear their customers' trades instead of using such margin in their operations for cleared derivatives. This has increased the OTC derivative dealers' costs, and these increased costs are expected to be passed through to other market participants in the form of higher upfront and mark-to-market margin, less favourable trade pricing, and possible new or increased fees.

The SEC and CFTC are expected to increase the portion of derivatives transactions that will be required to be executed through a regulated securities, futures, or swap exchange or execution facilities. Such requirements may make it more difficult and costly for investment funds, including a Fund, to enter into highly tailored or customised transactions. They may also render certain strategies in which a Fund might otherwise engage impossible or so costly that they will no longer be economical to implement. OTC derivative dealers and major OTC derivatives market participants have now registered with the SEC and/or the CFTC. A Fund may also be required to register as a major participant in the OTC derivatives markets if its swaps positions are too large or leveraged, but the CFTC's and SEC's definition of major swap participant make such registration unlikely. Dealers and major swap participants are subject to minimum capital and margin requirements. These requirements may apply irrespective of whether the OTC derivatives in question are exchange-traded or cleared. OTC derivatives dealers are also subject to business conduct standards, disclosure requirements, additional reporting and recordkeeping requirements, transparency requirements, limitations on conflicts of interest, and other regulatory burdens. These requirements may increase the overall costs for OTC derivative dealers, which are likely to be passed along, at least partially, to market participants in the form of higher fees or less advantageous dealer marks. A Fund is also subject to recordkeeping and, depending on the identity of the swaps counterparty, reporting requirements. While many of the requirements of the Dodd-Frank Act have been adopted, the final overall impact of the Dodd-Frank Act on a Fund is uncertain, and it is unclear how the OTC derivatives markets will adapt to the final regulatory regime.

EU Regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories (also known as the European Market Infrastructure Regulation, or "EMIR") came into force on 16 August 2012. EMIR introduces uniform requirements in respect of OTC derivative contracts by requiring certain "eligible" OTC derivatives contracts to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of OTC derivatives contracts to trade repositories. In addition, EMIR imposes risk mitigation requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational and counterparty credit risk in respect of OTC derivatives contracts which are not subject to mandatory clearing. These risk mitigation requirements are expected to include the exchange and segregation of collateral by the parties, including by a Fund.

While many of the obligations under EMIR have come into force, a number of other requirements have not yet come into force or are subject to phase-in periods and certain key issues have not been finalised by the date of this Prospectus. It is therefore not yet fully clear how the OTC derivatives market will adapt to the new European regulatory regime for OTC derivatives.

The Directors, the Investment Manager and/or any sub-investment manager do not expect that a Fund will be materially affected by some or all of the requirements of EMIR. However, as at the date of this Prospectus, it is difficult to predict the full impact of EMIR on a Fund, which may include an increase in the overall costs of entering into and maintaining OTC derivative contracts. The Directors, the Investment Manager and/or any sub-investment manager will monitor the position. However, prospective investors and Shareholders should be aware that the regulatory changes arising from EMIR may in due course adversely affect a Fund's ability to adhere to its investment approach and achieve its investment objective.

#### *Highly Volatile Markets*

The prices of derivative instruments, including options prices, are highly volatile. Price movements of contracts for difference and other derivative contracts in which a Fund may invest are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary, and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets. Such intervention is often intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. A Fund is also subject to the risk of the failure of any of the exchanges on which its positions trade or of their clearing houses.

#### *Hedging, Derivatives, and other Strategic Transactions Risk*

Hedging, derivatives, and other strategic transactions may increase the volatility of a Fund and, if the transaction is not successful, could result in a significant loss to a Fund. The use of derivative instruments could produce disproportionate gains or losses, more than the principal amount invested. Investing in derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments and, in a down market, derivative instruments could become harder to value or sell at a fair price.

#### *Derivative Securities Risk*

In relation to investment in financial derivative instruments, the use of these instruments involves special risks including (i) dependence on the ability to predict movements in the prices of securities underlying the financial derivative instruments and movements in interest or currency rates; (ii) imperfect correlation between the financial derivative instruments and the securities or market sectors to which they relate; (iii) greater volatility than the securities and/or markets to which they relate; (iv) liquidity risk when, for example, a particular derivative instrument is difficult to purchase or sell; (v) market risk, where the market value of the financial derivative instrument changes in a way that is detrimental to the Fund; (vi) potential conflicts of interest (vii) counterparty risk, where the counterparty with which the Fund trades becomes insolvent, bankrupt or defaults; (viii) settlement risk, where a counterparty defaults in settling a trade; and (ix) legal risk, where the enforceability of a financial derivative instrument contract may be an issue.

#### *Trading in Futures Contracts, Options, Foreign Exchange and Leveraged Foreign Exchange Transactions*

The risk of loss in trading futures contracts, options, foreign exchange and leveraged foreign exchange transactions can be substantial. In particular:

- (a) If a Fund purchases or sells a futures contract or leveraged foreign exchange transaction, the Fund may sustain a total loss of the Fund's position. If the market moves against the Fund's position, the Fund may be called upon to deposit a substantial amount of additional margin funds on short notice in order to maintain its position. If the Fund does not provide the required funds within the specified time, its position may be liquidated at a loss, and the Fund will be liable for any resulting deficit in its account.
- (b) Under certain market conditions, a Fund may find it difficult or impossible to liquidate a position.

- (c) The placement of contingent orders by a Fund or the Investment Manager authorised by the Fund, such as a 'stop-loss' or 'stop limit' order, will not necessarily limit the Fund's losses to the intended amounts, since market conditions may make it difficult or impossible to execute such orders.
- (d) A 'spread' position may not be less risky than a simple 'long' or 'short' position.
- (e) The high degree of leverage that is often obtainable in futures and leveraged foreign exchange trading can work against a Fund as well as for the Fund. The use of leverage can lead to large losses as well as gains.
- (f) A Fund is subject to substantial charges for management and advisory fees. It may be necessary for a Fund to make substantial trading profits to avoid depletion or exhaustion of its assets

### **Eurozone Developments**

The current political and economic situation in the EU has created pressure on certain European countries regarding their continued membership in the EU. Some economists advocate the exit of certain countries from the Eurozone, and political movements in some Eurozone countries also promote their country's exit from the Eurozone, amongst other reasons, for certain economic, policy and/or political reasons. It is possible that more countries may leave the EU.

On June 23, 2016, the United Kingdom held a referendum and voted to withdraw as a member of the EU and a party to the Treaty on European Union and its successor treaties. The outcome of this referendum led to Brexit and caused significant volatility in global financial markets and uncertainty about the integrity and functioning of the EU, which may persist for an extended period of time.

The United Kingdom Government triggered Article 50 on 29 March 2017, which in accordance with the "divorce" period under that Article, meant that the United Kingdom would have to leave the EU on 29 March 2019, absent any extension of the "divorce" period. However, the "divorce" period had been extended three times before the UK finally passed the European Union (Withdrawal Agreement) Act 2020 on 23 January 2020 and left the EU on 31 January 2020. There was a transitional period of 11 months post Brexit, during which the UK remained in both the EU customs union and the single market. Near the end of the transitional period the EU, the European Atomic Energy Community ("**Euratom**") and the UK entered into the EU–UK Trade and Cooperation Agreement ("**Trade and Cooperation Agreement**") which was signed on 30 December 2020. The Trade and Cooperation Agreement has been applied provisionally since 1 January 2021, when the Brexit transition period ended. The full effects of Brexit remain uncertain and depend on how closely the UK will be connected to the EU legislative framework post the expiry of the transitional provisions under the Trade and Cooperation Agreement.

There are no historical precedents, and the effect of any such event on the ICAV and the Funds is impossible to predict. It is possible that any one or a combination of the events in the EU might cause any one or a combination of the following consequences on the ICAV and the Funds (thereby having a significant effect on the profitability of the ICAV and the Funds): (i) cause a significant rise or fall in the value of the Euro against other currencies; (ii) significantly affect the volatility of currency exchange rates (particularly for the Euro / various national currencies) and of the prices of assets generally; (iii) significantly reduce the liquidity of some or all of a Fund's investments or prevent a Fund from disposing of such investments in accordance with the Fund's stated investment programme; (iv) change or modify through operation of law, the currency denomination of cash, securities, transactions and/or other assets of the Fund to the detriment of the Fund or at an exchange rate that may be disadvantageous to the Fund; (v) adversely affect a Fund's ability to enter into currency hedging transactions and/or increase the costs of such transactions (which may prevent the Fund from allocating losses on currency hedging transactions in accordance with their usual allocation policies, or from protecting certain Classes against exposure to foreign exchange rates through hedging); (vi) affect the validity or interpretation of legal contracts on which the ICAV and/or a Fund may rely or may be a party to; (vii) adversely affect the ability of the Fund to make payments of any kind or to transfer any of its funds between accounts; (viii) increase the probability of, the insolvency of, and/or default by, its

counterparties (including brokers, the custodians and account banks generally); and/or (ix) result in action by national governments or regulators which may be detrimental or which may be intended to protect certain types of market participants but which may have a negative adverse effect on other market participants. Such factors could, individually or in combination with each other, impair the ICAV's or each Fund's operations and/or profitability, result in significant losses, prevent or delay the ICAV or a Fund from being able to value its assets and/or calculate the Net Asset Value and/or affect the ability of the ICAV to redeem Shares and make payments of amounts due to Shareholders.

### **Coronavirus and Public Health Emergencies and Other Geopolitical Risks**

An unstable geopolitical climate and continued threats of terrorism could have a material adverse effect on general economic conditions, market conditions and market liquidity. Additionally, a serious pandemic or a natural disaster could severely disrupt global, national and/or regional economies. No assurance can be given as to the effect of these events on the value of the Funds' investments. Any public health emergency or other existing or new epidemic or pandemic diseases, or the threat thereof, could have a significant adverse impact on the ICAV and the Funds and their investments and could adversely affect the ICAV's and each Fund's ability to fulfil its investment objectives.

### **Conflict Events**

Recent armed conflicts, civil wars, acts of terrorism, political or social instability and related geopolitical events ("**Conflict Events**") have adversely affected securities markets in various countries. Conflict Events may arise with little or no warning and may escalate rapidly in scope and severity and may occur in regions in which the Fund holds direct or indirect investments, or in regions or sectors whose economic or political significance is associated with significant disruption having far-reaching consequences for global markets. Ongoing Conflict Events—such as those involving Russia-Ukraine, Israel-Hamas, the United States and Israel-Iran, and broader regions and recent transitions in Venezuela—have unpredictable impacts on local and global markets and present material uncertainty for global economic and market conditions.

Such impacts may include, without limitation, sharp declines in equity markets or asset values, increased volatility, dislocations in fixed income and credit markets, increased sovereign credit risk, currency devaluations, inflationary pressures arising from supply chain disruptions or elevated energy and commodity prices, operational challenges and sudden shifts in monetary or fiscal policy by central banks and governments. Sudden shifts in policy associated with Conflict Events such as nationalisation, expropriation, confiscatory taxation, currency restrictions, new regulations and sanctions can disrupt Investments. These conditions may persist for prolonged and unpredictable periods and may materially impair the ability of the Investment Manager to implement the Fund's investment strategy effectively. Sanctions, whether new or reinstated, can trigger currency devaluation, credit downgrades, asset freezes, and other adverse outcomes, hindering investment strategies and potentially requiring unfavorable divestments. During periods of Conflict Events, liquidity in certain markets or in respect of certain instruments may be significantly reduced or may become entirely unavailable. Overall, these factors can result in material uncertainty and risk with respect to the ICAV and the performance of its investments and operations, and the ability of the Funds to achieve their investment objectives.

### **Sustainability Risk**

Pursuant to the SFDR, the Funds are required to disclose the manner in which Sustainability Risks are integrated into the investment decision of the Funds and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the Funds.

Such risks are principally linked to climate-related events resulting from climate change (so-called "physical risks") or to society's response to climate change (so-called "transition risks"), which may result in unanticipated losses that could affect the Funds' investments and financial condition. Societal events (such as inequality, lack of inclusiveness, poor or deteriorating labour relations, insufficient investment in human capital, lack of accident prevention measures, changing customer behaviour, etc.) or governance shortcomings (such as democratic instability, poor sovereign or political party leadership or reputation, recurrent significant breaches of international agreements, bribery issues, insufficient products quality and safety, sales of negative goods, etc.) may also translate into Sustainability Risks.

In accordance with the specific regime under SFDR as amended by the Taxonomy Regulation, it is required to confirm whether the relevant Fund has sustainable investments as its objective within the meaning of SFDR. Accordingly, as at the date of this Prospectus, the Investments underlying the relevant Fund do not take into account the EU criteria for environmentally sustainable economic activities. However, Sustainability Risks are integrated in the investment decision-making and risk monitoring of the Fund to the extent that they represent potential or actual material risks and/or opportunities to maximising the long-term risk-adjusted returns of the Funds. The Investment Manager employs a number of key inputs to assess the impact and relevance of Sustainability Risks with respect to the Funds' investments, which are aggregated to determine an "ESG-score" for the sovereigns, sectors and companies in which the Funds may invest. The Investment Manager maintains a restricted list and an exclusion list and screens securities to evaluate and prevent investments in sovereigns, sectors or companies with weak ESG-scores and to automatically prohibit investments in sectors or companies that exhibit deficiencies contrary to the Investment Manager's ESG philosophy. This ESG analysis is regularly conducted by the Investment Manager at both firm-level and at the level of each Fund. The Investment Manager is also a signatory to the internationally-recognised Principles for Responsible Investment.

The impacts of Sustainability Risks on the returns of the Funds may be numerous and vary depending on the specific risk, region and asset class. In general, where a Sustainability Risk occurs in respect of an asset, there could be a negative impact on, or entire loss of, its value.

Further details and specific information is given in the relevant Supplement of each Fund.

### **No Separate Counsel**

While the ICAV is represented by Walkers, no separate counsel has been retained to represent the Shareholders. Shareholders should consult with their own advisors prior to making an investment in the ICAV.

### **Risks relating to Taxation**

Any change in the tax status, tax residence, tax rates, tax legislation or tax or accounting practice in relation to the ICAV or a Fund or any of a Fund's underlying investments may have an adverse effect on the returns available on an investment in a Fund.

### **Risks related to the EU Anti-Tax Avoidance Directive**

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the conclusions of the OECD BEPS project across the EU, the EU Council adopted Council Directive (EU) 2016/1164 ("ATAD 1") on 12 July 2016. The EU Council adopted Council Directive (EU) 2017/952 ("ATAD 2") on 29 May 2017, amending ATAD 1, to provide for minimum standards for counteracting hybrid mismatches involving EU Member States and third countries.

The anti-hybrid rules were implemented in Ireland under Finance Act 2019, with the rules generally applying from 1 January 2020 in respect of certain "hybrid" entities and financial instruments which result in either tax deductions arising in two jurisdictions for the same expense or a tax deduction arising in one jurisdiction for a payment where the receipt of that payment is not taxable in the other jurisdiction. Where an "associated enterprise" relationship exists, the Irish anti-hybrid rules should provide that where an Irish entity is the payor and a payment made results in a deduction with no inclusion or a double deduction with no dual inclusion income, where this outcome is driven by hybridity of the entity and/or financial instrument, the Irish entity making the payment may be denied a deduction to neutralise the hybrid mismatch outcome. These rules are broad and complex and thus require some form of consideration in all cross-border investment structures.

One of the most significant provisions of ATAD 1 is the introduction of a fixed ratio interest limitation rule. The provision operates to deny a deduction in respect of net interest expense (being gross interest expense less interest income) that exceeds 30% of the taxpayer's EBITDA. The Irish Finance Act 2021 was signed into law on 21 December 2021 and contained legislation for the implementation of the interest limitation rule in Ireland. The new rule applies to accounting periods commencing on or after 1 January 2022.

While the ICAV and its Funds are not chargeable to Irish tax on its relevant income or relevant gains and therefore should not be impacted by the introduction of the interest limitation rule, the rule may need to be monitored in terms of the potential impact on any Acquisition Vehicles which may be established in Ireland and through which the ICAV and its Funds may invest.

## Liquidity Risk

As a UCITS the ICAV must maintain sufficient liquidity in its investments to be in a position to redeem Shares in a Fund at the request of a Shareholder. The Manager with the assistance of the Investment Manager assesses and documents the liquidity risks that may affect the ICAV and the Funds, however, there can be no assurance that liquidity issues will not arise that impact (i) a Shareholder's ability to redeem its Shares; and/or (ii) the performance of a Fund. Such issues may be experienced as a result of (i) the inability of the Investment Manager to sell a Fund's securities at a specific point in time; and/or (ii) large redemption requests being received in respect of a Fund.

While the securities held by the Funds will generally be highly liquid, circumstances may arise, such as a market event, that result in the Investment Manager experiencing difficulty in selling particular securities. In such circumstances the Investment Manager may be forced to dispose of securities at a discount or be unable to locate a buyer for such securities. In addition, certain types of investments or exposures increase liquidity risk, for example, OTC transactions and less developed markets. These circumstances may result in a decrease in the value of a Fund; and/or a delay in the distribution of redemption proceeds.

Any specific liquidity risks relating to a particular investment strategy will be set out in the relevant Supplement.

## Risks Arising from AIFMD II

Recent legislative reforms contained in AIFMD II, as transposed in Ireland for UCITS, amend UCITS legislation across a number of areas including liquidity risk management, supervisory reporting, delegation and custody arrangements. AIFMD II reforms may affect how the ICAV and the Funds operate, how dealing is conducted in stressed markets, how service providers are supervised, and how costs and disclosures are overseen.

Key changes under AIFMD II include: (i) a more prescriptive liquidity risk management regime, (ii) expanding the granularity and standardisation of regulatory reporting on instruments, exposures, assets and delegation (iii) stronger delegation oversight requirements; (iv) enhanced disclosures, including pre-contractual and periodic disclosures; (v) newly permissible Manager activities; and (vi) clarifications to the role of central securities depositories within the custody chain.

At a high-level, the harmonised EU liquidity risk management regime under AIFMD II entails:

- **Harmonised liquidity tools and dealing constraints:** The Manager and/or the ICAV is required to select, calibrate and include in fund documents at least two liquidity management tools ("**LMTs**") from a harmonised list (redemption gates, extension of notice periods, redemption fees, swing pricing, dual pricing, anti-dilution levy, redemption in kind), in addition to exceptional powers to suspend dealing or to use side pockets in investors' interests. These tools may delay or adjust redemptions and subscriptions in stressed markets to protect investors overall. Liquidity measures in addition to those contained in the harmonised list under AIFMD II may also be selected to ensure a Fund's overall resilience.
- **Exceptional measures — suspension:** The Manager and/or the ICAV may temporarily suspend subscriptions and redemptions across all Classes of a Fund (but not some), limited to the period necessary to address exceptional circumstances. Also, in the interest of Shareholders, in exceptional circumstances and after consulting the Manager and/or the ICAV, the Central Bank may require the Manager and/or the ICAV to activate or deactivate the suspension of subscriptions and redemptions, where there are risks to investor protection or financial stability that, on a reasonable and balanced view, necessitate such activation or deactivation.

- **Restrictions on redemptions in kind for retail investors:** Redemption in kind is not suitable for retail investors and, if used as an LMT, it may only be used for redemption requests from Professional Investors. The ICAV will not meet redemptions in kind for retail investors.
- **Supervisory notifications:** The Manager and/or the ICAV must notify the Central Bank without delay when suspensions are activated/deactivated and when other selected LMTs are used outside the ordinary course of business, as envisaged in the Prospectus or the Instrument.

The Manager and/or the ICAV may activate LMTs only in the interests of Shareholders and in accordance with applicable law, which could affect dealing timelines and pricing adjustments during stressed market conditions. Compliance with AIFMD II necessitated the implementation of changes to this Prospectus, which have the potential to increase the cost and complexity of raising and managing capital.

Please also refer to "Risks associated with LMTs" below. Any specific AIFMD II risks relating to a particular investment strategy will be set out in the relevant Supplement.

### **Risks associated with LMTs**

Where required by the applicable law, certain LMTs may solely be applied in "exceptional circumstances", namely, unforeseen events, operational environments or regulatory environments that materially impact the relevant Fund's ability to carry out normal business functions which would temporarily prevent the Manager from meeting the liquidity obligations of the Fund arising from the liabilities side of its balance sheet. Such exceptional circumstances may include, but are not limited to, asset valuation difficulties; severe liquidity issues (e.g.: due to margin calls, significant withdrawal) where executing the sale of underlying assets could cause liquidity issues for the Fund (e.g. large discounts in asset sales, large dilution of remaining investors); critical cyber incident that impacts on the Fund, the Manager and/or ICAV's services providers' capacity to operate; unforeseen market closures, trading restrictions, closure of trading venues; severe financial and/or political crisis; identification of significant fraud; natural disaster. However, there is no guarantee that an LMT will be applied or applied in sufficient time by the Manager or the ICAV, on behalf of a relevant Fund.

### **Risks associated with Suspension of Redemptions**

The Directors and/or the Manager may, in exceptional circumstances, temporarily suspend the valuation, subscription, repurchase, conversion and redemption of all Classes in a Fund. Such suspension may be imposed where, inter alia, one or more underlying funds have suspended redemptions, where relevant markets are closed or dealings are restricted, where there are severe liquidity issues, where trading is suspended on relevant exchanges, where political, military, economic or monetary events beyond the control of the Directors and/or the Manager impact the disposal or valuation of investments, where a critical cyber incident occurs, or where a significant fraud has been identified. During any period of suspension, Shareholders will be unable to redeem their Shares and will not have access to their capital. Shareholders may therefore be required to remain invested in the Fund for an indeterminate period during exceptional market conditions or operational disruptions. There can be no assurance as to the duration of any suspension, and the Net Asset Value of the Fund may fluctuate materially during the period of suspension. Any suspension of redemptions shall require the simultaneous suspension of subscriptions and repurchases and shall apply to all Classes of the Fund for the same period. The suspension shall be temporary, strictly limited to the period necessary to address the exceptional circumstances that justify the suspension, and shall only be implemented where duly justified having regard to the best interests of Shareholders.

### **Risks associated with Redemption Gates**

Where disclosed in the relevant Supplement, a redemption gate may be imposed by the ICAV and/or the Manager as an LMT, as described in this Prospectus and as may be further disclosed in the relevant Supplement. A redemption gate is a temporary and partial restriction of the right of Shareholders to redeem their Shares in a Fund, so that Shareholders can only redeem a certain portion of their Shares. The imposition of a redemption gate may result in Shareholders being unable to realise the full proceeds of their Shares in a timely manner and may require Shareholders to remain invested in the Fund for longer than intended. Where a redemption gate is activated, redemption orders shall be executed on a

pro rata basis for an amount that corresponds to at least the level of the activation threshold, with the balance of the redemption request carried forward to the next Dealing Day. Shareholders may be entitled to a less favourable Net Asset Value per Share on the Dealing Day upon which their deferred redemption is ultimately processed than they would have received had their original redemption request been satisfied in full on the earlier Dealing Day. The redemption gate shall be deactivated once all redemption requests which activated the redemption gate have been dealt with. However, there can be no assurance as to the timing of such deactivation, and Shareholders may experience prolonged restrictions on their ability to redeem.

### **Risks associated with Redemption In Specie**

Where disclosed in the relevant Supplement, the ICAV and/or the Manager may, satisfy redemption requests through an exchange of investments in specie rather than cash. Where redemption in specie is effected, redeeming Shareholders will receive securities or assets (or part securities/assets, part cash) with a value, when aggregated with any cash portion of the redemption payment, equal to the redemption payment to which they are otherwise entitled. However, such securities or assets may be illiquid, difficult to value, or subject to market volatility, and redeeming Shareholders may not be able to dispose of such securities or assets at an advantageous time or price. If a Shareholder requests that the ICAV sell the distributed assets on their behalf, the costs associated with such sale shall be charged to the Shareholder. If redemption in specie is used as a liquidity management tool, it shall only be activated to meet redemption requests from Shareholders who are Professional Investors, and if the redemption in specie corresponds to a pro rata share of the assets held by the relevant Fund. Non-Professional Investors are not eligible to receive redemptions in kind where redemption in specie is used as an LMT.

### **Risks related to Extensions of Redemption Notice Periods**

Where disclosed in the relevant Supplement,, the ICAV and/or the Manager may, extend the period of notice required in respect of redemption requests that Shareholders must give to the Manager, beyond the minimum period disclosed in the definition of Dealing Deadline for redemptions in the relevant Supplement. This may result in Shareholders being unable to redeem their Shares as of a particular Dealing Day, they originally intended, if the Dealing Deadline for redemptions had been extended beyond the point of the Shareholders' intended redemption request. As a consequence, extension of the Dealing Deadline for redemptions may result in Shareholders not redeeming in a timely manner and effecting their redemptions at a less favourable NAV per Share, if NAV per Share has decreased on the later Dealing Day at which redemptions are effected.

## MANAGEMENT OF THE ICAV

The Board of Directors is responsible for managing the business affairs of the ICAV. Under the Instrument of Incorporation, the Directors have delegated the day to day management of the ICAV to the Manager. The Manager has appointed the Administrator to provide the day-to-day administration of the ICAV's affairs (including the calculation of the Net Asset Value and the Net Asset Value per Share, Shareholder registration and transfer agency services and related services). The Manager has also appointed the Investment Manager to manage the assets and investments of the ICAV.

The Directors are listed below with their principal occupations. None of the Directors has entered into an individual service contract with the ICAV nor is any such contract proposed. The ICAV has granted indemnities to the Directors in respect of any loss or damages which they may suffer save where this results from the Directors' fraud, negligence or wilful default. The Instrument of Incorporation does not stipulate a retirement age for Directors and do not provide for retirement of Directors by rotation. The address of the Directors is the registered office of the ICAV.

The ICAV's secretary is Carne Global Financial Services Limited whose registered office is at 3<sup>rd</sup> Floor, 55 Charlemont Place, Dublin 2, D02 F985, Ireland.

The Directors of the ICAV are as follows:

### **Fiona Mulhall**

Ms. Mulhall has over 20 years of diverse regulatory experience in the financial services industry. Currently, Ms. Mulhall is acting as an independent non-executive director to a range of funds (both Irish and offshore), management companies and the Irish domiciled arm of a US fund administration company.

Ms. Mulhall is a fellow of the Institute of Chartered Accountants in Ireland, a certified investment fund director and a member of the Association of Compliance Officers. She holds a Bachelor of Arts (Economics) from University College Dublin and a Professional Diploma in Accounting from Dublin City University. She has been approved as a non-executive director and chairperson (PCF 2 & PCF 3) under the Central Bank of Ireland fitness and probity regime.

In 2015, Ms. Mulhall was engaged as an external consultant to an Irish regulated AIFM, to document policies around valuation, compliance, risk management (including operational risk management), leverage/borrowing and remuneration.

In addition, Ms. Mulhall was appointed to provide independent assessments to other industry participants on various issues, including evaluation of risk management programs.

Previously, in her role as Head of the Investment Funds & Debt Securities Division with Investec (Ireland) pic (previously NCB Stockbrokers), she specialised in listing, regulatory and compliance requirements for Irish and offshore domiciled funds and structured products, and has an in-depth knowledge of the funds industry globally.

Ms. Mulhall has served on both the marketing and alternative investment committees of the Irish Funds Industry Association and was previously a member of the Funds Listing Committee of the Irish Stock Exchange.

Ms. Mulhall maintains her continuous professional development through her membership of professional bodies and attending industry updates and briefings.

### **John Skelly**

Mr. Skelly is a Principal of Carne Ireland with over 30 years of experience in the financial services industry. He currently acts as director and chairman on a number of Irish fund management company and fund boards. He also acts as a director on a number of Cayman Islands investment fund boards. He is a specialist in compliance, regulation, risk, product development, finance and operations for both traditional funds and hedge funds and has helped develop the operational infrastructure of a number of

management companies and investment funds. He has an in-depth understanding of hedge fund and traditional fund operational requirements and has project managed a number of fund launches. He also has an in-depth knowledge of AIFMD and UCITS risk and compliance requirements.

Prior to joining Carne in 2006, Mr. Skelly held a number of senior management positions with leading banks and asset management companies including BNP Paribas Securities Services and Norwich Union Investments (now Aviva Investors). He is a Fellow of the Institute of Chartered Accountants and trained with Deloitte. He holds a Bachelor of Commerce degree from University College Dublin.

### **Vickram Mangalgi**

Mr. Mangalgi has experience in working at some of the largest securitization firms in the industry where he has been involved with trading, risk management, IT systems and operations. He is currently Founder, Chief Financial Officer and Chief Operating Officer of RV Capital Management Private Ltd, a fund management company based in Singapore. At PIMCO prior to RV Capital Management Private Ltd, he was an advisor and structured asset expert in the Advisory Group managing complex structured product portfolios. Prior to joining PIMCO, he was a vice president in the global structured credit products group at Bank of America Merrill Lynch. Prior to that, he was at Goldman Sachs where he designed and executed structured product securitization vehicles.

Mr. Mangalgi received his Master of Science degree from Massachusetts Institute of Technology (MIT) with a Presidential Fellowship and a Certificate in Financial Technology from Sloan School of Management. He received his Bachelor of Technology degree with Honours from the Indian Institute of Technology (IIT), Kharagpur.

### **Ranodeb Roy**

Mr. Roy is currently Founder, Chief Executive Officer and Chief Investment Officer of RV Capital Management Private Ltd, a fund management company based in Singapore. Prior to RV Capital Management Private Ltd, Mr. Roy was a managing director and Head of Fixed Income-Asia Pacific in Morgan Stanley, responsible for the Fixed Income Division with around 200 people for Rates, Foreign Exchange, Emerging Markets, Credit, Structured Credit and Special Situations across all of Asia. Prior to joining Morgan Stanley, Mr. Roy worked in Merrill Lynch, Hong Kong as managing director, Co-Head of Fixed Income Currency and Commodities (FICC) group in 2007, responsible for FICC business across Asia. Over the years, he also held various senior positions in Merrill Lynch across major locations including

New York, Tokyo and Hong Kong. Mr. Roy started his career at Bank of America, Mumbai in 1992.

Mr. Roy received his MBA from Indian Institute of Management at Ahmedabad, India and his Bachelor of Technology in Computer Science & Engineering from Indian Institute of Technology at Kanpur.

A memorandum detailing the names of all companies and partnerships of which the Directors have been a director or partner in the past five years, together with an indication of whether or not the individual is still a director or a partner, is available for inspection upon request, at the offices of the ICAV at 3<sup>rd</sup> Floor, 55 Charlemont Place, Dublin 2, D02 F985, Ireland during normal business hours on any Business Day.

No Director has:

- (a) any unspent convictions in relation to indictable offences; or
- (b) been personally bankrupt or the subject of a voluntary arrangement, or has had a receiver appointed to any personal asset of such Director; or
- (c) been a director of any company which, while he was a director with an executive function or within 12 months after he ceased to be a director with an executive function, had a receiver appointed or went into compulsory liquidation, creditors voluntary liquidation, or made any composition or arrangements with its creditors generally or with any Class of its creditors; or

- (d) been a partner of any partnership, which while he was a partner or within 12 months after he ceased to be a partner, went into compulsory liquidation, administration or partnership voluntary arrangement, or had a receiver appointed to any partnership asset creditors; or
- (e) had any public criticism by statutory or regulatory authorities (including recognised professional bodies); or
- (f) been disqualified by a court from acting as a director or from acting in the management or conduct of affairs of any company.

The address of each Director is c/o the registered office of the ICAV. Any changes to directorships are subject to the prior approval of the Central Bank.

### **Manager**

Carne Global Fund Managers (Ireland) Limited is the ICAV's Manager under a Management Agreement.

The Manager is a privately owned company incorporated with limited liability in Ireland on 10 November 2003 with registration number 377914 and has been authorised by the Central Bank to act as a UCITS management company and to carry on the business of providing management and related administration services to UCITS collective investment schemes. The Manager's parent company is Carne Global Financial Services Limited, a company incorporated in Ireland with limited liability.

The Manager is responsible for the general management and administration of the ICAV's affairs and for ensuring compliance with the Central Bank Regulations, including investment and reinvestment of each Fund's assets, having regard to the investment objective and policies of each Fund. However, pursuant to the Administration Agreement, the Manager has delegated certain of its administration and transfer agency functions in respect of each Fund to the Administrator.

Pursuant to the Investment Management Agreement, the Manager has delegated certain investment management functions in respect of each Fund to the Investment Manager.

The directors of the Manager are:

#### **Sarah Murphy (nationality: Irish – Irish resident)**

Ms. Murphy is the Chief Executive Officer and Executive Director of the Manager, a UCITS management company and Alternative Investment Fund Manager (AIFM) authorised by the Central Bank of Ireland which supports a diverse range of UCITS and AIF structures across multiple asset classes and jurisdictions. She is responsible for the strategic leadership, regulatory compliance, and governance of the firm's operations. Sarah brings extensive expertise in management company operations, including delegate oversight, risk management, and regulatory infrastructure. She has led the design and implementation of governance frameworks that are aligned with regulatory expectations.

Prior to joining the Carne Group, Sarah held a number of senior management roles in BDO Ireland's corporate services business. During this period, Sarah was responsible for providing advisory services to a broad range of domestic and international clients in relation to corporate governance and company law issues associated with acquisitions, disposals and company re-organisations.

#### **Antonia Mahony (nationality: Irish – Irish resident)**

Ms. Mahony is a Director and Chief Operating Officer of the Manager. She is an experienced professional with over 25 years' in financial services. Originally from Jersey in the Channel Islands, Ms. Mahony moved to Ireland in 2004 and continued her career in a variety of roles. Ms. Mahony has specialist knowledge in Operational Risk Management, Outsourcing, Operational Resilience including DORA and Investment Compliance Monitoring within UCITS and AIF structures.

Prior to joining Carne in 2021, Ms. Mahony spent 13 years in State Street Custodial Services (Ireland) Limited, as a Vice President holding a lead role establishing the regional Trustee and Depository

oversight department. She was a member of the Executive Committee and contributed to many strategic projects during her time, specifically system and regulatory implementation. Prior to arriving in Ireland Ms. Mahony also held senior roles in private wealth trust management, in Jersey where she also qualified as a Certified Accountant. She is currently studying for a Masters in Financial Services with the IOB in conjunction with UCD. Ms. Mahony was the Designated Person for Operational Risk for four years in the Manager and has also held the role of Designated Person for Compliance. Ms Mahony is the current Chair of the Irish Funds' Operational Risk Specialist Group for a second term and sits on the EFAMA sub-committee on resilience.

**Teddy Otto (nationality: German – Irish resident)**

Mr.Otto is a Principal with the Carne Group. He has extensive experience of fund governance, fund structuring and establishment, risk management and fund operations. Teddy acts as a non-executive director of the Manager and several fund boards. Before joining Carne Mr.Otto was employed by the Allianz / Dresdner Bank group in Ireland for six years. During this time he acted as Head of Fund Operations, Head of Product Management and was appointed as a director of the Irish management company for Allianz Global Investors and a range of Irish and Cayman domiciled investment companies. He had previously held senior positions in the areas of market data and custody at Deutsche International (Ireland) Limited and worked in the investment banking division of Deutsche Bank, Frankfurt. He spent over six years at Deutsche Bank group. Prior to that, he was employed with Bankgesellschaft Berlin for two years. Mr.Otto holds a degree in business administration from Technische Universität Berlin.

**Elizabeth Beazley (nationality: Irish – Irish resident)**

Ms. Beazley is a Managing Director in Carne Group with over 20 years' experience in the funds' industry focusing on fund establishment, operations and corporate governance. During her time in Carne Group, Ms Beazley has held a number of roles including Global Head of Onboarding covering a variety of jurisdictions including Ireland, Luxembourg, the UK and Channel Islands amongst others. Ms Beazley acts as non-executive director of the Manager and several fund boards. Prior to joining Carne, she spent 4 years in a senior role with AIB/BNY Fund Management in Ireland, and before that worked for Bank of Bermuda (now HSBC).

Ms. Beazley has been a member of various industry working groups and currently acts as Chair of the Irish Funds' Management Company Working Group in addition to being a member of the ETF Committee in EFAMA. She has a Bachelor of Commerce degree from University College Cork and has a Masters' degree in Business Studies from the Smurfit Graduate School of Business at University College Dublin. Ms Beazley is a member of the Association of Chartered Certified Accountants.

**N.J. Whelan (Nationality: Irish – Irish Resident)**

Mr. Whelan is the Chief Operating Officer at Carne Group and he has over 20 years' experience in the asset management industry.

Mr. Whelan joined Carne from PwC where he was in the Asset and Wealth Management Practice in Ireland specialising in fund audits and was an active member of various fund industry working groups.

During the early stages of his professional career, Mr. Whelan worked for BNY Mellon in Ireland. Mr. Whelan is a qualified accountant and is a fellow of the Association of Chartered Certified Accountants (FCCA).

**Jackie O'Connor (nationality: British – Irish resident)**

Ms. O'Connor is an experienced independent non-executive director, she sits on Carne Group's Irish and Luxembourg management companies as well as having other directorship mandates in Ireland. She has over 30 years experience in the Finance Industry, including 20 years' experience within the asset management industry, most recently as Managing Director and CEO of Goldman Sachs Asset Management Fund Services Ltd ("**GSAMFSL**"), GSAM's Irish domiciled UCITS management company and Alternative Investment Fund Manager based in Ireland. Ms. O'Connor was responsible for setting up GSAMFSL in Ireland.

Prior to that, Ms. O'Connor was international head of regulatory reform for Goldman Sachs Asset Management ("GSAM"), responsible for identifying and implementing new or updated regulatory requirements within the EMEA and Asia Pacific regions. Earlier in her career, Ms. O'Connor worked in a number of roles within the GSAM and the wider Goldman Sachs Group, including global project manager for the GSAM Client Relationship Team as well as five years in Goldman Sachs's Internal Audit department.

Ms. O'Connor holds a bachelor's degree with honours in Zoology from Sheffield University in the UK.

**Aleda Anderson (nationality: USA – Irish resident)**

Ms. Anderson is an independent non-executive director for Baillie Gifford Investment Management Europe and the Irish fund management companies of the Carne Group, one of Europe's largest third-party fund managers. She was most recently Chief Executive Officer and Chief Investment Officer at Principal Global Investors (EU) Limited, a subsidiary of Principal Financial Group (NASDAQ: PFG). Prior to relocating to Ireland from the United States in 2018, she was Director of Strategy & Operations at Edge Asset Management, a specialist investment boutique located in Seattle, WA. During her 30+ year career, Ms. Anderson also held various positions at Charles Schwab in San Francisco, CA, including Vice President and General Manager, Asset Management Strategic Alliances, and Vice President Distribution Services for Schwab Funds and Laudus Funds. Earlier in her career, she worked for Franklin Templeton in San Mateo, CA. Ms. Anderson studied Philosophy and Religion at San Francisco State University and holds a Master of Science (MSc) degree in Financial Services, Professional Diplomas in Strategic Management, Alternative Investments and Digital Transformation, and a Professional Certificate in Complex Financial Instruments from University College Dublin.

**Ankit Jain (nationality: Indian – Luxembourg resident)**

Ankit Jain is a Managing Director and Group Head of Private Markets at Carne Group. Ankit has extensive experience in risk management, investment solutions, and regulatory frameworks across Luxembourg and Ireland. Since joining Carne in October 2019, Ankit has served as Conducting Officer for Valuation, the Luxembourg branch and IT. He is a member of the management committee and valuation committee for Carne Luxembourg AIFM and Management Company.

Prior to joining Carne, Ankit held senior roles at Fundrock Management Company S.A., including Director of Risk and Compliance, where he was responsible for risk oversight, regulatory reporting, and governance for UCITS and AIFs. He also worked at KPMG Luxembourg as Manager in Risk Management Advisory, leading projects on risk and performance measures, and at ECPI Group as Head of Investment Strategies, managing quantitative and ESG-based portfolios.

Ankit began his career at Goldman Sachs Asset Management in Bangalore, focusing on financial reporting systems and business intelligence. He holds a Master of Science in Quantitative Finance from Università Commerciale Luigi Bocconi, Milan, and a Bachelor of Technology in Electrical Engineering from IIT, Varanasi. Ankit is a certified Financial Risk Manager (FRM).

The Secretary of the Manager is Carne Global Financial Services Limited.

The Manager has been appointed pursuant to the Management Agreement and is responsible for providing or procuring the provision to the ICAV of the services of investment manager, administrator, registrar, transfer agent and distributor and to undertake certain corporate, regulatory and risk management duties for the ICAV and each of the Funds.

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

The Management Agreement contains certain indemnities in favour of the Manager, which are restricted to exclude matters to the extent that they are attributable to gross negligence, bad faith, fraud, wilful default or recklessness of the Manager (and its directors, officers, employees or agents) in the performance of its duties under the Management Agreement.

Similarly, the Management Agreement contains certain indemnities in favour of the ICAV, which are restricted to exclude matters to the extent that they are attributable to negligence, bad faith, fraud, wilful default or recklessness of the ICAV in the performance of its duties under the Management Agreement.

The Management Agreement shall continue in full force and effect unless terminated by any party at any time upon ninety (90) days prior written notice to the other party or at any time if any party: (i) commits any material breach of the Agreement or commit persistent breaches of the Agreement which is or are either incapable of remedy or have not been remedied within thirty (30) days of the non-defaulting party serving notice requiring the remedying of the default; (ii) becomes incapable of performing its duties or obligations under the Agreement; (iii) is unable to pay its debts as they fall due or otherwise becomes insolvent or enters into any composition or arrangement with or for the benefit of its creditors or any class thereof; (iv) is the subject of a petition for the appointment of an examiner, administrator, trustee, official assignee or similar officer to it or in respect of its affairs or assets; (v) has a receiver appointed over all or any substantial part of its undertaking, assets or revenues; (vi) is the subject of an effective resolution for the winding up (except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other party); (vii) is the subject of a court order for its winding up or liquidation; (viii) ceases to be appropriately regulated in the jurisdiction of its registered office for the proper performance of the Management Agreement; or (ix) is subject to a force majeure event, as defined in the Management Agreement, that continues for longer than fourteen (14) days.

### **Remuneration Policy**

The Manager has remuneration policies and practices in place consistent with the requirements of the Regulations and will procure that any delegate, including any sub-investment manager to whom such requirements also apply will have equivalent remuneration policies and practices in place.

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

Details of the update to date remuneration policy of the Manager, including, but not limited to, a description of how remuneration and benefits calculated, the identity of persons responsible for awarding the remuneration and benefits are available to investors on [www.carnegroup.com/policies-and-procedures](http://www.carnegroup.com/policies-and-procedures).

A paper copy of the Manager's remuneration policy is available from the Manager free of charge upon request.

### **Investment Manager and Distributor**

The Manager has appointed RV Capital Management Private Ltd to act as Investment Manager to the ICAV. The Investment Manager is also responsible for the promotion of the ICAV.

The Investment Manager was established in Singapore on 11 November 2011 and has its registered address at 16 Raffles Quay, #21-03 Hong Leong Building, Singapore 048581. The principal activity of the Investment Manager is hedge fund management.

The fund management industry in Singapore is regulated by the MAS and no person can act as a fund manager in Singapore unless he is the holder of a capital markets services licence for fund management, or unless he falls within the categories of persons who are exempt from licensing (such as fund managers who are registered with the MAS as Registered Fund Management Companies). The Investment Manager is regulated by the MAS and is a holder of a Capital Market Services License for the regulated activity of fund management, which was issued by the MAS on 27 February 2015. The Investment Manager was also registered as a Commodity Pool Operator with the National Futures Association on 12 October 2013 and was granted registration by the Securities and Exchange Commission on 17 July 2014.

The Investment Manager, as a delegate of the Manager, has remuneration policies and practices in place consistent with the requirements of the Regulations.

As at the date of this Prospectus, the Investment Manager has in place professional indemnity insurance. The Investment Manager may from time to time if it considers appropriate in its discretion, put in place or procure to be put in place, such professional indemnity insurance covering such customary risks on such terms and conditions as the Investment Manager deems appropriate.

Details of all sub-investment managers, if any, not paid out of the assets of the ICAV directly, shall be made available on request to Shareholders.

Pursuant to the Investment Management Agreement the Investment Manager will provide investment management services and act as a distributor of the Shares. The Investment Manager shall exercise the due care of a prudent professional investment manager in the performance of its duties under the Investment Management Agreement and shall use its best efforts, skill and judgment and all due care in performing its duties and obligations and exercising its rights and authorities under the Investment Management Agreement. The Investment Manager and its directors, officers, employees and agents shall not be liable for any loss or damage arising directly or indirectly out of or in connection with the performance by the Investment Manager of its obligations and duties under the Investment Management Agreement unless such loss or damage arose from the gross negligence, wilful default, bad faith or fraud of or by the Investment Manager or any of its directors, officers, employees and agents. The Investment Manager shall not be liable for any decline in the value of the investments of the ICAV or any Fund or any part thereof to the extent that such decline results from any investment decision made by the Investment Manager or any delegate in good faith unless such decision was made with gross negligence, fraudulently, in bad faith or with wilful default.

The Manager, under the Investment Management Agreement, shall be liable and shall indemnify and keep indemnified and hold harmless the Investment Manager (and each of its directors, officers, employees and agents) out of the assets of the relevant Fund from and against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses (including reasonable legal and professional fees and expenses arising therefrom or incidental thereto) which may be made or brought against or suffered or incurred by the Investment Manager (or any of its directors, officers, employees or agents) arising out of or in connection with the performance of its obligations and duties under the Investment Management Agreement in the absence of any gross negligence, wilful default, fraud or bad faith of or by the Investment Manager (and each of its directors, officers, employees, delegates, sub-delegates, sub-contractors, servants or agents) in the performance or non-performance of its duties hereunder or as otherwise may be required by law.

The Investment Manager shall indemnify and keep indemnified and hold harmless the Manager, the ICAV (and each of its directors, officers, employees and agents) from and against any and all actions, proceedings, claims, demands, losses, damages, costs and expenses (including reasonable legal and professional fees and expenses arising therefrom or incidental thereto) which may be made or brought against or suffered or incurred by the Manager and or the ICAV (or any of its Directors, officers, employees or agents) arising out of or in connection with the performance of its obligations and duties under the Investment Management Agreement in the absence of any gross negligence, wilful default, fraud or bad faith of or by the Manager and / or the ICAV in the performance or non-performance of its duties hereunder or as otherwise may be required by law.

The Investment Management Agreement shall continue in full force and effect unless terminated by either party at any time upon ninety (90) days prior written notice. The Investment Manager shall be

entitled to terminate its appointment at any time by notice in writing to the ICAV and the Manager in any of the following events: (i) if the ICAV and/or the Fund or the Manger shall go into liquidation (except a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the Investment Manager, such approval not to be unreasonably withheld or delayed) or if a receiver or administrative receiver is appointed to the whole or to any substantial part of the assets of the ICAV or the Manager or an examiner is appointed to the ICAV or the Manager; or (ii) if the Manager shall commit any material breach of its obligations under the Investment Management Agreement and (if such breach shall be capable of remedy) shall fail within thirty days of receipt of notice served by the Investment Manager requiring it so to do to make good such breach. The Manager may terminate the appointment of the Investment Manager at any time by giving notice in writing to the Investment Manager in any of the following events: (i) if the Investment Manager goes into liquidation (other than a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the Manager, such approval not to be unreasonably withheld or delayed) or if a receiver or administrative receiver is appointed to the whole or any substantial part of the assets or undertaking of the Investment Manager or an administrator is appointed to the Investment Manager; or (ii) if the Investment Manager shall commit any material breach of its obligations under the Investment Management Agreement and (if such breach shall be capable of remedy) shall fail within thirty days of receipt of written notice served by the Manager requiring it so to do to make good such breach; or (iii) if the Investment Manager ceases to be authorised in its home jurisdiction; or (iv) if the Investment Manager shall fail to fulfil its duties hereunder for a period of 90 consecutive days.

Under the Investment Management Agreement, the Investment Manager is entitled to employ and pay an agent or delegate (including an Associated Person) to perform, or concur in performing, any of the services required under the Investment Management Agreement provided that any delegation is subject to the prior written consent of the Manager and subject to the requirements of the UCITS Regulations. If the Investment Manager exercises its power of delegation then it shall be responsible for the actions, and/or failure to act, of any such delegate and for the fees and expenses charged by any such delegate. Notwithstanding any such delegation, the Investment Manager shall remain liable for all the obligations expressed to be assumed by it pursuant to the Investment Management Agreement.

Details of all sub-investment managers appointed by the Investment Manager will be disclosed in the ICAV's periodic reports, and details of all sub-investment managers appointed where such sub-investment managers are paid directly out of the Fund's assets will be disclosed in the relevant Fund Supplement, in accordance with the Central Bank's requirements. If more than one sub-investment manager is appointed to a Fund, the Investment Manager shall allocate the assets of the Fund between sub-investment managers in such proportion as it shall, at its discretion, determine. The details of all sub-investment managers appointed will be provided to shareholders on request.

## **Depository**

The ICAV has appointed Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. - Dublin Branch, 3rd Floor, 15 George's Quay, Dublin 2, Ireland D02 VR98 as Depository of all of its assets pursuant to the Depository Agreement.

Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. is registered as a public limited company in Luxembourg under number B11937 and is authorised as an EU credit institution. It is regulated by the Commission de Surveillance du Secteur Financier. The registered office of Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. is 287 – 289 route d'Arlon I-1150 Luxembourg.

The Dublin branch of Mitsubishi UFJ Investor Services & Banking (Luxembourg) S.A. is registered at the Companies Registration Office under number 907648 and is regulated by the Central Bank.

The Depository provides services to collective investment schemes established in a number of jurisdictions. The principal activity of the Depository is to act as the Depository and trustee of the assets of collective investment schemes. The Depository is authorised by the Central Bank.

The Depository's principal duties under the Regulations are as follows:

1. ensuring that the Funds' cash flows are properly monitored;

2. safekeeping of the Funds' assets, including, inter alia, verification of ownership;
3. ensuring that the issue, redemption, cancellation and valuation of Shares are carried out in accordance with the Instrument of Incorporation and applicable law, rules and regulations;
4. ensuring that in transactions involving the Funds' assets, any consideration is remitted to the relevant Fund within the usual time limits;
5. ensuring that the Funds' income is applied in accordance with the Instrument of Incorporation, applicable law, rules and regulations; and
6. carrying out instructions of the ICAV unless they conflict with the Instrument of Incorporation or applicable law, rules and regulations.

The Depositary is also obliged to enquire into the conduct of the ICAV in each financial year and report thereon to the Shareholders.

Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations 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, (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 the services, 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, and (iv) the Depositary ensures that the requirements of regulation 34 (A)(3) of the Regulations are met. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, Brown Brothers Harriman (Luxembourg) SCA, responsibility for the safekeeping of the Fund's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Appendix III of this Prospectus. The list of such sub-custodians is updated only at each review of this Prospectus.

From time to time conflicts may arise between the Depositary, and persons to whom it has delegated safekeeping duties, for example where an appointed delegate or sub-delegate is an affiliated group company which receives remuneration for another safekeeping service it provides to the ICAV.

The Depositary and/or its affiliates may receive fees for settlement and administrative services provided to collective investment schemes (including money market funds) units or shares of which the Depositary and/or its affiliates may subscribe for on behalf of the ICAV. The Depositary and/or its affiliates shall not be liable to account to the relevant Fund for any profits or benefits made or derived by or in connection with any such subscription.

In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to applicable laws.

Up-to-date information on identity of the Depositary, the Depositary's duties, delegations and sub-delegations and related conflicts of interest may be requested from the Depositary by Shareholders.

The Depositary is liable to the ICAV and the Shareholders for the loss by the Depositary or a third party to whom the safekeeping of financial instruments held in custody has been delegated. In the case of such a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of identical type or the corresponding amount to the ICAV or the Manager acting on behalf of the ICAV without undue delay. The Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary is also liable to the ICAV and the Shareholders for all losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfill its obligations pursuant to the Regulations.

The Manager (out of the assets of the Fund) and the ICAV shall indemnify the Depositary against all actions, proceedings and claims and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Depositary by reason of the performance of the Depositary's duties under the Depositary Agreement save where any such actions, proceedings, claims, costs, demands or expenses arise as a result of the Depositary's negligent or intentional failure to properly fulfil the Depositary's obligations or the loss of financial instruments held in custody pursuant to the Depositary Agreement.

The Depositary Agreement provides that it will continue in force unless and until terminated by either party giving not less than 90 days' prior written notice to the other, although termination may be immediate in certain circumstances provided that the Depositary's appointment may not be terminated nor may the Depositary retire from its appointment unless a replacement has been approved by the Central Bank or the authorisation of the ICAV has been revoked by the Central Bank.

Where provided for in the relevant Supplement, a Fund may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the ICAV which are traded in such markets and which have been entrusted to sub-custodians in circumstances where the use of sub-depositaries is necessary may be exposed to risk in circumstances whereby the Depositary will have no liability.

Shareholders of the ICAV may, directly or indirectly through the ICAV, invoke claims relating to the liability of its Depositary provided that the right of Shareholders to invoke the liability of the Depositary should not lead to a duplication of redress or to unequal treatment of Shareholders.

### **Administrator**

The Manager has appointed the Administrator to act as its administrator pursuant to the Administration Agreement with effective time and date 23.59 hrs on 7 May 2025.

The Administrator's registered office is Bishop's Square, Redmond's Hill, Dublin, D02 TD99 respectively. The Administrator is regulated by the Central Bank to provide administration services to collective investment schemes. The Administrator is an ultimate wholly owned subsidiary of SS&C Technologies Holdings, Inc., a U.S. public company listed on NASDAQ. The Administrator was incorporated in Ireland as a private company limited by shares on 18 May 2007, Company Registration Number: 439950.

Pursuant to the Administration Agreement, the Administrator is responsible for: (i) processing subscriptions and redemptions of Shares and other investor transactions; (ii) maintaining the register of Shareholders of the ICAV; (iii) performing certain anti-money laundering procedures on behalf of the ICAV; (iv) calculating the Net Asset Value of the Funds and Classes; (v) distributing or making available the Net Asset Value of the Funds and Classes and financial statements to investors; (vi) maintaining the financial books and records of the ICAV and the Funds; and such other services as may be specified in the Administration Agreement. The Administrator may utilise delegates or other outsourced service providers to perform certain services. The Administrator receives fees from each Fund based upon the nature and extent of the services performed by the Administrator for the ICAV and each Fund. In connection with the provision of services, the Administrator is entitled to rely upon information provided by various third parties, including pricing vendors, the Investment Manager, custodians, brokers and other financial intermediaries. To the extent that the Administrator relies on information, its liability is limited to the accuracy of its own calculations (subject to the provisions of the Administration Agreement) and it is not liable for the accuracy of the underlying information provided to it.

The Administrator does not act as an offeror or a guarantor of the Shares of any Fund. The Administrator shall have no obligation to review, monitor or otherwise ensure compliance by the Manager with the investment objectives, policies, guidelines or restrictions applicable to each Fund and therefore will not be liable for any breach thereof. The Administrator is not responsible for any of the trading or investment decisions in respect of the Fund and therefore will not be responsible for a Fund's performance. The Administrator is not responsible for safekeeping the ICAV's assets and therefore will not be responsible for any loss of such assets or ensuring their existence. The Administrator is a service provider to the ICAV and a delegate of the Manager and, as such, it is not responsible for the preparation of the Prospectus or the activities of any Fund and therefore accepts no responsibility for any information contained in the Prospectus.

The Administration Agreement provides that:

(a) All warranties, conditions and other terms implied by law are, to the fullest extent permitted by law, excluded from the Administration Agreement, provided that nothing in the Administration Agreement shall exclude the liability of the Administrator for death or personal injury caused by the Administrator's negligence or other liability which cannot be limited or excluded by applicable law.

(b) The Administrator shall not in any circumstances be liable, whether in tort (including for negligence or for breach of statutory duty), contract, misrepresentation (whether innocent or negligent), restitution or otherwise for:

- (i) any loss of profits, loss of business, depletion of goodwill or similar losses, loss of anticipated savings, loss of goods, loss of contract, loss of use, loss or corruption of data or information or any special, indirect, consequential or pure economic loss;
- (ii) any damages or losses suffered by the ICAV and the Manager as a result of the Administrator relying upon market data, data suppliers, data, prices and values provided to the Administrator in the provision of the Administrator's services, including in the sourcing of market data, data, prices or values in order to provide its services; or
- (iii) any other damages or losses except for those finally determined by a court of competent jurisdiction to have resulted primarily from the gross negligence, wilful misconduct or fraud of the Administrator. "Gross negligence" means acts or omissions showing so marked a departure from the standard of care usually expected of a person engaged in providing the administration services as to demonstrate reckless or wilful disregard for the consequences in respect of to an obvious risk.

With the exception of certain services under the Administration Agreement, the Administrator's total cumulative liability for any claim in tort (including for gross negligence or for breach of statutory duty howsoever arising), contract, misrepresentation (whether innocent or grossly negligent), restitution or otherwise, shall be limited to three times the fees paid by the ICAV to the Administrator for the most recent 12 months preceding the date of the event giving rise to the claim, except to the extent of losses resulting primarily from the wilful misconduct or fraud of the Administrator.

Pursuant to the Administration Agreement, the ICAV shall indemnify and hold harmless the Administrator from and against any claims (including legal fees to enforce the indemnity in favour of the Administrator) save where such claims are in respect of such damages or losses finally determined by a court of competent jurisdiction to have resulted solely from the gross negligence, wilful misconduct or fraud of the Administrator.

The Administration Agreement may be terminated by any party to it by a written notice, if any of the following events occur:

(a) a party breaches any material term, condition or provision of the Administration Agreement, which breach, if capable of being cured, is not cured within 30 calendar days after the non-breaching party gives the other party written notice of such breach; and

(b) a party (i) terminates or suspends its business, (ii) becomes insolvent, or goes into liquidation, receivership, judicial management or admits in writing its inability to pay its debts as they mature, makes an assignment for the benefit of creditors, or becomes subject to direct control of a trustee, receiver or analogous authority, (iii) becomes subject to any bankruptcy, insolvency or analogous proceeding (iv) where the other party is the ICAV or the Investment Manager, if any becomes subject to a material action that could cause the Administrator reputational harm or (v) where the other party is the Administrator, if it becomes subject to a material action involving fraud, wilful misconduct, or criminal activity specifically with respect to the Administrator's actions or inactions in its capacity as a fund administrator that could cause

the ICAV or the Investment Manager reputational harm or (vi) where the other party is the ICAV and material changes in the ICAV's governing documents or the assumptions in the Administration Agreement are determined by the Administrator, in its reasonable discretion, to materially affect the administration services or to be materially adverse to the Administrator, provided that the parties have used reasonable efforts to first discuss a solution to addressing such material impact within 30 calendar days of the Administrator making its reasonable determination.

If any such event occurs, the termination will become effective immediately or on the date stated in the written notice of termination, which date shall not be greater than 90 calendar days after the event.

The ICAV or the Manager may terminate the Administration Agreement where the Manager is required to do so by the Central Bank, in accordance with the requirements of the Central Bank and applicable law) (in which circumstances the ICAV shall pay within 14 days the payments that would otherwise been due under the Administration Agreement).

The Administrator is providing the information in the foregoing paragraphs at the ICAV's request in order to assist it with the preparation of its disclosure documents. The Administrator is not involved, directly or indirectly, with the business affairs, organisation, sponsorship or management of the ICAV or its Funds and has not participated in and is not responsible for the preparation of this document or any other disclosure documents and accepts no responsibility and shall not be liable for any information contained in this document or any other disclosure documents.

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

Certain service providers can be appointed by either the ICAV and/or the Manager or their delegates in respect of the marketing and distribution of relevant Funds, which may include distributors, sub-distributors, facilities agents, paying agents, process agents and local representatives (collectively, "**Distribution Service Providers**"). Further information in respect of Distribution Service Providers may be set out in the relevant Supplement, country supplement (where relevant), consolidated prospectus (where relevant), or any other offering documents.

Local regulations in certain EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscription and redemption monies may be paid. Investors who choose, or are obliged under local regulations to pay subscription monies or receive redemption monies via an intermediary entity rather than the directly to the Depositary 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 relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant investor.

Fees payable to any Distribution Service Providers out of the assets of the relevant Fund will be payable at normal commercial rates.

Distribution Service Providers may be appointed in one or more countries.

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

Certain Funds may invest some or all of their assets in one or other funds which may be managed by the Investment Manager or one of its affiliates.

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

property of any Fund for their respective individual accounts or for the account of someone else. Each Connected Person will endeavour to resolve fairly any conflicts of interest which arise between them.

Any cash of the ICAV may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 1998, of Ireland as amended by the Central Bank and Financial Services Authority of Ireland Acts, 2003 to 2004 with any Connected Person or invested in certificates of deposit or banking instruments issued by any Connected Person. Banking and similar transactions may also be undertaken with or through a Connected Person.

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

- (a) a certified valuation by a person approved by the Depositary (or in the case of any such transaction entered into by the Depositary, the Directors) as independent and competent; or
- (b) execution on best terms on an organised investment exchange under its rules; or
- (c) where (a) and (b) are not reasonably practical, execution on terms which the Depositary is (or in the case of any such transaction entered into by the Depositary, the Directors are) satisfied conform with the requirement to be conducted at arm's length and are in the best interests of Shareholders.

The Depositary or ICAV, in the case of transactions involving the Depositary, must document how it is complied with paragraphs (a), (b) or (c) above. Where transactions are conducted in accordance with (c), the Depositary, or the ICAV in the case of transactions involving the Depositary, must document their rationale for being satisfied that the transaction conforms to the principles outlined herein.

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

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

### **Soft Commissions**

In selecting brokers to make purchases and sales for a Fund the Investment Manager will choose those brokers who provide best execution to that Fund. Best execution will be the best price available in the market, exclusive of any charges but taking account of any other exceptional circumstances such as counterparty risk, order size or client instructions. In determining what constitutes best execution, the Investment Manager may take into consideration the overall economic result to the Fund (price and commission plus other costs), the efficiency of the transaction, the brokers' ability to effect the transaction if a large block is involved, availability of the broker for difficult transactions in the future, other services provided by the broker such as research and the provision of statistical and other information, and the financial strength and stability of the broker. In managing the assets of the Fund, the Investment Manager may receive certain research and statistical and other information and assistance from brokers. The Investment Manager may allocate brokerage business to brokers who have provided such research and assistance to a Fund and/or other accounts for which the Investment

Manager exercises investment discretion. The benefits provided under any soft commission arrangements must assist in the provision of investment services to a Fund. Any soft commission arrangements will be disclosed in the periodic reports of the ICAV. The Investment Manager will also have regard to the rules and guidance of the Investment Manager's regulator.

## **SHARE DEALINGS**

### **SUBSCRIPTION FOR SHARES**

#### **Purchases of Shares**

Issues of Shares will normally be made with effect from a Dealing Day in respect of applications received on or prior to the Dealing Deadline. The Dealing Deadline relating to each Fund is set out in the Supplement for the relevant Fund. The Directors may, in consultation with the Investment Manager, nominate additional Dealing Days upon advance notice to Shareholders.

Applications for Shares should be made on the Application Form and must be submitted to the Administrator, in writing or by email or other electronic means in accordance with the Central Bank's requirements for electronic dealing, on or prior to the Dealing Deadline. Applications received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline. The Administrator may, in consultation with any one Director, on an exceptional basis accept applications received after the Dealing Deadline provided they are received prior to the Valuation Point for the relevant Dealing Day. Applications will be irrevocable unless the Administrator in consultation with any one Director otherwise agrees. Any changes to the details set out in the Application Form will only be made on receipt of written instructions to the Administrator. No redemption payment may be made to a Shareholder until appropriate documents have been received (including supporting documentation in relation to money laundering prevention checks) and anti-money laundering procedures have been completed.

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

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

All Shares will be issued in registered but uncertificated form. Written confirmation of ownership will be sent to Shareholders within fifteen (15) Business Days of the relevant Dealing Day but may be withheld if the Application Form and relevant anti-money laundering documentation have not been received.

Under the Instrument of Incorporation, the Directors and the Manager have absolute discretion to accept or reject in whole or in part any applications for Shares without assigning any reason therefor. The Application Form contains certain conditions regarding the application procedure for Shares in the ICAV and certain indemnities in favour of the ICAV, the Manager, Investment Manager, the Administrator, the Depositary and the other Shareholders for any loss suffered by them as a result of certain Applicants acquiring or holding Shares.

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

Subsequent subscription requests may be sent by email or other electronic methods as previously agreed with the Administrator.

The Administrator on behalf of the ICAV operates a separate investor Collection Account for each of the Funds, so that the amounts within the Collection Account are at all times capable of being attributed to the individual Funds in accordance with the Instrument. Accordingly, monies in the Collection Account

will become the property of the relevant Fund upon receipt and accordingly in the event of the insolvency of the ICAV or the relevant Fund investors will be treated as an unsecured creditor of the relevant Fund during the period between receipt of subscription monies and the Dealing Day on which the Shares are issued and the subscription monies are moved to the Fund operating account. Investors' attention is drawn to the risk factor under the heading "Collection Account Risk". Furthermore, the operation of the Collection Account will not compromise the ability of the Depositary to carry out its safe-keeping and oversight duties in accordance with the Regulations. In addition, in circumstances where subscription monies are received with insufficient documentation to identify the owner, the Manager and the Depositary will ensure that in the event that such monies cannot be applied to the individual Funds they will be returned to the payer within 5 working days.

The ICAV may transfer subscription monies received in respect of any Dealing Day from the Collection Account into the relevant Fund's operating account in advance of each Dealing Day notwithstanding the fact that Shares will not be issued until after the Dealing Day. All monies invested in this way will be invested pursuant to the investment objective and policy of the Fund. In this scenario, the investor is subject to the risk of becoming an unsecured creditor in the event of the insolvency of the relevant Fund during the period between the transfer of subscription monies into the Fund operating account and the Dealing Day on which the Shares are issued.

### **Issue Price**

The Initial Offer Price for Shares in the relevant Fund shall be the amount set out in the Supplement for the relevant Fund.

After the Initial Offer Period has closed, Shares of any Class of any Fund will be issued on a Dealing Day at the Issue Price.

Where provided for in the Supplement of the relevant Fund, the ICAV may on any Dealing Day where there are net subscriptions adjust the Net Asset Value by adding an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Any such charge shall be retained for the benefit of the relevant Fund and the ICAV reserve the right to waive such charge at any time.

### **Payment for Shares**

Payment in respect of the issue of Shares must be made by the relevant Settlement Date by wire transfer in cleared funds in the currency of the relevant Shares.

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

### **In Specie Issues**

The Directors may at their absolute discretion allot Shares in any Fund against the vesting in the Depositary on behalf of the ICAV of investments which would form part of the assets of the relevant Fund, provided that (a) the Depositary is satisfied that no material prejudice would result to any existing Shareholder in the Fund, and (b) such investments would qualify as an investment of the relevant Fund in accordance with its investment objective, policies and restrictions. The number of Shares to be issued in this way shall be the number which would on the day the investments are vested in the Depositary on behalf of the ICAV have been issued for cash against the payment of a sum equal to the value of the investments. The value of the investments to be vested shall be calculated by applying the valuation methods described under the section entitled "Calculation of Net Asset Value/ Valuation of Assets" below.

### **Anti-Money Laundering Provisions**

Measures provided for in the Criminal Justice Act, 1994, (as amended) and the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2018 which are aimed towards the prevention and detection of money laundering and terrorist financing, require detailed verification of each Applicant's identity, address, source of wealth and source of funds and on-going due diligence of the Applicant. In the case of corporate Applicants this 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 residential and business address of the directors of the company and details of persons with substantial beneficial ownership of the corporate Applicant.

The Administrator reserves the right to request such information as is necessary to verify the identity of an Applicant. In the event of delay or failure by the Applicant to produce any information required for verification purposes, the Administrator will, in consultation with the Manager, refuse to accept the application and return all subscription monies or compulsorily redeem such Shareholder's Shares and discontinue the business relationship with the Shareholder or payment of Redemption Proceeds may be delayed and none of the Fund, the Directors, the Investment Manager, the Depositary or the Administrator shall be liable to the Applicant or Shareholder where an application for Shares is not processed or Shares are compulsorily redeemed in such circumstances. If an application is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the Applicant. The Administrator will refuse to pay Redemption Proceeds where the requisite information for verification purposes has not been produced by a Shareholder.

### **Singapore Anti-Money Laundering Provisions**

As part of the Investment Manager's responsibility for the prevention of money laundering and tax evasion and the countering of financing of terrorism ("**AML/CFT**"), the ICAV, the Investment Manager and the Administrator (including their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, permitted delegates and sub-delegates) will require a detailed verification of the investor's identity and tax status and the source of payment, and of the identity and tax status of any beneficial owner of the investor.

The ICAV, the Investment Manager and the Administrator (including their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, permitted delegates and sub-delegates) reserve the right to request such information as the ICAV, the Investment Manager, the Administrator or their respective affiliates, subsidiaries or associates (as the case may be) in its absolute discretion may deem necessary to verify the identity of an investor, tax status and source of payment and/or comply with any applicable law or regulation of any jurisdiction. In the event of delay or failure by the investor to produce any information required for verification purposes, the ICAV, the Manager, the Investment Manager or the Administrator will refuse to accept the Application Form and the subscription monies relating thereto. The ICAV, the Manager, the Investment Manager and the Administrator shall not be liable to the applicant for any loss suffered by the investor as a result of the delay in the acceptance or rejection of such application.

If the investor thereafter fails to produce all required information for AML/CFT requirements in Singapore, the Directors may redeem the Shares issued to such investor by compulsory redemption as set out in this Prospectus and the Instrument of Incorporation. If the Directors compulsorily redeem any or all of a Shareholder's Shares on the basis that the Shareholder failed to produce such information as requested by the Directors, the Investment Manager, the Administrator or their respective affiliates, subsidiaries or associates to verify the identity of the Shareholder, the Shareholder shall not be entitled to receive the Redemption Price in the manner described in the Instrument of Incorporation and this Prospectus. In such circumstances the Shareholder shall be entitled to receive in relation to each Share the lower of the Net Asset Value per Share compulsorily redeemed and the Initial Offer Price compulsorily redeemed, in each case, less any administrative fees and bank and handling charges in respect thereof and the Shareholder shall not be entitled to interest on the subscription monies or any other amounts whatsoever. The ICAV may, in the absolute discretion of the Directors, refuse to make a redemption payment to a Shareholder if the Directors or the Manager or the Investment Manager suspect or are advised that the payment of any Redemption Proceeds to such Shareholder may result

in a breach or violation of any anti-money laundering, anti-tax evasion or anti-terrorism law by any person in any relevant jurisdiction, or such refusal is necessary to ensure the compliance by the ICAV, the Directors, the Manager, the Investment Manager, the Administrator or their respective affiliates, subsidiaries or associates with any anti-money laundering or anti-terrorism law in any relevant jurisdiction.

Neither the ICAV, the Manager, the Investment Manager, the Administrator nor their respective delegates, agents, affiliates, subsidiaries and associates shall be liable to the investor for any loss suffered as a result of the rejection of any application or delay in payment of any Redemption Proceeds.

By subscribing, investors consent to the disclosure by the ICAV, the Manager, the Investment Manager and/or the Administrator and/or including their respective agents, affiliates, subsidiaries or associates, of any information on investors to government agencies, regulatory bodies and other relevant persons upon request in connection with AML/CFT and similar matters in Singapore.

If the ICAV, the Manager, the Investment Manager, the Administrator or any of their affiliates, subsidiaries, associates, employees or agents has a suspicion that any payment to the ICAV (by way of subscription or otherwise) contains the proceeds of criminal conduct or that any transaction is connected in any way with money laundering, tax evasion or terrorist financing, the ICAV, the Manager, the Investment Manager, the Administrator and/or their respective subsidiaries, affiliates, directors, officers, shareholders, employees, agents, permitted delegates and sub-delegates (as the case may be) is required by law to report such suspicious payments and transactions and such reports shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

#### **Limitations on Purchases**

Shares may not be issued or sold by the ICAV during any period of suspension, as described under "Temporary Suspension of Net Asset Value and Dealing" below. Applicants for Shares will be notified of such postponement and, unless withdrawn, their applications will be considered as at the next Dealing Day following the ending of such suspension.

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for U.S. Persons, unless the Directors determine (i) the transaction is permitted under an exemption available under the Securities Act and (ii) the relevant Fund and ICAV continues to be entitled to an exemption from registration as an investment company under the Investment Company Act if such person holds Shares.

## **REDEMPTION AND TRANSFER OF SHARES**

### **Redemption of Shares**

All requests for the redemption of Shares should be made to the Administrator in writing or by email or other electronic means in accordance with the Central Bank's requirements for electronic dealing and must quote the account number of record, the relevant Fund(s) and Class of Share. Redemption requests made electronically will be treated as definite orders. The notice periods for redemption requests are set out in the Supplement for the relevant Fund. A payment instruction signed by or on behalf of the Shareholder by a person with the ability to bind the Shareholder must be received by the Administrator before payment of Redemption Proceeds can be made.

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

The Minimum Redemption Amount for Shares of each Fund, if any, is set out in the Supplement for the relevant Fund.

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

The Administrator will not settle proceeds of redemption requests if an investor has not submitted a written redemption request containing valid bank details or is not considered to be compliant with all the necessary anti-money laundering legislation and regulations. Nor will the Administrator remit any payment to a third party bank account.

The Administrator on behalf of the ICAV operates a separate investor Collection Account for each of the Funds, so that the amounts within the Collection Account are at all times capable of being attributed to the individual Funds in accordance with the Instrument. Shareholders should note that any redemption proceeds being paid by a Fund and which are held for any time in the Collection Account shall remain an asset of the relevant Fund. On redemption, an investor is no longer a Shareholder and in the event of the insolvency of the ICAV or the relevant Fund will rank as an unsecured creditor of the relevant Fund during the period between receipt of the redemption request and the Dealing Day on which such Shares are redeemed. Redemption proceeds and dividend payments shall be held in the Collection Account where the Shareholder has failed to provide the Administrator or the ICAV with any documentation requested by them for anti-money laundering purposes, as described above. Investors' attention is drawn to the risk factor under the heading "Collection Account Risk". Furthermore, the operation of the Collection Account will not compromise the ability of the Depositary to carry out its safe-keeping and oversight duties in accordance with the Regulations.

### **Redemption Price**

The price at which Shares will be redeemed on a Dealing Day is the Net Asset Value per Share of the relevant Class on the relevant Dealing Day. The method of establishing the Net Asset Value of any Fund and the Net Asset Value per Share of any Class of Shares in a Fund is set out in the Instrument of Incorporation as described herein under the section entitled "Issue and Redemption Prices/Calculation of Net Asset Value/Valuation of Assets" below.

As set out in the Supplement of the relevant Fund, the Directors may on any Dealing Day where there are net redemptions adjust the Net Asset Value by deducting an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Any such charge shall be retained for the benefit of the relevant Fund and the Directors reserve the right to waive such charge at any time.

### **Payment of Redemption Proceeds**

Shareholders must notify the Administrator with a copy to the Investment Manager of any withdrawals by the Dealing Deadline. The Administrator in consultation with any one Director may on an exceptional basis accept withdrawals on less notice received before the Valuation Point. The Redemption Proceeds (minus any charge provided for above) will be paid at the Shareholder's risk and expense by wire transfer to the Shareholder's account specified in the Application Form in the currency of the relevant Share Class by the Settlement Date. Payment of Redemption Proceeds will be made to the registered Shareholder.

In the event that a Shareholder requires payment of Redemption Proceeds to an account other than that specified in the Application Form the Shareholder must provide a request in writing, executed by an authorised signatory of the Shareholder to the Administrator on or prior to receipt of the redemption request form. Redemption Proceeds will only be paid to an account in the name of the relevant Shareholder.

### **Limitations on Redemption**

The Directors may not redeem Shares of any Fund during any period of suspension, as described under the section entitled "Temporary Suspension of Net Asset Value and Dealing" below. Shareholders requesting redemption 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.

The ICAV may, with the consent of the Shareholder in question, satisfy a redemption request 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 asset allocation is subject to approval by the Depositary. In addition, the Instrument of Incorporation contains special provisions where a redemption request received from a Shareholder is in respect of Shares representing more than 5% of the Net Asset Value of the relevant Fund on the relevant Dealing Day. In such a case, the Directors may satisfy the redemption request 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 and provided that the redemption is made to Professional Investors only. Where the Shareholder requesting such redemption receives notice of the Directors' intention to elect to satisfy the redemption request by such a distribution of assets, that Shareholder may require the Directors, instead of transferring those assets, to arrange for their sale and the payment of the proceeds of sale to that Shareholder less any costs incurred in connection with such sale.

### **Mandatory Redemptions**

The ICAV may compulsorily redeem all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Net Asset Value specified in the Supplement for the relevant Fund.

If it shall come to the notice of the Directors or if the Directors shall have reason to believe that any Shares are owned directly or indirectly by:-

- (a) any person or entity who breached or falsified representations or subscription documents;
- (b) any person or entity who appears to be in breach of any law or requirement of any country or governmental authority or by virtue of which such person or entity is not qualified to hold such Shares;
- (c) an entity who has not provided the required Tax Documentation or supporting documentation for money laundering prevention checks;
- (d) any person or persons in circumstances which (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), in the opinion of the Directors, might result in the Fund incurring any liability to taxation or suffering any pecuniary liability to taxation or suffering other pecuniary, legal, regulatory or material administrative disadvantage which the Fund might not otherwise have incurred or suffered or might result in the Fund being required to comply

with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply;

- (e) an entity who, in the opinion of the Directors is a U.S. Person (unless the Directors determines (i) the transaction is permitted under an exemption available under the securities laws of the United States and (ii) that the relevant Sub-Fund and the Fund continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares);
- (f) any person if the holding of the Shares by any person is unlawful or is less than the Minimum Holding set for that Class of Shares by the Directors;
- (g) any person who does not supply any information or declarations required under the Instrument of Incorporation within seven days of a request to do so by the Directors;
- (h) any person who does not / or ceases to qualify as an Eligible Investor.

The ICAV shall be entitled to compulsorily redeem and/or cancel such number of Shares held by such person as is required to discharge and may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by such person including any interest or penalties payable thereon. For the avoidance of doubt, a Shareholder may only become liable for tax liabilities imposed on it that arise in such Shareholder's specific jurisdiction(s). Shareholders will not be liable for a chargeable event (as defined in the "Taxation" section below) triggered by another Shareholder.

If the Directors decide to terminate a Fund, all of the Shareholders in the Fund will be so notified by the ICAV and will be deemed to have requested within 30 days of the date of the notice that their Shares be redeemed by the ICAV in accordance with the redemption procedure set out in this Prospectus.

### **Transfers of Shares**

Transfers of Shares must be effected by transfer in writing in any usual or common form or in any other form approved by the Directors from time to time. Every form of transfer must state the full name and address of each of the transferor and the transferee and shall be signed by or on behalf of the transferor and, if applicable, by the transferee. The Directors may decline to register any transfer of Shares unless the original transfer form is deposited at the registered office of the ICAV, or such other place as the Directors may reasonably require, accompanied by such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. The transferor shall be deemed to remain the holder of the Shares until the name of the transferee is entered in the register. A transfer of Shares will not be registered unless the transferee, if not an existing Shareholder, has completed an Application Form and provided the necessary anti-money laundering documentation to the satisfaction of the Administrator. The Directors are not obliged to approve the transfer of Shares in the ICAV.

Shares are freely transferable except that the Directors may decline to register a transfer of Shares (a) if the transfer is in breach of US securities laws; (b) if in the opinion of the Directors the transfer would be unlawful or result or be likely to result in any adverse regulatory, tax or fiscal consequences or material administrative disadvantage to the ICAV or the Shareholders; (c) in the absence of satisfactory evidence of the transferee's identity or (d) where the ICAV is required to redeem or cancel such number of Shares as are required to meet the appropriate tax of the Shareholder on such transfer (e) if the person to whom shares are to be transferred is prohibited from holding shares in the ICAV for any reason. A proposed transferee may be required to provide such representations, warranties or documentation as the Directors may require in relation to the above matters. In the event that the ICAV does not receive a Declaration in respect of the transferee, the ICAV will be required to deduct appropriate tax in respect of any payment to the transferee or any sale, transfer, cancellation, redemption, repurchase or other payment in respect of the Shares as described in the section headed "Taxation" below.

### **Exchange of Shares**

Unless otherwise determined by the Directors, Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class in any Fund (the "**Original Class**") for Shares in another Class in a Fund which are being offered at that time (the "**New Class**") (such Class being in the same Fund or in a separate Fund) provided that all the criteria for applying for Shares in the New Class have been met and by giving notice to the Investment Manager and Administrator on or prior to the Dealing Deadline for the subscription of Shares for the relevant Dealing Day as set out in the relevant Supplement. The Investment Manager may, in its discretion, approve such exchange (and, for the avoidance of doubt, the Board's approval shall not be required) if the beneficial ownership of the Shares in the New Class will remain unchanged from that of the Shares in the Original Class. The Administrator, in consultation with the Investment Manager, may agree to accept requests for exchange received after the relevant Dealing Deadline on an exceptional basis provided they are received prior to the relevant Valuation Point. The Directors may, in consultation with the Investment Manager, nominate an additional Dealing Day to facilitate applications for exchange of Shares which will be notified in advance to Shareholders. The general provisions and procedures relating to the issue and redemption of Shares will apply equally to exchanges save (i) in relation to charges payable details of which are set out below and in the relevant Supplement and (ii) that the only Dealing Deadline applicable to exchanges shall be the Dealing Deadline for the subscription of Shares set out in the relevant Supplement.

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

The ICAV may deduct a charge on an exchange of Shares which the Investment Manager considers represents an appropriate figure to cover dealing costs and to preserve the value of the underlying assets of the Fund when there are overall net subscriptions and redemptions in a Fund. Any such charge will be retained for the benefit of the relevant Fund. The ICAV reserves the right to waive such charge at any time. The maximum switching fee, if any, which may be charged is set out in the relevant Supplement.

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

$$S = \frac{(RP - DC)}{SP}$$

where:

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

RP = the Redemption Proceeds of the Shares of the Original Class;

DC = the dealing costs;

SP = the Issue Price per Share of the New Class as at the Valuation Point for the applicable Dealing Day.

### **Limitations on Exchanges**

Shares may not be exchanged for Shares of a different Class during any period of suspension, as described under the section entitled "Temporary Suspension of Net Asset Value and Dealing" 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.

## **LIQUIDITY MANAGEMENT**

### **Liquidity Risk Management**

The Manager employs a liquidity management system and has adopted documented procedures which enable it to monitor the liquidity risk of the ICAV and each of its Funds and ensure that the liquidity profile of each Fund's investments enable the ICAV to meet redemption requests in respect of each of its Funds in normal circumstances. In addition, there are procedures that allow the ICAV to manage the liquidity of each of its Funds in exceptional circumstances. These liquidity management procedures are reviewed on at least an annual basis.

The Manager conducts stress testing on an ongoing basis under normal and exceptional liquidity conditions at a frequency which is appropriate to the nature of the relevant Fund, having regard to a range of issues, including the relevant Fund's investment strategy, liquidity profile, type of investor, dealing frequency and redemption policy.

As part of the Manager's liquidity management system for the Funds, the Manager shall select at least two LMTs for every Fund. Further details on the liquidity management tools including the conditions for activation of such tools are outlined below and in the relevant Supplement, where applicable.

### **Liquidity Management Tools**

The Manager is primarily responsible for liquidity risk management, as well as for the selection, calibration, activation and deactivation of LMTs in relation to each Fund; however, the ICAV shall retain the power to exercise LMTs, at its discretion. In the selection of the appropriate LMTs for each relevant Fund, the Manager shall seek to select LMTs, which will allow it to effectively manage the relevant Fund's liquidity risk under both normal and stressed market conditions and where it believes that the selection is as comprehensive as possible to address different circumstances.

The ICAV and/or the Manager shall be permitted to (i) suspend subscription, redemption and repurchase of Shares (in accordance with the terms of the Prospectus, as set out below under the heading "*Temporary Suspension of Net Asset Value and Dealing*" below).

Where disclosed in the relevant Supplement, each Fund may avail of certain LMTs, as selected by the Manager from Annex IIA, points 2 to 8, of the UCITS Directive, i.e.: redemption gate, extension of notice periods, and redemption in kind. However, additional liquidity measures permitted under the terms of the Prospectus may be applied at the discretion of the ICAV and/or the Manager. An LMT may be activated individually or in combination with additional LMTs or other liquidity measures.

The ICAV and/or the Manager shall, without delay, notify the Central Bank where any of the LMTs referred to in Annex IIA, points 2 to 8 of the UCITS Directive (for the ICAV, namely, redemption gate, extension of notice periods, and redemptions in kind) are activated or deactivated, in a manner that is not in the ordinary course of business.

Where disclosed in the Supplement, a Fund may avail of the LMTs listed below. The below description of the applicable LMTs also includes how such LMTs may be activated and deactivated by the Directors and/or the Manager.

#### **a) Redemption Gate**

The ICAV and/or the Manager may impose a redemption gate as an LMT, in relation to Funds (or Classes thereof) as described below. A "redemption gate" is a temporary and partial restriction of the right of Shareholders to redeem their Shares in a Fund or Class thereof, so that Shareholders can only redeem a certain portion of their Shares.

A redemption gate shall have an activation threshold below which the redemption gate cannot be activated. The Manager and/or the ICAV shall consider the activation of redemption gates in cases of redemption requests when the activation threshold is exceeded. The activation threshold with respect to a Fund shall be set at the level of the Fund and shall apply equally to all Shareholders in that Fund.

The activation threshold shall be (i) based on the total net or gross redemption orders of the relevant Fund received for a given dealing date or over a specified period; and (ii) expressed as a proportion to the NAV of the Fund.

Where a redemption gate is activated by the ICAV and/or the Manager, the redemption orders shall be executed on a pro rata basis from all Shareholders of the Fund for a given Dealing Day for an amount that corresponds to at least the level of the activation threshold. The redemption gate shall be deactivated once all redemption requests which activated the redemption gate have been dealt with. The ICAV and/or the Manager may use other types of redemption gates, outside of the redemption gate as an LMT, as may be further described in the relevant Supplement.

Any redemption or switching request so reduced will be carried forward to the next Dealing Day. If redemption or switching requests are so carried forward, the Directors shall procure that the Shareholders whose dealings are affected thereby are promptly informed.

Please also refer to the section of the Prospectus entitled "*Risk Factors: Risks associated with Redemption Gates*".

#### **b) Extension of Redemption Notice Periods**

In respect of Funds, details of the applicable Dealing Day and Dealing Deadline for subscriptions and redemptions shall be set out in the relevant Supplement. The ICAV and/or the Manager may seek to extend the period of notice required in respect of redemption requests that Shareholders must give to the ICAV (or its delegate), beyond the minimum notice period disclosed in the relevant Supplement. Whilst the ICAV and/or the Manager may seek to extend the redemption notice period in appropriate circumstances, the activation of the extension of notice periods shall not have any impact on the redemption frequency of the Fund.

Depending on the investment objective and redemption policy of the relevant Fund, the extended redemption notice period may be a specific number of days, weeks, or a fixed date preceding the redemption Dealing Day. The extended redemption notice period shall not include the time required for the settlement process. The settlement period for the payment of redemption proceeds shall be in accordance with the requirements of the Central Bank and disclosed in the relevant Supplement.

#### **(c) Temporary Suspension of Net Asset Value and Dealing**

The Directors and/or the Manager may in exceptional circumstances and where justified, having regard to the interests of Shareholders, temporarily suspend the valuation and/or simultaneously the subscription, repurchases, conversion and redemption for the same period for all Shares in a Fund or the ICAV, as appropriate, including:

1. during any period when any of the principal markets or stock exchanges on which a substantial portion of the investments of the relevant Fund from time to time are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
2. during any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the ICAV, disposal or valuation of a substantial portion of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot be fairly calculated; or
3. during any breakdown in the means of communication normally employed in determining the price of a substantial portion of the investments of the relevant Fund or when for any other reason the current prices on any market or stock exchange of any of the investments of the relevant Fund cannot be promptly and accurately ascertained; or
4. during any period during which any transfer of funds involved in the realisation or acquisition of investments of the relevant Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
5. during any period in which the redemption of the Shares would, in the opinion of the Directors, result in a violation of applicable laws; or

6. upon mutual agreement between the ICAV and the Depositary for the purpose of terminating the ICAV or any Fund; or
7. when any other reason makes it impossible or impracticable to determine the value of a substantial portion of the assets of the ICAV or any Fund; or
8. during any period when the Directors consider it to be in the best interests of the Shareholders of the relevant Fund.

provided always that no such suspension may be effected in circumstances where such determination, issue, redemption or conversion is required by a lender (or agent or trustee on behalf of any lender) in connection with any loan or other credit afforded to the relevant Fund or the ICAV or any security granted by the ICAV in connection with such loan or credit.

Any suspension of redemptions shall require the simultaneous suspension of subscriptions and repurchases. Any suspension of subscriptions, repurchases, conversions and redemptions shall occur simultaneously, for the same period and for all Shareholders of the relevant Fund(s). Any such suspensions shall be temporary, strictly limited to the period necessary to address the exceptional circumstances that justify that suspension, and may only be implemented where it is duly justified having regard to the best interests of Shareholders. The suspension of the calculation of the Net Asset Value and/or the subscriptions, repurchases, conversions and redemptions of Shares of any Fund will be lifted where the above listed scenarios no longer apply and the Directors and/or the Manager believes it is in the best interests of the Shareholders that the suspension is deactivated.

Where a Fund has multiple Classes, the suspension shall apply to all Classes of the Fund. The suspension may include the suspension of the NAV calculation, particularly in case of uncertain valuation and where it is not possible to compute the NAV of the Fund(s). In other cases, and whenever possible, the ICAV and/or the Manager shall seek to continue to value the assets in the Fund(s).

Details of any such suspension will also be notified to all Shareholders who have requested issue or redemption of Shares of any Class or exchange of Shares of one Class to another in such manner as may be directed by the Directors and/or the Manager. Notice of any such suspension shall be notified to the Central Bank immediately and through such medium as the Directors and/or the Manager may from time to time determine. In circumstances where a suspension has not been lifted within 21 Business Days of taking effect, the Manager shall provide the Central Bank with an update on the suspension at the expiration of the 21 Business Day period and each subsequent period of 21 Business Days where the temporary suspension continues to apply.

When possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible. Shareholders who have requested issue or redemption of Shares of any Class will have their subscription or redemption request dealt with on the first Dealing Day after the suspension has been lifted, unless subscription applications or redemption requests have been withdrawn prior to the lifting of the suspension.

Save where the determination of the Net Asset Value per Share has been temporarily suspended in the circumstances described above, the Net Asset Value per Share as of the most recent Valuation Day shall be made available to Shareholders at the office of the Administrator, at such intervals as are set out in the Prospectus. The ICAV may seek to publish a Net Asset Value per Share, where possible, including where the Fund(s) is/are closed for subscriptions, repurchases, conversions and redemptions.

Whilst suspensions, in some cases, may be activated while the ICAV (in consultation with the Manager) is considering whether to liquidate a Fund(s), the ICAV (in consultation with the Manager) shall ensure that suspensions are activated only on a temporary basis and where appropriate, the ICAV may elect to re-open a Fund(s) to subscription, repurchases, conversion and redemption, to liquidate the Fund(s) or to activate side pockets, where appropriate. The criteria for assessing and monitoring the conditions that prompted the activation of suspension mechanisms, as well as the criteria for reviewing and potentially revising the decision to suspend and the change in circumstances that would warrant this, shall be considered by the ICAV (in consultation with the Manager).

The Central Bank may, in the interest of Shareholders, in exceptional circumstances and after consulting the ICAV, require the activation or deactivation of the suspension of subscriptions, repurchase and redemptions, where there are risks to investor protection or financial stability that, on a reasonable and balanced view, necessitate such activation or deactivation.

## **CALCULATION OF NET ASSET VALUE/VALUATION OF ASSETS**

The Net Asset Value of each Fund shall be calculated by the Administrator as at the Valuation Point for each Dealing Day by valuing the assets of the Fund and deducting therefrom the liabilities of the Fund. The Net Asset Value of a Fund divided by the number of Shares of the relevant Fund in issue as at the relevant Valuation Point is equal to the Net Asset Value of a Share of the relevant Fund. Where there is more than one Class in issue in a Fund, the Net Asset Value per Share of the relevant Class is calculated by determining that proportion of the Net Asset Value of the relevant Fund which is attributable to the relevant Class at the Valuation Point, and by dividing this sum by the total number of Shares of the relevant Class in issue at the relevant Valuation Point (which is set out in the Supplement for the relevant Fund). The price at which Shares of any Class will be issued or redeemed on a Dealing Day, after the initial issue, is based on the Net Asset Value per Share or Net Asset Value per Share of the relevant Class (where there is more than one Class in issue in a Fund). The Net Asset Value and the Net Asset Value per Share will in each case be rounded to three decimal places or such other number of decimal places as the Manager may determine.

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

In general, the Instrument of Incorporation provides that the value of any investments quoted, listed or dealt in on a market shall be calculated by reference to the last traded price as at the relevant Valuation Point provided that the value of any investment listed on a market but acquired or traded at a premium or at a discount outside the relevant market may with the approval of the Depositary be valued taking into account the level of premium or discount as at the date of valuation of the investment and the Depositary must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. Where such investment is quoted, listed or dealt in on more than one market, the Manager shall, in its absolute discretion, select the market which in its opinion constitutes the main market for such investment for the foregoing purposes.

The value of any investment which is not quoted, listed or dealt in on a market or of any investment which is normally quoted, listed or dealt in on a market but in respect of which no price is currently available or the current price is unrepresentative, shall be the probable realisation value estimated with care and in good faith by a competent person appointed by the Manager and approved, for such purpose, by the Depositary. In determining the probable realisation value of any such investment, the Manager may accept a certified valuation from a competent independent person, or in the absence of any independent person, (notwithstanding that the Investment Manager has an interest in the valuation), the investment manager, who in each case shall be approved by the Depositary to value the relevant securities. Fixed income securities may be valued using matrix pricing by way of valuing securities by reference to the valuation of other securities which are considered comparable in rating, yield, due date and other characteristics where reliable market quotations are not available. The matrix methodology will be compiled by the Manager or a competent person appointed by the Manager and in each case approved for the purpose by the Depositary or any other means provided that the value is approved by the Depositary. Neither the Investment Manager nor the Administrator shall be under any liability if a price reasonably believed by them to be the latest available price for the time being may be found not to be such.

The Instrument of Incorporation further provides that cash in hand or on deposit, prepaid expenses, cash dividends, interest declared or accrued and not yet received and tax reclaims filed and not yet received as at the relevant Valuation Point shall normally be valued at their face value (unless in any case the Manager is of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Manager may consider appropriate in such case to reflect the true value thereof).

The value of any exchange traded futures contracts, share price index futures contracts and options shall be the settlement price as determined by the market in question as at the Valuation Point provided that where such settlement price is not available for any reason as at a Valuation Point, such value shall be the probable realisation thereof estimated with care and in good faith by (i) the Manager or (ii) a competent person appointed by the Manager, provided that such other competent person has been approved for such purpose by the Depositary.

Forward foreign exchange contracts shall be valued by reference to the prevailing market maker quotations, namely, the price as at the Valuation Point at which a new forward exchange contract of the same size and maturity could be undertaken.

Shares or shares in open-ended collective investment schemes shall be valued at the latest available net asset value per Share, share or Class thereof as published by the collective investment scheme as at the Valuation Point for the relevant Dealing Day.

If in any case a particular value is not ascertainable as provided above or if the Manager shall consider that some other method of valuation better reflects the fair value of the relevant investment, then in such case the method of valuation of the relevant investment shall be such as the Manager or another competent person appointed by the Manager shall determine, such method of valuation to be approved by the Depositary and the rationale/methodologies used shall be clearly documented.

Notwithstanding the generality of the foregoing, the Manager or its delegate may with the approval of the Depositary adjust the value of any such security if, having regard to currency, anticipated rate of dividend, applicable rate of interest, maturity, liquidity, marketability and/or such other considerations as the Manager or the Investment Manager may deem relevant, the Manager or its delegate considers that such adjustment is required to reflect the fair value thereof as at any Valuation Point.

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

Any particular valuation provisions applicable to a Fund are set out in the Supplement for the relevant Fund.

## **NOTIFICATION OF PRICES**

The Net Asset Value per Share of each Class of Shares in each Fund will be available from the Administrator and will (where listed) be notified following calculation on each Valuation Point and published on <https://www.rvcapital.com/ucits/> or such other websites as the Directors or Investment Manager may from time to time determine. Such prices will be the prices applicable to the previous Dealing Day's trades and are therefore only indicative after the relevant Dealing Day and shall be kept up to date.

## **FEES AND EXPENSES**

### **General Fees**

Details of the management, investment management, administration and depositary fees applicable to the Fund are specified in the relevant supplement.

### **Sales Charges**

Investors will not be subject to a sales charge in respect of subscriptions for Shares.

### **Redemption Charges**

Investors may be subject to a redemption charge in favour of the ICAV in respect of redemptions of Shares. The rate will not exceed 3% of the net redemption amount. If a redemption charge is imposed in respect of a Fund, this will be stated in the relevant Supplement.

## **Establishment Expenses**

The establishment expenses for the ICAV and the initial Fund are not expected to exceed €35,000 and will be paid by the ICAV and will be amortised over an initial 5 year period. Details of the establishment costs for each subsequent Fund established within the ICAV will be outlined in the relevant Supplement.

## **Directors Fees**

Under the Instrument of Incorporation, the Directors are entitled to a fee in remuneration for their services to the ICAV at a rate to be determined from time to time by the Directors, but so that the aggregate amount of each Directors' remuneration in any one year shall not exceed €40,000. The Directors may also be paid all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any other meetings in connection with the business of the ICAV.

## **Operating Expenses**

The ICAV may pay out of the assets of each Fund the fees and expenses payable to the Manager, Investment Manager, Administrator, the Depositary, the fees and expenses of sub-custodians (which will be at normal commercial rates), distributors, the fees and expenses of any investment advisers, or any other delegates of the ICAV.

The ICAV will also pay on an ongoing basis certain other costs and expenses incurred in its operation, including without limitation, fees in respect of circulating details of the Net Asset Value, stamp duties, all taxes and VAT, any costs incurred in respect of marketing and distribution costs, investment transaction charges, costs incurred in respect of the distribution of income to Shareholders, pricing and bookkeeping costs, the fees and expenses of any paying agent, facilities agent or representative appointed in compliance with the requirements of another jurisdiction (which will be at normal commercial rates), any amount payable under indemnity provisions contained in the Instrument of Incorporation or any agreement with any appointee of the ICAV in the event of the occurrence of an event giving rise to such an indemnity and as summarised in the section of this Prospectus entitled "Management of the ICAV", banking, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors, tax and legal advisers and fees connected with registering the ICAV for sale in other jurisdictions. The costs of printing and distributing this Prospectus, reports, accounts and any explanatory memoranda, any necessary translation fees, the costs of publishing prices and any costs incurred as a result of periodic updates of the Prospectus, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law) may also be paid out of the assets of the Funds.

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

The Investment Manager may, at its discretion, contribute directly towards operation of the ICAV and/or the marketing, distribution and/or sale of Shares and may from time to time at its sole discretion waive part of the investment management fee in respect of any particular payment period. The Investment Manager will be entitled to be reimbursed by the ICAV in respect of any reasonably incurred expenses borne by it, save it shall not be entitled to be reimbursed the establishment expenses in respect of certain Funds as outlined above and in the relevant Supplement.

## **Fee Cap**

The Investment Manager may in its sole discretion, waive the whole or any part of the any fees and expenses that would otherwise be payable to the Investment Manager.

In addition, where provided for in the relevant Supplement of a Fund, the Investment Manager may in its sole discretion elect to discharge any or all of the fees and expenses that would otherwise be payable in respect of such Fund so that such fees and expenses relating to such Fund are capped (the "**Cap**"). Where imposed, the Cap for each Fund will be disclosed in the relevant Supplement and will be reviewed on a periodic basis by the Investment Manager in consultation with the Directors. Any increase or removal of the Cap in respect of any Fund will be notified to Shareholders of such Funds in advance.

## TAXATION

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

The following summary is based on advice received by the Directors regarding the law and practice in force in Ireland at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position at the time of an investment in the ICAV will not change.

As Shareholders are no doubt aware, the tax consequences of any investment can vary considerably from one jurisdiction to another, and ultimately will depend on the tax regime of the jurisdictions within which a person is tax resident. Therefore the Directors strongly recommend that Shareholders obtain tax advice from an appropriate source in relation to the tax liability arising from the holding of Shares in the ICAV and any investment returns from those Shares.

Finance Act 2016 introduced a new regime for the tax treatment of investments in Irish real estate funds ("IREFs"). An IREF is as an investment undertaking, or sub-fund of an investment undertaking, in which 25% or more of the value of the assets at the end of the immediately preceding accounting period is derived directly or indirectly from Irish real estate and related assets, or where it would be reasonable to consider that the main purpose or one of the main purposes of the investment undertaking, or sub-fund, was to acquire such assets or carry on an Irish real estate business. Where a fund is categorised as an IREF, a 20% withholding tax must be operated by the fund on distributions of income to certain shareholders. However, no tax applies in respect of gains on redemptions except where those gains are derived from undistributed income or disposals of Irish real estate.

On the basis that the ICAV has been authorised by the Central Bank as a UCITS, neither the ICAV nor any of its sub-funds is an IREF and that accordingly Chapter 1B of Part 27 TCA will not apply to the ICAV or to any of its sub-funds.

### **Ireland**

#### *The ICAV*

The ICAV 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 provided the ICAV is resident for tax purposes in Ireland. The ICAV shall be regarded as resident for tax purposes in Ireland if it is centrally managed and controlled in Ireland and the ICAV is not by virtue of a double tax treaty between Ireland and another country otherwise regarded as resident in another jurisdiction. It is intended that the Directors of the ICAV will conduct the affairs of the ICAV in a manner that will ensure that it is resident in Ireland for tax purposes.

However, Irish tax may arise for the ICAV on the happening of a "chargeable event" in the ICAV ("**appropriate tax**"). A chargeable event includes:

1. any distributions or payments to a Shareholder by the ICAV in respect of their Shares;
2. any appropriation or cancellation of Shares for the purposes of meeting the amount of appropriate tax payable on certain chargeable events that do not involve the making of a payment to a Shareholder (including but not limited to the transfer by a Shareholder, by way of sale or otherwise of entitlement to a Share);
3. any encashment, repurchase, redemption, cancellation or transfer of Shares; and

4. any deemed disposal by a Shareholder of their Shares at the end of a "relevant period" (a "deemed disposal").

A "relevant period" means a period of eight years beginning with the acquisition of the Shares and each subsequent period of eight years beginning immediately after the preceding relevant period.

There are also certain express exclusions from the meaning of chargeable event. A chargeable event does not include:

1. any exchange by a Shareholder, effected by way of a bargain made at arm's length by the ICAV, of the Shares in the ICAV for other Shares in the ICAV;
2. any transaction in relation to, or in respect of, Shares which are held in a clearing system recognised by the Irish Revenue Commissioners;
3. certain transfers of Shares between spouses/civil partners and former spouses/civil partners;
4. any exchange of Shares arising on a scheme of reconstruction or amalgamation (within the meaning of Section 739H TCA) of the ICAV, subject to certain conditions.

On the happening of a chargeable event the ICAV will deduct the appropriate tax on any payment made to the Shareholder in respect of the chargeable event. On the occurrence of a chargeable event where no payment is made, the ICAV may appropriate or cancel the required number of Shares to meet the tax liability. The relevant Shareholder shall indemnify and keep the ICAV indemnified against any loss arising to the ICAV by reason of the ICAV becoming liable to account for tax on the happening of a chargeable event if no deduction, appropriation or cancellation is made.

Where the chargeable event is a deemed disposal at the end of a "relevant period" and the value of Shares held by Irish Residents who are not Exempt Investors is less than 10% of the value of the total Shares in the ICAV (or sub-fund, as applicable), and the ICAV has made an election to report annually to the Irish Revenue Commissioners certain details for such Shareholder and has advised the Shareholder concerned in writing, the ICAV will not be obliged to deduct appropriate tax. The Shareholder must instead pay tax on the deemed disposal on a self-assessment basis. Irish resident Shareholders should contact the ICAV to ascertain whether the ICAV has made such an election in order to establish their responsibilities to account for Irish tax. To the extent that any tax arises on a deemed disposal, such tax will be allowed as a credit against any tax payable on a subsequent chargeable event in respect of the relevant Shares. On the eventual disposal by the Shareholder of their Shares, a refund of any unutilised credit will be payable. In the case of Shares held in a recognised clearing system, the Shareholders may have to account for the tax arising at the end of a relevant period on a self-assessment basis.

A gain shall not be treated as arising to the ICAV on the happening of a chargeable event (and thus the ICAV will not be obliged to account for tax in relation to that event) in certain circumstances as outlined below under the section entitled "Taxation of Shareholders".

Income and capital gains in respect of assets of the ICAV situated in countries other than Ireland may be subject to taxes including withholding taxes, imposed by such countries. The ICAV may not be able to avail of an exemption from, or reduced rate of, withholding tax by virtue of the double taxation treaties in operation between Ireland and other countries. The ICAV may not therefore be able to reclaim withholding tax suffered by it in particular countries. If this position changes in the future and the application of an exemption or lower rate results in a repayment to the ICAV, the Net Asset Value of the ICAV or a Fund will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

## **Taxation of Shareholders**

### *1. Non-Irish Residents*

Non-Irish Resident Shareholders will not generally be chargeable to Irish income tax or capital gains tax in respect of their Shares.

Non-Irish Residents Shareholders will not be chargeable to Irish tax under Chapter 1A TCA on the happening of a chargeable event provided that either:

- a) the ICAV is in possession of a signed and completed tax declaration in the form prescribed by the Irish Revenue Commissioners for the purposes of Section 739D TCA (the "**Declaration**") from such Shareholder (or an intermediary acting on behalf of the Shareholder) to the effect that the Shareholder is not an Irish Resident; or
- b) the ICAV is in possession of written notice of approval from the Irish Revenue Commissioners to the effect that the requirement to provide a Declaration is deemed to have been complied with in respect of that Shareholder and the written notice of approval has not been withdrawn.

If the ICAV is not in possession of a Declaration or a written notice of approval, or the ICAV is in possession of information which would reasonably suggest that the information contained in the Declaration is not or is no longer materially correct, the ICAV must deduct tax on the happening of a chargeable event in relation to such Shareholders. The tax deducted will generally not be refunded.

Intermediaries acting on behalf of non-Irish Resident Shareholders can make a Declaration on behalf of the Shareholders for whom they are acting provided that the ICAV is not in possession of any information which would reasonably suggest that the information contained in the Declaration is not or is no longer materially correct. The Intermediary must state in the Declaration that to the best of its knowledge and belief the Shareholders on whose behalf it acts are not Irish Resident.

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, may be liable to Irish corporation tax on income from the Shares or gains made on the disposal of the Shares under the self-assessment system.

## 2. *Taxable Irish Residents*

The following section describes the Irish tax treatment of Shareholders who are Irish Residents.

### (a) Deductions by the ICAV

An Irish Resident Shareholder who is not an Exempt Investor, will be liable to tax on the happening of a chargeable event. Tax at a rate of 41% will be deducted by the ICAV in respect of any distributions made by the ICAV and on any gain arising on a sale, transfer, deemed disposal at the end of a relevant period (subject to the 10% threshold outlined above), redemption, repurchase or cancellation of Shares or the making of any other payment in respect of the Shares. Any gain will be computed on the difference between the value of the Shareholder's investment in the ICAV at the date of the chargeable event and the original cost of the investment as calculated under special rules. The ICAV will be entitled to deduct such appropriate tax from payments or, where no payment is made on the occurrence of a chargeable event, appropriate and cancel such number of Shares as are required to meet the appropriate tax in respect of the relevant Shareholder and will pay the appropriate tax to the Irish Revenue Commissioners.

Where the Shareholder is an Irish resident company which is not an Exempt Investor and the ICAV is in possession of a declaration from the Shareholder that it is a company and which includes the company's tax reference number, tax will be deducted by the ICAV from any distributions made by the ICAV to the Shareholder and from any gains arising on a sale, transfer, deemed disposal redemption, repurchase, encashment, cancellation or other disposal of shares by the Shareholder at the rate of 25%.

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

### (b) Residual Irish tax Liability

An Irish Resident Shareholder who is not a company and who is not an Exempt Investor (and has therefore had appropriate tax deducted), will not be liable to any further Irish income or capital gains tax in respect of any sale, transfer, deemed disposal, redemption, repurchase, encashment, cancellation of Shares or the making of any other payment in respect of their Shares.

Where an Irish Resident Shareholder is not a company and appropriate tax has not been deducted (for example, because the Shares are held in a recognised clearing system), the Shareholder will be liable to account for Irish income tax at the rate of 41% on the payment or on the amount of the gain under the self-assessment system and in particular, Part 41A TCA. No further Irish tax will be payable by the Shareholder in respect of that payment or gain.

Where an Irish Resident Shareholder is a company which is not an Exempt Investor (and has therefore had appropriate tax deducted), and the payment is not taxable as trading income under Schedule D Case I, the Shareholder will be treated as having received an annual payment chargeable to tax under Case IV of Schedule D from which tax at the rate of 25% (or 41% if no Declaration has been made) has been deducted. In practice, where tax at a rate higher than 25% has been deducted from payments to a corporate Shareholder resident in Ireland, a credit of the excess tax deducted over the higher corporation tax rate of 25% should be available.

Where an Irish Resident Shareholder is a company which is not an Exempt Investor (and has therefore had appropriate tax deducted), 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 appropriate tax deducted 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 at the end of a relevant period, redemption, repurchase or cancellation 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 appropriate tax deducted 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.

Should an excess payment of appropriate tax arise on the occurrence of a chargeable event as a result of tax paid on an earlier deemed disposal in respect of the Shareholder, the ICAV, on notification in writing to the Shareholder, is not obliged to process the refund arising on behalf of the Shareholder provided if immediately before the chargeable event the value of Shares held by Irish Residents who are not Exempt Investors does not exceed 15% of the value of the total Shares in the ICAV. Instead the Shareholder should seek such a repayment directly from the Irish Revenue Commissioners. Irish legislation also provides in the case of a deemed disposal for the making of an irrevocable election by the ICAV to value the Shares in respect of all Shareholders at the later of 30 June or 31 December immediately prior to the date of the deemed disposal, rather than on the date of the deemed disposal.

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

#### (c) Reporting

Pursuant to Section 891C TCA and the Return of Values (Investment Undertakings) Regulations 2013, the ICAV is obliged to report certain details in relation to Shares held by Shareholders to the Irish Revenue Commissioners on an annual basis. The details to be reported include the name, address and, in the case of individual Shareholders, date of birth if on record of, and the value of the Shares held by, a Shareholder. In respect of Shares acquired

on or after 1 January 2014, the details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. No details are to be reported in respect of Shareholders who are:

- (i) Exempt Investors;
- (ii) Non-Irish Resident Shareholders (provided a Declaration has been made); or
- (iii) Shareholders whose Shares are held in a recognised clearing system.

However investors should note the section entitled "Common Reporting Standard" for information on additional investor information gathering and reporting requirements to which the ICAV is subject.

### 3. *Exempt Investors*

Appropriate tax will not be deducted on the happening of a chargeable event in respect of Shares held by an Exempt Investor where the ICAV is in possession of a Declaration in relation to such Shares and the ICAV has no reason to believe that the Declaration is materially incorrect. Exempt Investors in respect of whom the ICAV is not in possession of a Declaration will be treated by the ICAV as if they are not Exempt Investors. While the ICAV is not required to deduct tax in respect of Exempt Investors, 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 Exempt Investor's obligation to account for any tax to the Irish Revenue Commissioners and return such details as are required to the Irish Revenue Commissioners. It is also the Exempt Investor's obligation to notify the ICAV if it ceases to be an Exempt Investor.

## **Other Taxes – All Shareholders**

### *Personal Portfolio Investment Undertaking*

An investment undertaking such as the ICAV will be considered to be a personal portfolio investment undertaking ("**PPIU**") in relation to a specific Irish Resident Shareholder where that Shareholder is an individual and the Shareholder or certain persons connected with the Shareholder can select or 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. The appropriate tax deducted on the happening of a chargeable event in relation to a PPIU will be at the rate of 60% (or 80% where details of the payment/disposal are not correctly included in the individual's tax returns). An investment undertaking is not a PPIU if the only property which may be or has been selected was acquired on arm's length terms as part of a general offering to the public.

### *Currency Gains*

Where a currency gain is made by an Irish Resident Shareholder on the disposal of Shares, such Shareholder may be liable to Irish capital gains tax or corporation tax in respect of such gain in the year of assessment in which the Shares are disposed of.

### *Stamp Duty*

Generally no stamp, documentary, transfer or registration tax is payable in Ireland on the issue, sale, transfer, redemption, repurchase, cancellation of or subscription for Shares on the basis that the ICAV qualifies as an investment undertaking within the meaning of Section 739B TCA. If any redemption is satisfied by the transfer in specie to any Shareholder of any Irish assets, a charge to Irish stamp duty may arise.

No Irish stamp duty will be payable by the ICAV on the conveyance or transfer of stock or marketable securities of a company or other body corporate not registered in Ireland, provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property, or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B TCA or a qualifying company within the meaning of Section 110 TCA) which is registered in Ireland.

No stamp duty will arise on reconstructions or amalgamations of investment undertakings under Section 739H TCA, provided the reconstructions or amalgamations are undertaken for bona fide commercial purposes and not for the avoidance of tax.

### *Capital Acquisitions Tax*

Provided the ICAV continues to qualify as an investment undertaking as defined by Section 739B TCA any Shares which are comprised in a gift or an inheritance will be exempt from capital acquisitions tax ("CAT") and will not be taken into account in computing CAT on any gift or inheritance taken by the donee or successor if:

- (i) the Shares are comprised in the gift or inheritance at the date of the gift or at the date of the inheritance, and at the relevant valuation date;
- (ii) at the date of the disposition, the Shareholder making the disposition is neither domiciled nor ordinarily resident in Ireland; and
- (iii) at the date of the gift, or at the date of the inheritance, the donee or successor is neither domiciled nor ordinarily resident in Ireland.

For the purpose of CAT, special Irish tax residency rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponent will not be treated as resident in Ireland or ordinarily resident in Ireland at the relevant date except where that person has been resident in Ireland for five consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls and that person is either resident in Ireland or ordinarily resident in Ireland on that date.

### *Dividend Withholding Tax*

Distributions paid by the ICAV are not subject to Irish dividend withholding tax provided the ICAV continues to be a collective investment undertaking as defined in Section 172A(1) TCA.

Dividends received by the ICAV from investment in Irish equities may be subject to Irish dividend withholding tax at the current rate of 25%. However, where the ICAV makes an appropriate declaration pursuant to paragraph 6, Schedule 2A TCA to the payor that it is an investment undertaking within the meaning of Section 739B TCA, the ICAV will be entitled to receive such dividends without deduction of Irish dividend withholding tax.

## **Residence and Ordinary Residence**

The following summary of the concepts of residence and ordinary residence under Irish tax law has been issued by the Irish Revenue Commissioners for the purposes of the Declaration set out in the Application Form. Shareholders and potential investors are advised to contact their professional advisers if they have any concerns in relation to the Declaration. The concept of ordinary residence does not apply to corporate entities.

### **Residence – Company**

A company will be resident in Ireland if its central management and control is in Ireland or (in certain circumstances) if it is incorporated in Ireland. For Ireland to be treated as the location of a company's central management and control this typically means Ireland is the location where all fundamental policy decisions of the company are made.

All companies incorporated in Ireland are resident in Ireland for tax purposes except where the company is regarded as resident in a country other than Ireland and not resident in Ireland under a double taxation agreement between Ireland and that other country.

A company which is incorporated in Ireland but regarded as resident in a country other than Ireland and which is not resident in Ireland under a double taxation agreement between Ireland and that other country will not be regarded as resident in Ireland unless its central management and control is in Ireland.

The rules of corporate tax residence are relatively complex and we would recommend that any Irish incorporated company that considers it is not Irish tax resident seeks professional advice before asserting this in any Declaration given to the ICAV.

### **Residence – Individual**

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

- 1) for a period of at least 183 days in any one tax year; or
- 2) for a period of at least 280 days, in any two consecutive tax years provided that the individual is resident in Ireland for at least 30 days in each tax year.

In determining days present in Ireland, an individual is deemed to be present if he / she is present in the country at any time during that day.

### **Ordinary Residence – Individual**

The Irish tax year operates on the calendar year basis. The term "ordinary residence" (as distinct from 'residence') denotes residence in a place with some degree of continuity.

An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident in Ireland. For example, an individual who is resident and ordinarily resident in Ireland in 2021 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the year in 2024.

### **Common Reporting Standard**

On 21 July 2014, the Standard for Automatic Exchange of Financial Account Information in Tax Matters was published by the OECD which includes the text of the Common Reporting Standard ("**CRS**" or the "**Standard**"). The goal of the Standard is to provide for the annual automatic exchange between governments of financial account information reported to them by local reporting financial institutions (as defined) ("**FIs**") relating to account holders who are tax resident in other participating jurisdictions.

Ireland is a signatory to the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information. Over 100 jurisdictions have committed to exchanging information under the Standard and a group of 50 countries, including Ireland, committed to the early adoption of the CRS from 1 January 2016 (known as the "**Early Adopter Group**"). The first data exchanges took place in September 2017. All EU Member States (with the exception of Austria) are members of the Early Adopter Group.

CRS was legislated for in Ireland under the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 which came into effect on 31 December 2015 (the "**Irish CRS Regulations**"). The Irish CRS Regulations provide for the collection and reporting of certain financial account information by Irish FIs, being FIs that are resident in Ireland (excluding any non-Irish branch of such FIs), Irish branches of Irish resident FIs and branches of non-Irish resident FIs that are located in Ireland. Ireland elected to adopt the 'wider approach' to the Standard. This means that Irish FIs will collect and report information to the Irish Revenue Commissioners on all non-Irish and non-U.S.

resident account holders rather than just account holders who are resident in a jurisdiction with which Ireland has an exchange of information agreement. The Irish Revenue Commissioners will exchange this information with the tax authorities of other participating jurisdictions, as applicable.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("**DAC II**") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange certain financial account information on residents in other EU Member States on an annual basis. The Irish Revenue Commissioners issued regulations to implement the requirements of DAC II into Irish law on 31 December 2015 and Irish FIs are obliged to make a single return in respect of CRS and DAC II using the Revenue Online Service (ROS). Failure by an Irish FI to comply with its CRS or DAC II obligations may result in an Irish FI being deemed to be non-compliant in respect of its CRS or DAC II obligations and monetary penalties may be imposed on a non-compliant Irish FI under Irish legislation.

It is expected that the ICAV will be classified as an Irish FI for CRS purposes and will be obliged to report certain information in respect of certain of its equity holders and debt holders to the Irish Revenue Commissioners using the Revenue Online Service (ROS). The relevant information must be reported to the Irish Revenue Commissioners by 30 June for the previous calendar year.

For the purposes of complying with its obligations under CRS and DAC II, an Irish FI shall be entitled to require Shareholders to provide any information regarding their (and, in certain circumstances, their controlling persons') tax status, identity, jurisdiction of residence, taxpayer identification number and, in the case of individual shareholders, their date and place of birth in order to satisfy any reporting requirements which the ICAV may have as a result of CRS and DAC II and Shareholders will be deemed by their holding, to have authorised the automatic disclosure of such information, together with certain financial account information in respect of the Shareholder's investment in the ICAV (including, but not limited to, account number, account balance or value and details of any payments made in respect of the Shares) by the ICAV (or any nominated service provider) or any other person on the ICAV's behalf to the Irish Revenue Commissioners and any other relevant tax authorities.

The ICAV (or any nominated service provider) agrees that information (including the identity of any Shareholder (and its controlling persons (if applicable)) supplied for the purposes of CRS or DAC II is intended for the ICAV's (or any nominated service provider's) use for the purposes of satisfying its CRS and DAC II obligations and the ICAV (or any nominated service provider) agrees, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the ICAV may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and DAC II compliance, (iii) to any person with the consent of the applicable Shareholder, or (iv) as otherwise required by law or court order or on the advice of its advisors.

Prospective investors should consult their advisors about the potential application of CRS.

### **U.S. Foreign Account Tax Compliance Act**

The foreign account tax compliance provisions contained in Sections 1471 to 1474 of the United States Internal Revenue Code and the regulations promulgated thereunder ("**FATCA**") impose a reporting regime which may impose a 30% withholding tax on certain U.S. source payments, including interest (and original issue discounts), dividends, other fixed or determinable annual or periodical gains, profits and income, made on or after 1 July 2014 and the gross proceeds from a disposition of property of a type which can produce U.S. source interest or dividends made on or after 1 January 2019 (collectively, "**Withholdable Payments**"), if paid to certain non-U.S. financial institutions (any such non-U.S. financial institution, an "**FFI**") that fail to enter into, or fail to comply with once entered into, an agreement with the U.S. Internal Revenue Service to provide certain information about their U.S. accountholders, including certain account holders that are non-U.S. entities with U.S. owners. The ICAV expects that it will constitute an FFI. The United States and the Government of Ireland have entered into an intergovernmental agreement to facilitate the implementation of FATCA (the "**IGA**"). An FFI that complies with the terms of the IGA, as well as applicable local law requirements will not be subject to withholding under FATCA with respect to Withholdable Payments that it receives. Further, an FFI that complies with the terms of the IGA (including applicable local law requirements) will not be required to withhold under FATCA on Withholdable Payments it makes to accountholders of such FFI (unless it has agreed to do so under the U.S. "qualified intermediary," "withholding foreign partnership," or

“withholding foreign trust” regimes). Pursuant to the IGA, an FFI is required to report certain information in respect of certain of its accountholders to its home tax authority, whereupon such information will be provided to the U.S. Internal Revenue Service. The ICAV will undertake to comply with the IGA and any local implementing legislation, but there is no assurance that it will be able to do so.

The ICAV (or any nominated service provider) shall be entitled to require Shareholders to provide any information regarding their (and, in certain circumstances, their controlling persons') tax status, identity or residency in order to satisfy any reporting requirements which the ICAV may have as a result of the IGA or any legislation promulgated in connection with the agreement and Shareholders will be deemed by their shareholding to have authorized the automatic disclosure of such information by the ICAV (or any nominated service provider) or any other person on the ICAV's behalf to the relevant tax authorities.

The Irish IGA is intended to reduce the burden for Irish FFIs of complying with FATCA by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant U.S. investors will be provided on an annual basis by each Irish FFI (unless the FFI is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners by 30 June following the end of the relevant calendar year. The Irish Revenue Commissioners will then provide such information to the IRS (by 30 September) without the need for the FFI to enter into a FFI agreement with the IRS. Nevertheless, the FFI will generally be required to register with the IRS to obtain a Global Intermediary Identification Number (commonly referred to as a GIIN).

Under the Irish IGA, FFIs should generally not be required to apply 30 per cent. withholding tax. To the extent the ICAV does suffer U.S. withholding tax on its investments as a result of FATCA, the Directors may take any action in relation to an investor's investment in the ICAV to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

The ICAV (or any nominated service provider) agrees that information (including the identity of any Shareholder) (and its controlling persons (if applicable)) supplied for purposes of FATCA compliance is intended for the ICAV's (or any nominated service provider) use for purposes of satisfying FATCA requirements and the ICAV (or any nominated service provider) agrees, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the ICAV may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving FATCA compliance, (iii) to any person with the consent of the applicable Shareholder, or (iv) as otherwise required by law or court order or on the advice of its advisors.

Prospective investors should consult their advisors about the potential application of FATCA.

### **Singapore taxation**

The following is a summary of certain tax consequences in Singapore in relation to the ICAV. This summary is of a general nature only and is based on the existing provisions of relevant tax law and the regulations thereunder, the circulars issued by the Monetary Authority of Singapore (“MAS”) and practices in effect as at the date hereof, all of which are subject to change at any time and to differing interpretations, either on a prospective or retroactive basis. The summary does not purport to be comprehensive and does not constitute legal or tax advice.

The summary is not intended to constitute a complete analysis of all the tax considerations relating to investment in the ICAV. Prospective investors should consult their own tax advisers concerning the tax consequences of an investment in the ICAV in the light of their particular situation, including the tax consequences arising under the laws of any other tax jurisdiction, which may be applicable to their particular circumstances.

It is emphasised that none of the Manager, Investment Manager, Board nor any other persons involved in advising the ICAV accepts responsibility for any tax effects or liabilities resulting from the subscription for, holding or disposal of interests in the ICAV.

### **Income Tax**

Singapore income tax is imposed on income accruing in or derived from Singapore and on foreign-sourced income received or deemed to have been received in Singapore, subject to certain exceptions. Currently, the corporate income tax rate in Singapore is 17%.

### **Gains on disposal of investments**

Singapore does not impose tax on capital gains. However, gains from the disposal of investments may be construed to be of an income nature and subject to Singapore income tax. Generally, gains on disposal of investments are considered income in nature if they arise from or are otherwise connected with the activities of a trade or business carried on in Singapore. With a view to provide certainty of non-taxation of gains to corporate investors on disposal of equity investments, a safe harbor rule was introduced, which provides for non-taxability of gains derived from the disposal of ordinary shares where the divesting company has held at least 20% of the ordinary shares in the investee company for a continuous period of at least 24 months immediately prior to the disposal. This rule (i.e. 'Safe Harbor Rule') is applicable to disposals of ordinary shares in an investee company made during the period 1 June 2012 to 31 May 2022 (both dates inclusive) except for disposal of shares by certain insurance companies or disposal of shares in an unlisted investee company that is in the business of trading or holding Singapore immovable properties (other than the business of property development). The aforesaid safe harbor rule has been extended vide Singapore Budget 2020 to cover the disposal of ordinary shares by companies from 1 June 2022 to 31 December 2027. However, to ensure consistency in the tax treatment for property-related businesses, with effect from 1 June 2022, the safe harbor rule is not applicable to disposal of ordinary shares in an unlisted company that is engaged in the business of trading, holding or developing immovable properties in Singapore as well as abroad. The tax treatment of such share disposals by the investors is based on the facts and circumstances of the case.

As the investment and divestment of assets of the ICAV are managed by the Investment Manager in Singapore, the income derived by the ICAV may be considered to be sourced in Singapore and therefore liable to Singapore tax at the prevailing corporate tax rate (17% as of the date of this Memorandum), unless the income is specifically exempted from tax pursuant to the section 13CA of the Income Tax Act (Cap. 134) of Singapore ("SITA") and Income Tax (Exemption of Income of Prescribed Persons Arising from Funds Managed by Fund Manager in Singapore) (collectively referred to as the "Tax Exemption Scheme") or under the Safe Harbor Rule.

### **Tax Exemption Scheme**

#### *Taxation of the ICAV*

Under the Tax Exemption Scheme, "specified income" derived by "qualifying funds" in respect of certain "designated investments" is exempted from tax in Singapore, if the funds of the "qualifying fund" are managed by a "fund manager" in Singapore and certain prescribed conditions are met.

The ICAV will be a "qualifying fund" for the purpose of the Tax Exemption Scheme if, at all times during the basis period for the relevant year of assessment:

- (a) the ICAV is not a tax resident of Singapore for tax purposes;
- (b) the ICAV:
  - (i) does not have a permanent establishment in Singapore (other than a fund manager); and
  - (ii) does not carry on a business in Singapore.
- (c) the income of the ICAV is not derived from investments which have been transferred (other than by way of a sale on market terms and conditions) from a person carrying on a business in Singapore where the income derived by that person from investments was not, or would not have been if not for their transfer, exempt from tax.

"Designated investments"<sup>1</sup> is defined to include:

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<sup>1</sup> As defined in Part A of the Third Schedule of the Income Tax (Exemption of Income of Prescribed Persons Arising from Funds Managed by Fund Manager in Singapore) Regulation 2010 read with circular dated 7 June 2019 issued by Monetary Authority of Singapore.

- (a) stocks and shares of any company, other than an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (b) debt securities (i.e. bonds, notes, commercial papers, treasury bills and certificates of deposits), other than non-qualifying debt securities<sup>2</sup> issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (c) units in real estate investment trusts and exchange traded funds constituted in the form of trusts and other securities (not already covered in other sub-paragraphs of the Designated Investments list) but excludes any securities issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (d) futures contracts held in any futures exchanges;
- (e) immovable property situated outside Singapore;
- (f) deposits placed with any financial institution;
- (g) foreign exchange transactions;
- (h) interest rate or currency contracts on a forward basis, interest rate or currency options, interest rate or currency swaps, and financial derivatives;
- (i) units in any unit trust, except:
  - (i) a unit trust that invests in Singapore immovable properties;
  - (ii) a unit trust that holds stock, shares, debt or any other securities, that are issued by any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development); and
  - (iii) a unit trust that grant loans that are excluded under (j)
- (j) loans<sup>3</sup>, except:
  - (i) loans granted to any unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
  - (ii) loans to finance/ re-finance the acquisition of Singapore immovable properties; and
  - (iii) loans that are used to acquire stocks, shares, debt or any other securities, that are issued by an unlisted company that is in the business of trading or holding of Singapore immovable properties (other than one that is in the business of property development);
- (k) commodity derivatives<sup>4</sup>;
- (l) physical commodities if:
  - (i) the trading of those physical commodities by the prescribed person, approved company or approved person in the basis period for any year of assessment is done in connection with and is incidental to its trading of commodity derivatives (referred to in this paragraph as related commodity derivatives) in that basis period; and

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<sup>2</sup> "Non-qualifying debt securities" will refer to debt securities that do not enjoy the "Qualifying Debt Securities" tax status as defined under section 13(16) of the SITA

<sup>3</sup> This includes secondary loans, credit facilities and advances.

<sup>4</sup> Commodity derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying commodity.

- (ii) the trade volume of those physical commodities traded by the prescribed person, approved company or approved person in that basis period does not exceed 15% of the total trade volume of those physical commodities and related commodity derivatives traded in that basis period;
- (m) units in a registered business trust;
- (n) emission derivatives<sup>5</sup> and emission allowances;
- (o) liquidation claims;
- (p) structured products (as defined under Section 13(16) of SITA);
- (q) Islamic financial products<sup>6</sup> and investments in prescribed Islamic financing arrangements under section 34B of SITA that are commercial equivalents of any of the other designated investments specified in this list<sup>7</sup>;
- (r) private trusts that invest wholly in "designated investments";
- (s) freight derivatives<sup>8</sup>;
- (t) publicly-traded partnerships that do not carry on a trade, business, profession or vocation in Singapore<sup>9</sup>;
- (u) interests in limited liability companies that do not carry on any trade, business, profession or vocation in Singapore;
- (v) bankers' acceptances issued by financial institutions;
- (w) accounts receivables and letters of credits; and
- (x) interests in Tokumei Kumiai (TK)<sup>10</sup>.

Any income or gains derived on or after 19 February 2019 from "Designated Investments" listed above will be regarded as "Specified Income" except for the following:

- (a) distributions made by a trustee of a real estate investment trust<sup>11</sup> that is listed on the Singapore Exchange;
- (b) distributions made by a trustee of a trust who is a resident of Singapore or a permanent establishment in Singapore, other than a trust that enjoys tax exemption under sections 13CA, 13G, 13O or 13X of SITA;
- (c) income or gain derived or deemed to be derived from Singapore from a publicly-traded partnership, where tax is paid or payable in Singapore on such income of the partnership by deduction or otherwise; and

<sup>5</sup> Emission derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying emission allowances.

<sup>6</sup> Recognised by a Shariah council, whether in Singapore or overseas.

<sup>7</sup> The former is included as a designated investment with effect from 19 February 2019.

<sup>8</sup> Freight derivatives means derivatives, the payoffs of which are wholly linked to the payoffs or performance of the underlying freight rates.

<sup>9</sup> The allocation of profits from such partnerships to the fund vehicle will be considered as specified income. However, the fund vehicle would not be entitled to a refund of any taxes that was imposed on the partnership profits. This would relate to the publicly-traded partnerships' profits which are derived or deemed to be derived from Singapore, and examples of such income are payments that fall within section 12(6) and (7) of the SITA.

<sup>10</sup> A TK is a contractual arrangement under which one or more silent investors (the TK investor) makes a contribution to a Japanese operating company (the TK operator) in return for a share in the profit/loss of a specified business conducted by the TK operator (the TK business).

<sup>11</sup> As defined in section 43(10) of the SITA, which is a trust constituted as a collective investment scheme authorised under section 286 of the SFA and listed on the Singapore Exchange, and that invests or proposes to invest in immovable property and immovable property-related assets.

- (d) income or gain derived or deemed to be derived from Singapore from a limited liability company, where tax is paid or payable in Singapore on such income of the limited liability company by deduction or otherwise.

A "fund manager" for the purpose of the Tax Exemption Scheme means a company holding a capital markets services licence under the SFA for fund management or one that is exempt under the SFA from holding such a licence. The Investment Manager holds a capital markets services licence for fund management under the SFA.

The sunset clause for the Tax Exemption Scheme is 31 December 2024. All funds that are on the Tax Exemption Scheme on 31 December 2024 will continue to enjoy the tax exemption after 31 December 2024, subject to them meeting all the conditions under the Tax Exemption Scheme.

The Investment Manager will endeavour to conduct the affairs of the ICAV such that it will qualify for the Tax Exemption Scheme. There is, however, no assurance that the Investment Manager will be able, on an ongoing basis, to ensure that the ICAV will always meet all the qualifying conditions for the Tax Exemption Scheme. Upon any such disqualification, the ICAV may be exposed to Singapore tax on its/their income and gains, wholly or partially as the case may be, at the prevailing corporate tax rate (17% as of the date of this Memorandum).

Provided the ICAV is a qualifying fund, the income tax consequences to an investor of the ICAV will depend on whether or not the investor is a qualifying investor, and such investor's individual circumstances.

A "Qualifying Investor" of a qualifying fund will not be subject to payment of a financial penalty to the Comptroller of Income Tax in Singapore (the "CIT") ("Qualifying Investor"). The concept of a Qualifying Investor is discussed below. However, the discussions should not be regarded as tax advice and potential investors should seek their own tax advice on the matter.

"Qualifying Investors" of a qualifying fund include:

- (a) an individual investor;
- (b) a bona fide non-resident non-individual investor<sup>12</sup> (excluding a permanent establishment in Singapore) that:
  - (i) does not have a permanent establishment in Singapore (other than a fund manager) and does not carry on a business in Singapore; or
  - (ii) carries on an operation in Singapore through a permanent establishment in Singapore but does not use funds from its operation in Singapore to invest in the qualifying fund; and
- (c) a designated person<sup>13</sup>;

<sup>12</sup> A "bona fide entity" means an entity that is not a "non-bona fide entity". A "non-bona fide entity" means a person not resident in Singapore (excluding a permanent establishment in Singapore) who:

- (i) is set up solely for the purpose of avoiding or reducing payment of tax or penalty under the Singapore Income Tax Act (Chapter 134); or
- (ii) does not carry out any substantial business activity for a genuine commercial reason.

<sup>13</sup> "designated person" means:

- (i) GIC Private Limited, as renamed from time to time;
- (ii) any of the following companies as renamed from time to time, but only if the company is wholly owned (directly or indirectly) by the Minister in the Minister's capacity as a corporation established under the Minister for Finance (Incorporation) Act (Cap. 183 of Singapore):
  - a) GIC (Ventures) Pte. Ltd.;
  - b) GIC (Realty) Private Limited;
  - c) Eurovest Pte Ltd;
- (iii) a company that is wholly owned (directly or indirectly) by any company that is a designated person by reason of paragraph (ii);
- (iv) any other company that is wholly-owned (directly or indirectly) by the Minister in the Minister's capacity as a corporation established under the Minister for Finance (Incorporation) Act (Cap. 183 of Singapore)), and is approved by the Minister

- (d) an approved company under section 13R of the Singapore Income Tax Act (Chapter 134) which, at all times during the basis period for the year of assessment for which the income of the Fund is exempt from tax under section 13CA of the Singapore Income Tax Act (Chapter 134), satisfies the conditions under regulation 3(2) of the Income Tax (Exemption of Income of Approved Companies Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010;
- (e) an approved person under section 13X of the Singapore Income Tax Act (Chapter 134) which, at all times during the basis period for the year of assessment for which the income of the Fund is exempt from tax under section 13CA of the Singapore Income Tax Act (Chapter 134), satisfies the conditions under regulation 3(2) of the Income Tax (Exemption of Income of Approved Companies Arising from Funds Managed by Fund Manager in Singapore) Regulations 2010; and
- (f) an investor other than those listed in (a) to (e) which, alone or with his associates:
  - (i) where the qualifying fund has less than 10 investors and such an investor, alone or with his associates, beneficially owns not more than 30% of the total value of issued securities of the qualifying fund (being a company) or the total value of the qualifying fund (being a trust fund), as the case may be; or
  - (ii) where the qualifying fund has 10 or more investors and such an investor, alone or with his associates, beneficially owns not more than 50% of the total value of issued securities of the qualifying fund (being a company) or the total value of the qualifying fund (being a trust fund), as the case may be.

For the purpose of determining whether an investor of a qualifying fund is an associate of another investor of the fund, the two investors (except where either of the investors is a "designated person" or an individual) shall be deemed to be associates of each other if:

- (a) at least 25 per cent of the total value of the issued securities in one investor is beneficially owned, directly or indirectly, by the other; or
- (b) at least 25 per cent of the total value of the issued securities in each of the two investors is beneficially owned, directly or indirectly, by a third party. This test does not apply where the third party is an individual or a "designated person" or any of the two investors is a listed entity and each does not have 25 per cent or more shareholding in the other investor.

Investors in the ICAV should take note of this aggregation rule. Investors should also note that for the purposes of determining whether other investors of a qualifying fund who are connected with them are associates under this aggregation rule, shareholdings of individual investors or non-resident non-individual investors connected to them may be aggregated (notwithstanding that these persons are themselves Qualifying Investors) in assessing whether the relevant thresholds have been exceeded.

The ICAV, the Investment Manager and the Administrator reserve the right to request such information as any of the ICAV and the Investment Manager and the Administrator (as the case may be) in its absolute discretion may deem necessary to ascertain whether investors of the ICAV are associates with each other for the purposes of the Tax Exemption Scheme.

A non-qualifying investor will have to declare and pay a financial penalty to the CIT. A non-qualifying investor will have to provide this penalty amount in its income tax return for the relevant year of assessment based on the year-end of the investor. The financial penalty is calculated by attributing a percentage of the income figure in the qualifying fund's audited accounts to that non-qualifying investor based on his interest in the qualifying fund on the last date of the financial year.

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<sup>(v)</sup> or such person as the Minister may appoint; or  
any statutory board

Where the non-qualifying investor is a non-bona fide non-resident entity, the non-bona fide non-qualifying investor is not subject to the financial penalty. Instead, the CIT will "look-through" the non-bona fide non-qualifying investor to certain beneficial owners which:

- (a) effectively own (directly or indirectly) at least 30 per cent (if the ICAV has less than 10 investors), or 50 per cent (if the ICAV has 10 investors or more) of the total value of all equity interests in the ICAV at the last day of the ICAV's financial year (basis period) relating to a particular year of assessment; and
- (b) is not itself a non-bona fide entity.

Beneficial owners who satisfy the two conditions above shall be liable to pay the financial penalty in proportion to their interests in the ICAV.

The status of whether an investor is a qualifying investor will be determined on the last day of the qualifying fund's financial year. If the investor can prove to the CIT that the applicable investment limit is exceeded for reasons beyond his reasonable control, the CIT may allow him a three-month grace period from the last day of the fund's financial year to reduce his percentage of ownership in the fund to meet the allowable investment limit.

If it appears to the Board that, following the notice of redemptions received by the effective date of redemptions occurring immediately prior to the financial year end of the ICAV, any investor may be potentially characterized as a non-qualifying investor, the Board may but have no obligation to compulsorily redeem such number of Participating Shares to the extent necessary to ensure that the Investor will not be treated as a non-qualifying Investor.

The taxation of distributions by the ICAV and gains on transfer or redemption of Participating Shares derived by the Shareholders will depend on the particular situation of the Shareholder. This is notwithstanding that the Shareholder may have paid a financial penalty to the CIT.

### **Reporting Obligation**

To enable Shareholders to determine their investment stakes in the ICAV, in respect of any financial year of the ICAV, the Investment Manager may issue an annual statement to each Shareholder of the ICAV, showing:

- (a) the profit of the ICAV for that financial year as per the audited financial statement;
- (b) the total value of issued securities of the ICAV as at the last day of the ICAV's financial year;
- (c) the total value of issued securities of the ICAV held by an investor as at the last day of the ICAV's financial year; and
- (d) whether the ICAV had less than 10 investors as at the last day of the ICAV's financial year.

The Investment Manager is also required to submit a declaration to the CIT, within one month after the date of issue of the audited accounts of the ICAV, where there are "non-qualifying investors" and furnish the CIT with the details of such investors.

In this regard, Shareholders should note that they are each responsible for the computation of the aggregate of the shareholdings held by them and their associates in the ICAV and may be required by the Investment Manager to disclose such computation to the Investment Manager from time to time.

Each Shareholder should note that the ICAV, the Investment Manager or the Administrator may disclose to each other, to any other service provider to the ICAV or to any regulatory body in any applicable jurisdiction, copies of the Shareholder's Application Form and any information concerning such Shareholder and his associates provided by the Shareholder to the ICAV, the Investment Manager or the Administrator and any such disclosure shall not be treated as a breach of any restriction upon the disclosure of information imposed on such person by law or otherwise.

## **United Kingdom Taxation**

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

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

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

### **The ICAV**

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

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

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

### **UK Reporting Fund Regime**

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

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

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

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

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

If a Class obtains UK reporting fund status, UK Shareholders holding Shares in that Class at the end of each reporting period (as defined for UK tax purposes) will potentially be subject to UK income tax or corporation tax on their share of the Class's reported income. The reported income will be deemed to arise to UK Shareholders on the date six months following the end of the reporting period. Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest under the "bond fund rules" in Chapter 3 of Part 6 Corporation Tax Act 2009 (as described below).

### **Shareholders**

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

Subject to their specific tax position, Shareholders resident in the UK for taxation purposes will normally be liable to UK income tax or corporation tax in respect of dividends or other distributions of a Fund (including any dividends funded out of realized capital profits of a Fund), whether or not reinvested. In addition, UK resident Shareholders holding shares at the end of each "reporting period" (as defined for UK tax purposes) will potentially be liable to UK income or corporation tax on their share of a Class's "reportable income", to the extent that this amount exceeds dividends received.

Both dividends and reported income will be treated as dividends received from a foreign corporation, subject to any re-characterisation as interest, as described below.

Where the share class invests at any point in an accounting period more than 60% of its assets in interest-bearing (or economically similar) assets, distributions or reported income will be treated and taxed as interest in the hands of the individual, with no tax credit.

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

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

### **General**

The attention of individuals resident in the UK for taxation purposes is drawn to the provisions of Chapter 2 of Part 13 of the UK Income Tax Act 2007 (transfer of assets abroad). These provisions are aimed at

preventing the avoidance of income tax by individuals through the transfer of assets or income to persons (including companies) resident or domiciled outside the UK. We would not expect these provisions to apply to income relating to a Share Class which has been certified by HMRC as a reporting fund. Where a Share Class has not been certified as a reporting fund, the provisions could apply but there are potential exemptions available where the transactions are genuine commercial transactions and avoidance of tax was not the purpose or one of the purposes for which the transactions were effected.

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

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

The attention of Shareholders resident in the UK (and who, if individuals, are also domiciled in the UK for those purposes) is drawn to the provisions of Section 3 of Taxation of Chargeable Gains Act 1992 (formerly Section 13 of Taxation of Chargeable Gains Act 1992). Under these provisions, where a chargeable gain accrues to a company that is not resident in the UK, but which would be a close company if it were resident in the UK, a person may be treated as though a proportional part of that chargeable gain, calculated by reference to their interest in the company, has accrued to them. No liability under Section 3 will be incurred by such a Shareholder, however, where the proportionate interest of the Shareholder in the ICAV, together with connected persons, means that 25% or less of the chargeable gain is apportioned to them under the Section 3 rules.

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

### **Stamp Duty and Stamp Duty Reserve Tax**

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

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

## **GENERAL INFORMATION**

### **The Share Capital**

The minimum authorised share capital of the ICAV is €2.00 (two euro). The maximum share capital of the ICAV is 500,000,000,000 Shares of no par value, initially designated as unclassified Shares. The Directors are empowered to issue up to 500,000,000,000 Shares of no par value designated as Shares of any Class on such items as they think fit.

The Subscriber Shares entitle the holders to attend and vote at general meetings of the ICAV but do not entitle the holders to participate in the profits or assets of the ICAV except for a return of capital on a winding-up. The Shares entitle the holders to attend and vote at general meetings of the ICAV and to participate in the profits and assets of the ICAV. There are no pre-emption rights attaching to the Shares.

### **Variation of Share Capital**

The ICAV may from time to time by ordinary resolution increase its capital, consolidate its shares or any of them into a smaller number of shares, sub-divide shares or any of them into a larger number of shares or cancel any shares not taken or agreed to be taken by any person. The ICAV may by Special Resolution from time to time reduce its share capital in any way permitted by Irish law.

### **Variation of Shareholders' Rights**

The rights attached to each Class (and for these purposes, reference to any Class shall include reference to any Class) may, whether or not the ICAV is being wound up be varied with the consent in writing of the holders of three fourths of the issued Shares of that Class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the Shares of that Class. The provisions of the Instrument of Incorporation in relation to general meetings shall apply to every such separate general meeting except that the necessary quorum at any such meeting shall be two persons holding or representing by proxy at least one third of the issued Shares of the Class in question or, at an adjourned meeting, one person holding Shares of the Class in question or his proxy. Any holder of Shares representing one tenth of the Shares in issue of the Class in question present in person or by proxy may demand a poll. The rights attaching to any Class shall not be deemed to be varied by the creation or issue of further Shares of that Class ranking *pari passu* with Shares already in issue, unless otherwise expressly provided by the terms of issue of those Shares.

### **Voting Rights**

The Instrument of Incorporation provide that on a show of hands at a general meeting of the ICAV every Shareholder present in person or by proxy shall have one vote and on a poll at a general meeting every Shareholder shall have one vote in respect of each Share, as the case may be, held by him; provided, however, that, in relation to a resolution which in the opinion of the Directors affects more than one Class or gives or may give rise to a conflict of interest between the shareholders of the respective Classes, such resolution shall be deemed to have been duly passed, only if, in lieu of being passed at a single meeting of the Shareholders of all of those Classes, such resolution shall have been passed at a separate meeting of the Shareholders of each such Class.

### **Meetings**

All general meetings of the ICAV or any Fund shall be held in Ireland. At least fourteen calendar days' notice (or such shorter time as may be agreed with the Shareholders from time to time) shall be given to Shareholders. The notice shall specify the place, the day and the hour of the meeting, and the general nature of the business of the meeting. A proxy may attend on behalf of any Shareholder. The voting rights attached to the Shares are set out under the heading "General – Voting Rights".

### **Reports and Accounts**

The ICAV's year end is 31 December in each year. Audited accounts prepared in accordance with International Financial Reporting Standards and a report in relation to each Fund will be sent to Shareholders within 4 months after the conclusion of each Accounting Period and can be obtained by Shareholders from the ICAV during normal business hours at the registered office of the ICAV. The Administrator will also send unaudited semi-annual reports to Shareholders within two months after the end of the six-month period ending on 30 June in each year and copies can be obtained by Shareholders from the ICAV during normal business hours at the registered office of the ICAV. The first audited accounts were for the period ending on 31 December 2016 and the first semi-annual reports were for the period ending 30 June 2017. Such accounts and reports will contain a statement of the value of the net assets of each Fund and of the investments comprised therein as at the year-end or the end of such six-month period and such other information as is required by the Regulations.

A copy of the periodic reports may be obtained from the ICAV or may be inspected during normal business hours at the registered office of the ICAV free of charge.

### **Allocation of Assets and Liabilities**

The Instrument of Incorporation requires the ICAV to establish separate Funds (under which the liabilities of each Fund, including any liabilities to third parties, shall be segregated and liabilities which are attributable to one particular Fund shall not be applied or discharged by another Fund and the ICAV as a whole is not liable to third parties) in the following manner:

1. the records and accounts of each Fund shall be maintained separately in the Base Currency;
2. the proceeds from the issue of each Class of Shares shall be applied in the records and accounts of the relevant Fund and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund;
3. where any asset is derived from any other asset (whether cash or otherwise), the derived asset shall be applied in the records and accounts of the same Fund as the asset from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;
4. in the case of any asset of the ICAV (or amount treated as notional asset) which the Directors does not consider as attributable to a particular Fund or Funds, the Directors shall have discretion to determine the basis upon which such asset shall be allocated between Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and the Directors shall have the power at any time, and from time to time, subject to the prior approval of the Depositary, to vary such basis provided that the approval of the Depositary shall not be required in any case where the asset is allocated between all Funds, pro rata to their Net Asset Value, at the time when the allocation is made;
5. each Fund shall be charged with the liabilities, expenses, costs, charges or reserves in respect of, or attributable to, that Fund. In the case of any liability of the ICAV (or amount treated as a notional liability) which the Directors does not consider as attributable to a particular Fund or Funds the Directors shall have discretion to determine the basis upon which any liability shall be allocated between Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have the power at any time and from time to time, subject to the prior approval of the Depositary, to vary such basis provided that the approval of the Depositary shall not be required in any case where the liability is allocated between all Funds pro rata to their Net Asset Values, at the time when the allocation is made; and
6. the assets of each Fund shall belong exclusively to that Fund, shall be recorded in the books and records maintained for the Fund as being held for that Fund and separately from the assets of other Funds, the Depositary or any of its agents, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund, undertaking or entity and shall not be available for any such purpose.

### **Data Protection Notice**

Prospective investors should note that by completing the Application Form they are providing to the ICAV personal information, which may constitute personal data within the meaning of the Data Protection Legislation. This data will be used for the purposes of client identification and the subscription process, administration, transfer agency, statistical analysis, research, compliance with any applicable legal, tax or regulatory requirements and disclosure to, and in relation to, the ICAV, its delegates and agents. All or part of this data will be retained as per regulatory requirements once the relationship ends.

Investors' data may be disclosed and / or transferred to third parties including financial advisors, regulatory bodies, tax authorities, auditors, technology providers or to the ICAV and its delegates and its or their duly appointed agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside of the EEA including without limitation the United States

of America, which may not have the same data protection laws as Ireland) for the purposes specified.

Personal data will be obtained, held, used, disclosed and processed for any one or more of the purposes set out in the Application Form.

Pursuant to Data Protection Legislation, investors have a right of access to their personal data kept by or on behalf of the ICAV and the right to amend and rectify any inaccuracies in their personal data held by or on behalf of the ICAV by making a request to the ICAV in writing.

The ICAV is a Data Controller within the meaning of Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with Data Protection Legislation. Investors also have a right to be forgotten and a right to restrict or object to processing in a number of circumstances. In certain limited circumstances, a right to data portability may apply. Where investors give consent to the processing of personal data, this consent may be withdrawn at any time.

By signing the Application Form, prospective investors consent to the recording of telephone calls made to and received from investors by the ICAV, the Manager, their delegates, its duly appointed agents and any of their respective related, associated or affiliated companies for record keeping, security and/or training purposes.

## **Winding Up**

The Instrument of Incorporation contains provisions to the following effect:

1. if the ICAV shall be wound up the liquidator shall, subject to the provisions of the Companies Act 2014 apply the assets of the ICAV in such manner and order as he thinks fit in satisfaction of creditors' claims.
2. the assets available for distribution among the Shareholders of the ICAV shall then be applied in the following priority:
  - (a) Firstly, in the payment to the holders of the Shares of each Class of a sum in the currency in which that Fund or Class is designated (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such Fund or Class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available to enable such payment to be made.
  - (b) Secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the ICAV not comprised within any Funds remaining after any recourse thereto under sub-paragraph (a) above; and
  - (c) Thirdly, in the payment to the holders of each Class of any balance then remaining, such payment being made in proportion to the number of Shares of that Class held.

If the ICAV shall be wound up (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may, with the authority of a Special Resolution and any other sanction required by the Companies Act 2014, divide among the Shareholders in specie the whole or any part of the assets of the ICAV, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the member or different classes of Shareholders. If a Shareholder so requests, the liquidator shall procure the sale of assets to be distributed and shall distribute the proceeds to the Shareholders. 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 ICAV may be closed and the ICAV dissolved, but so that no member shall be compelled to accept any assets in respect of which there is a liability.

## **Termination of a Fund or Class**

The Instrument contains provisions to the following effect:

1. Any Fund or Class may be terminated by the Directors in their sole and absolute discretion, by notice in writing to the Shareholders in any of the following events and as specified by the terms of the Prospectus:
  - (a) if the ICAV shall cease to be authorised by the Central Bank under the Regulations or if the Directors reasonably believe that the ICAV is likely to cease to be authorised by the Central Bank having taken legal advice in that regard;
  - (b) if any law shall be passed which renders it illegal or in the reasonable opinion of the Directors, in consultation with the Investment Manager, impracticable or inadvisable to continue the ICAV or the Fund;
  - (c) all of the Shares of a Fund have been redeemed;
  - (d) the Fund fails to reach the minimum viable size set out in the relevant Supplement within the period stated in the relevant Supplement; or
  - (e) if the Directors in their discretion consider termination of a Fund appropriate.
2. The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Fund pursuant to this section or otherwise.
3. The Directors shall give notice of a termination of a Fund to the Shareholders in the relevant Fund and by such notice affix 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.
4. Prior to the relevant Fund reaching the size of USD 45,000,000, any Fund may be terminated by Shareholders on the basis of a resolution passed with the support of 90% or more of the votes cast in its favour by the Shareholders entitled to attend and vote at general meetings of the relevant Fund or on matters effecting the relevant Class as the case may be, or with the prior written approval of all the Shareholders of that Fund in accordance with the Instrument of Incorporation. Upon a Fund reaching the size of USD 45,000,000, the Fund may be terminated by Shareholders on the basis of a resolution passed with the support of 75% or more of the votes cast in its favour by the Shareholders entitled to attend and vote at general meetings of the relevant Fund or on matters effecting the relevant Class as the case may be, or with the prior written approval of all the Shareholders of that Fund in accordance with the Instrument of Incorporation. Shareholders will be notified when the relevant Fund's size reaches USD 45,000,000.
5. With effect on and from the date as at which any Fund is to terminate or such other date as the Directors may determine:
  - (a) no Shares of the relevant Fund may be issued or sold by the ICAV; and
  - (b) the Investment Manager shall, on the instructions of the Directors, realise all the Investments then compromised 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); and
6. The Depositary shall, on the instructions of the Directors from time to time, distribute to the Shareholders of the relevant Fund in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of Investments 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 EUR1 or its equivalent in the relevant currency in respect of each Share of the relevant Fund and provided also the Depositary shall

be entitled to retain out of any monies in its hands 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.

### **Instrument of Incorporation**

A copy of the Instrument of Incorporation may be obtained from the ICAV or may be inspected during normal business hours at the registered office of the ICAV free of charge.

The Depositary and the Directors shall, subject to the prior approval of the Central Bank, be entitled by supplemental deed to modify, alter or add to the provisions of the Instrument of Incorporation in such manner and to such extent as the Directors may consider necessary for any purpose other than when it would cause the ICAV to cease to be an authorised fund provided that, unless the Depositary shall certify in writing that in its opinion such modification, alteration or addition does not prejudice the interest of the Shareholders or any of them and does not operate to release the Depositary or the Directors from any responsibility to the Shareholders, or unless such modification, alteration or addition shall be required by virtue of legislation, any regulation made or notice issued by the Central Bank under the Regulations, no such modification, alteration or addition shall be made without the prior written consent of Shareholders holding more than 50% of the Shares in issue in the ICAV or, in the case of modification, alteration or addition affecting only one or more Funds, the relevant Fund or Funds and provided also that no such modification, alteration or addition shall impose upon any Shareholder any obligation to make any further payment in respect of its Shares or to accept any liability in respect thereof. For the avoidance of doubt, any amendment to the list of Recognised Markets set out in the Instrument of Incorporation shall not require the approval of the Shareholders of the ICAV. Any modification, alteration or addition to the provisions of the Instrument of Incorporation may only be made in accordance with the requirements of the Central Bank.

### **Directors' Interests**

- (a) At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the ICAV and save as provided in (d) below no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the ICAV;
- (b) At the date of this Prospectus neither the Directors nor any Associated Person have any beneficial interest in the Shares of the ICAV or any options in respect of such capital;
- (c) The Directors may each serve as employees, officers or directors of other collective investment schemes or fund management companies.
- (d) At the date of this Prospectus, Mr. Vickram Mangalgiri and Mr. Ranodeb Roy are directors of the ICAV and directors and employees of the Investment Manager. Mr. John Skelly is director of the ICAV and an employee of the parent company of the Manager.

### **Material Contracts**

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

- (a) the Management Agreement;
- (b) the Investment Management Agreement;
- (c) the Administration Agreement; and
- (d) the Depositary Agreement.

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

### **Electronic Communication**

The Directors have arranged for electronic communication by the ICAV or any other person on behalf of the ICAV as the case may be of:

1. notices of general meetings;
2. the appointment of a proxy;
3. balance sheet, profit and loss account and group accounts and the Directors' and Auditors' reports;
4. confirmations of subscriptions and redemptions; and
5. the Net Asset Value.

All communication of notices, accounts, confirmations and Net Asset Value by the ICAV or any other person on behalf of the ICAV will be by way of electronic communication.

Shareholders will be required to provide the ICAV with their e-mail address.

The ICAV or the Administrator is required to deliver to the Shareholders of the ICAV certain notices and documents from time to time, such as Net Asset Value statements, notices of meetings and annual audited financial statements. The Directors, or the Administrator may deliver such notices and documents by e-mail to the address in the ICAV's records or by posting them on a password protected website. When delivering documents by e-mail, the ICAV will generally distribute them as attachments to e-mails in Adobe's Portable Document Format (PDF) (Adobe Acrobat Reader software is available free of charge from Adobe's web site at [www.adobe.com](http://www.adobe.com) and the Reader software must correctly be installed on the investor's system before the investor will be able to view documents in PDF format).

### **Documents for Inspection**

Copies of the following documents may be inspected and obtained at the registered office of the ICAV during normal business hours on any Business Day:

1. the Instrument of Incorporation;
2. the Prospectus;
3. the relevant Supplement;
4. Relevant KIID and any PRIIPs KID (as relevant); and
5. the half-yearly reports, annual reports and audited accounts (if issued).

## APPENDIX I RECOGNISED MARKETS

The markets and exchanges are listed in accordance with the regulatory criteria defined in the Central Bank Regulations. The Central Bank does not issue a list of approved markets and exchanges. With the exception of permitted investments in unlisted securities, the ICAV will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operate regularly, be recognised and open to the public) and which is listed in the Prospectus. The stock exchange and/or markets will be drawn from the following list: -

- (i) any stock exchange which is:
  - (a) located in any Member State; or
  - (b) located in a member state of the European Economic Area (Norway and Iceland); or
  - (c) located in any of the following countries:-
    - Australia
    - Canada
    - Hong Kong
    - Japan
    - New Zealand
    - Norway
    - Switzerland
    - United States of America
    - Turkey; or
- (ii) any stock exchange included in the following list:-

Argentina	Bolsa de Comercio de Buenos Aires, Mercado Abierto Electronico S.A.;
Bahrain	Bahrain Bourse;
Bangladesh	Chittangong Stock Exchange and Dhaka Stock Exchange;
Botswana	Botswana Stock Exchange;
Brazil	BM&F BOVESPA S.A.;
Chile	La Bolsa Electronica De Chile, Bolsa de Comercio de Santiago, Bolsa de Valparaiso;
China	Shanghai Stock Exchange, Shenzhen Stock Exchange;
Colombia	Bolsa de Valores de Colombia;
Costa Rica	Bolsa Nacional de Valores;
Croatia	Zagreb Stock Exchange;
Ecuador	Bolsa de Valores de Quito, Bolsa de Valores de Guayaquil;
Egypt	Egyptian Exchange;
Hong Kong	Stock Exchange of Hong Kong Ltd, Hong Kong Futures Exchange;
India	National Stock Exchange, Bombay Stock Exchange, Ltd.;

	Metropolitan Stock Exchange of India (MSX);
Indonesia	Indonesia Stock Exchange;
Israel	Tel Aviv Stock Exchange;
Jordan	Amman Stock Exchange;
Kazakhstan	Kazakhstan Stock Exchange;
Kenya	Nairobi Securities Exchange;
Korea, Republic of	Korea Exchange;
Kuwait	Kuwait Stock Exchange;
Lebanon	Beirut Stock Exchange;
Malaysia	Bursa Malaysia Securities Berhad, Bursa Malaysia Derivatives Berhad;
Mauritius	Stock Exchange of Mauritius;
Mexico	Bolsa Mexicana De Valores (Mexican Stock Exchange), Mercado Mexicano de Derivados;
Morocco	Bourse de Casablanca;
Namibia	Namibian Stock Exchange;
Nigeria	Nigeria Stock Exchange;
Oman	Muscat Securities Market;
Pakistan	Lahore Stock Exchange, Karachi Stock Exchange, Islamabad Stock Exchange;
Palestine	Palestine Exchange;
Panama	Bolsa de Valores de Panama S.A. (BVP);
Peru	Bolsa De Valores De Lima;
Philippines	Philippines Stock Exchange;
Qatar	Qatar Exchange;
Russia	Open Joint Stock Company Moscow Exchange MICEX-RTS (MICEX-RTS);
Saudi Arabia	Tadawul Stock Exchange, Saudi Arabian Monetary Agency;
Singapore	Singapore Exchange, CATALIST;
South Africa	JSE Limited, South African Futures Exchange;
Swaziland	Swaziland Stock Exchange;
Sri Lanka	Colombo Stock Exchange;

Taiwan	GreTai Securities Market, TaiwanFutures Exchange, Taiwan Stock Exchange;
Thailand	Stock Exchange of Thailand, Market for Alternative Investments, Bond Electronic Exchange, Thailand Futures Exchange;
Trinidad & Tobago	Trinidad and Tobago Stock Exchange Limited;
Tunisia	Bourse des Valeurs Mobilières de Tunis;
Turkey	Istanbul Stock Exchange, Turkish Derivatives Exchange;
Ukraine	Persha Fondova Torgoveln Systema, Ukrainian Interbank Currency Exchange;
United Arab Emirates	Nasdaq Dubai, Dubai Financial Market, Abu Dhabi Securities Exchange;
Uruguay	Bolsa de Valores de Montevideo, Bolsa Electrónica de Valores del Uruguay SA;
Venezuela	Bolsa de Valores de Caracas;
Zambia	Lusaka Stock Exchange;

(iii) any of the following:

the market organised by the International Capital 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 (ii) 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 "listed money market institutions", as described in the Bank of England publication "The Regulation of the Wholesale Markets in Sterling, Foreign Exchange and Bullion" dated April 1988 (as amended from time to time);

a market comprising dealers which are regulated by the Federal Reserve Bank of New York and the United States Securities and Exchange Commission;

a market comprising dealers which are regulated by the United States National Association of Securities Dealers and the United States Securities and Exchange Commission;

NASDAQ; and

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

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

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

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

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

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any of the following electronic exchanges:

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NASDAQ.

In relation to any exchange traded financial derivative contract, any stock exchange 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 an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States (iii) the Channel Islands Stock Exchange (iv) or (v) any of the following:

American Stock Exchange;

The Chicago Board of Trade;

The Mercantile Exchange;

The Chicago Board Options Exchange;

The Chicago Board of Trade, Coffee, Sugar and Cocoa Exchange;

EDX London;

Iowa Electronic Markets;

Kansas City Board of Trade;

Mid-American Commodity Exchange;

Minneapolis Grain Exchange;

New York Cotton Exchange;

Twin Cities Board of Trade;

New York Mercantile Exchange;

New York Board of Trade;

New Zealand Futures and Options Exchange;

Hong Kong Futures Exchange;

Singapore Commodity Exchange;

Tokyo International Financial Futures Exchange;

Eurostream;

Clearstream.

For the purposes only of determining the value of the assets of a Fund, the term “Recognised Market” shall be deemed to include, in relation to any derivatives contract used, any market or exchange on which such contract may be acquired or sold which is referred to in (i)(a) or (iii) hereof or which is in the European Economic Area, is regulated, recognised, operates regularly and is open to the public.

## APPENDIX II GUIDELINES ON EFFICIENT PORTFOLIO MANAGEMENT

### Use of FDI and Portfolio Management Techniques

The ICAV will employ an investment risk management process, which enables it to accurately monitor, measure and manage the risks attached to financial derivative instrument ("FDI") positions. Each Fund may only employ the FDI techniques provided in the relevant Fund Supplement where full details are shown and described. The ICAV employs a risk management process which enables it to accurately measure, monitor and manage the various risks associated with FDI. Efficient portfolio management means investment decisions involving transactions that fulfil the following criteria:

1. they are economically appropriate in that they are realised in a cost-effective way;
2. they are entered into for one or more of the following specific aims:
3. reduction of risk;
4. reduction of cost;
5. generation of additional capital or income for the UCITS with a level of risk which is consistent with the risk profile of the UCITS and the risk diversification rules set out in the Central Bank Regulations;
6. their risks are adequately captured by the risk management process of the UCITS; and
7. they cannot result in a change to the UCITS declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in its sales documents.

Direct and indirect operational costs/fees arising from efficient portfolio management techniques may be deducted from the revenue delivered to the Fund, but only direct and indirect operational costs/fees charged by third parties unrelated to the Manager or the Investment Manager will be deducted from any such revenues. Any such direct and indirect operational costs/fees charged by third parties do not include hidden revenue for the Manager or the Investment Manager as applicable or parties related to such persons, although fees may be payable to counterparties and/or the Investment Manager and/or the Depositary and/or entities related to them in relation to such techniques.

The entities to which direct and indirect costs and fees may be paid include banks, investment firms or other financial institutions or intermediaries and may be parties related to the Depositary or a Sub-Adviser that meet the Central Bank's criteria set out in the Central Bank Regulations. The revenues arising from such efficient portfolio management techniques for the relevant reporting period, together with the direct and indirect operational costs and fees incurred and the identity of the counterparty(ies) to these efficient portfolio management techniques, will be disclosed in the annual and half-yearly reports of the Funds. The Fund will disclose in the financial statements the identity of the entity(ies) to which the direct and indirect costs and fees are paid and indicate if these are related parties to the Manager, the Investment Manager or the Depositary. The Manager shall ensure that all the revenues arising from efficient portfolio management techniques and instruments, net of direct and indirect costs, are returned to the Fund.

The policy that will be applied to collateral arising from OTC derivative transactions or efficient portfolio management techniques relating to any Fund is to adhere to the Central Bank requirements set out under the heading " Use of Repurchase/Reverse Repurchase and Stocklending Agreements".

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

The FDIs which may be used for hedging and/or investment purposes and/or efficient portfolio management and/or to manage foreign exchange risks include warrants and participatory notes. Performance may be strongly influenced by movements in currency rates because a Fund may have exposure to a particular currency that is different to the currency in which the securities held by that Fund are denominated.

A description of some of the techniques and instruments that may be used for efficient portfolio management and/or investment purposes is set out below. This list is not exhaustive. Those FDI techniques which are being utilised by the Fund are set out in the relevant Fund Supplement and the RMP document being submitted to, and approved by the Central Bank in advance.

### **Interest Rate Swaps**

An interest rate swap is a liquid financial derivative instrument in which two parties agree to exchange interest rate cash flows, based on a specified notional amount from a fixed rate to a floating rate (or vice versa) or from one floating rate to another. Interest rate swaps can be used to limit or manage exposure to fluctuations in interest rates or to obtain a marginally lower interest rate than it would have been able to get without the swap.

### **Credit Default Swaps**

A credit default swap ("CDS") is a financial swap agreement that the seller of the CDS will compensate the buyer in the event of a loan default or other credit event. The buyer of the CDS makes a series of payments (the CDS "fee" or "spread") to the seller and, in exchange, receives a payoff if the loan defaults.

In the event of default the buyer of the CDS receives compensation (usually the face value of the loan), and the seller of the CDS takes possession of the defaulted loan. If there are more CDS contracts outstanding than bonds in existence, a protocol exists to hold a credit event auction; the payment received is usually substantially less than the face value of the loan.

### **Total Return Swaps**

A total return swap is an agreement in which one party makes payments based on a set rate, either fixed or variable, while the other party makes payments based on the return of an underlying asset, which includes both the income it generates and any capital gains. In total return swaps, the underlying asset, referred to as the reference asset, is usually an equity index, a loan or a bond. This is owned by the party receiving the set rate payment.

Total return swaps allow the party receiving the total return to gain exposure and benefit from a reference asset without actually having to own it.

### **Foreign Exchange Swaps**

A foreign currency swap is an agreement to make a currency exchange between two foreign parties. The agreement consists of swapping principal and interest payments on a loan made in one currency for principal and interest payments of a loan of equal value in another currency.

### **Foreign Exchange Contracts**

A foreign exchange contract is a special type of foreign currency transaction. Forward contracts are agreements between two parties to exchange two designated currencies at a specific time in the future. These contracts always take place on a date after the date that the spot contract settles, and are used to protect the buyer from fluctuations in currency prices.

### **Volatility/Variance Swaps**

A volatility swap is a forward contract on future realised price volatility. Similarly, a variance swap is a forward contract on future realised price variance, variance being the square of volatility. In both cases,

at inception of the trade, the strike is usually chosen such that the fair value of the swap is zero. This strike is then referred to as fair volatility or fair variance, respectively. At expiry the receiver of the floating leg pays (or owes) the difference between the realised variance (or volatility) and the agreed-upon strike, times a notional amount which is not exchanged.

Both swaps provide exposure to volatility alone, unlike options in which the volatility exposure depends on the price of the underlying asset. These swaps can thus be used to take a position on the future realised volatility, to trade the spread between realised and implied volatility, and also to hedge the volatility exposure of other positions and the entire portfolio.

### **Forward Interest Rate Contracts**

A forward interest rate contract is an over-the-counter contract between parties that determines the rate of interest or the currency exchange rate to be paid or received on an obligation beginning at a future start date. The contract will determine the rates to be used along with the termination date and notional value. On this type of agreement, it is only the differential that is paid on the notional amount of the contract.

### **Options**

An option is a contract which contains the right, but not the obligation, to buy or sell a specific quantity of an underlying asset or instrument at a fixed price on or before a specified date. The seller has the corresponding obligation to fulfill the transaction – that is to sell or buy – if the buyer (owner) "exercises" the option. The buyer pays a premium to the seller for this right. An option which conveys to the owner the right to buy something at a specific price is referred to as a call; an option which conveys the right of the owner to sell something at a specific price is referred to as a put. Both are commonly traded, but for clarity, the call option is more frequently discussed.

An equity index option is similar to other options contracts with the difference being the underlying instruments are indexes.

### **Futures**

A future is a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price. Futures contracts detail the quality and quantity of the underlying asset; they are standardised to facilitate trading on a futures exchange. Some futures contracts may call for physical delivery of the asset, while others are settled in cash.

An equity index future is a contractual obligation where the contracted parties commit to buy or sell a specified amount of an equity index at an agreed contract price on a specified date.

### **Permitted FDIs**

Where specified in a Fund supplement:-

1. The Manager shall only invest assets of the Fund in an FDI provided that the relevant reference items or indices, consist of one or more of the following (noting that FDIs on commodities are excluded):
  - (a) instruments referred to in paragraphs 1.1 to 1.5 of the Investment Restrictions section of this Prospectus, deposits, financial indices, interest rates, foreign exchange rates or currencies;
  - (b) the FDI do not expose a Fund to risks which it could not otherwise assume (e.g. gain exposure to an instrument/issuer/currency to which a Fund cannot have a direct exposure);
  - (c) the FDI do not cause a Fund to diverge from its investment objectives; and

- (d) the reference to financial indices above shall be understood as a reference to indices which fulfil the criteria set out in the Central Bank Regulations and the Central Bank's guidance on "UCITS Financial Indices" and "UCITS Financial Derivative Instruments and Efficient Portfolio Management".
2. Where the Manager enters, on behalf of a Fund, into a total return swap or invests in other FDIs with similar characteristics, the assets held by the Fund shall comply with Regulations 70, 71, 72, 73 and 74 of the Regulations.
  3. Credit derivatives as permitted in the circumstances outlined in the Central Bank's guidance on "UCITS Financial Derivative Instruments and Efficient Portfolio Management" only.
  4. FDI must be dealt in on a market which is regulated, operating regularly, recognised and open to the public in a Member State or non-Member State, and included at Appendix I hereto.
  5. Notwithstanding paragraph 4, each Fund may invest in FDI dealt in over-the-counter, "OTC derivatives" provided that:
    - (a) the counterparty is a Relevant Institution listed in paragraph 2.8 of the Investment Restrictions section of this Prospectus or (i) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive, in an EEA Member State or (ii) a group company of an entity issued with a bank holding company licence from the Federal Reserve of the United States of America where that group company is subject to bank holding consolidated supervision by that Federal Reserve;
    - (b) where a counterparty within subparagraphs (i) and (ii) of paragraph 5(a) above was subject to a credit rating by an agency registered and supervised by ESMA, the rating shall be taken into account by the Manager in the credit assessment process and where such counterparty is downgraded to A-2 or below (or comparable rating) by that credit rating agency, this shall result in a new credit assessment being conducted of the counterparty by the Manager without delay;
    - (c) in the case of subsequent novation of the OTC derivative contract, the counterparty is one of:
      - (i) the entities set out in paragraph (a); or
      - (ii) a central counterparty (CCP) authoriser recognised by ESMA, under Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories (EMIR) or, pending recognition by ESMA under Article 25 of EMIR, an entity classified as a derivatives clearing organisation by the Commodity Futures Trading Commission or a clearing agency by the SEC (both CCP);
    - (d) risk exposure to the counterparty does not exceed the limits set out in Regulation 70(1)(c) of the Regulations, assessed in accordance with paragraph 4(v).
    - (e) in assessing risk exposure to the counterparty to an OTC derivative for the purpose of Regulation 70(1)(c) of the Regulations: (i) the Manager shall calculate the exposure to the counterparty using the positive mark-to-market value of the OTC derivative with that counterparty; (ii) the Manager may net derivative positions with the same counterparty, provided that a Fund is able to legally enforce netting arrangements with the counterparty. For this purpose netting is permissible only in respect of OTC derivatives with the same counterparty and not in relation to any other exposures a Fund has with the same counterparty; (iii) the Manager shall take into account of collateral received by a Fund in order to reduce the exposure to the counterparty provided that the collateral meets the requirements of the Central Bank Regulations;

- (f) a Manager is satisfied that the counterparty will value the transaction with reasonable accuracy and on a reliable basis and will close out the transaction at any time at the request of the Manager at fair value; and
  - (g) the Manager must subject its OTC derivatives to reliable and verifiable valuation on a daily basis and ensure that it has appropriate systems, controls and processes in place to achieve this. Reliable and verifiable valuation shall be understood as a reference to a valuation, by a Fund, corresponding to fair value which does not rely only on market quotations by the counterparty and which fulfils the following criteria:
    - (i) the basis for the valuation is either a reliable up-to-date market value of the instrument, or, if such value is not available, a pricing model using an adequate recognised methodology;
    - (ii) verification of the valuation is carried out by one of the following:
      - (A) an appropriate third party which is independent from the counterparty of the OTC derivative, at an adequate frequency and in such a way that a Fund is able to check it;
      - (B) a Share within a Fund which is independent from the department in charge of managing the assets and which is adequately equipped for the purpose.
6. Risk exposure to an OTC derivative counterparty may be reduced where the counterparty will provide a Fund with collateral in accordance with the requirements of the Central Bank as set out in the Central Bank Regulations. The Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits set out in the Regulations are not breached. Collateral received must at all times meet the requirements set out in the Central Bank Regulations. Collateral passed to an OTC derivative counterparty by or on behalf of a Fund must be taken into account in calculating exposure of the Fund to counterparty risk as referred to in Regulation 70(1)(c). Collateral passed may be taken into account on a net basis only if the UCITS is able to legally enforce netting arrangements with this counterparty.
  7. A Fund must calculate issuer concentration limits as referred to in Regulation 70 on the basis of the underlying exposure created through the use of FDI pursuant to the commitment approach;
  8. The risk exposures to a counterparty arising from OTC derivatives and efficient portfolio management techniques must be combined when calculating the OTC counterparty limit as referred to in Regulation 70(1)(c).
  9. A Fund must calculate exposure arising from initial margin posted to and variation margin receivable from a broker relating to exchange-traded or OTC derivatives, which is not protected by client money rules or other similar arrangements to protect such Fund against the insolvency of the broker, within the OTC counterparty limit as referred to in Regulation 70(1)(c).
  10. The calculation of issuer concentration limits as referred to in Regulation 70 must take account of any net exposure to a counterparty generated through a securities lending or repurchase agreement. Net exposure refers to the amount receivable by a Fund less any collateral provided by a Fund. Exposures created through the reinvestment of collateral must also be taken into account in the issuer concentration calculations.
  11. When calculating exposures for the purposes of Regulation 70, a Fund must establish whether its exposure is to an OTC counterparty, a broker or a clearing house.
  12. Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments or CIS, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank Regulations. When calculating issuer-concentration risk, the FDI (including embedded

FDI) must be looked through in determining the resultant position exposure. This position exposure must be taken into account in the issuer concentration calculations. It must be calculated using the commitment approach when appropriate or the maximum potential loss as a result of default by the issuer if more conservative. It must also be calculated by all Funds, regardless of whether they use VaR for global exposure purposes. 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 Regulation 71(1) of the Regulations.

13. A transferable security or money market instrument embedding a FDI shall be understood as a reference to financial instruments which fulfil the criteria for transferable securities or money market instruments set out in the Central Bank's Regulations and which contain a component which fulfils the following criteria:
- (i) by virtue of that component some or all of the cash flows that otherwise would be required by the transferable security or money market instrument which functions as a host contract can be modified according to a specific interest rate, financial instrument price, foreign exchange rate, index of prices or rate, credit rating or credit index, or other variable, and therefore vary in a way similar to a standalone derivative;
  - (ii) its economic characteristics and risks are not closely related to the economic characteristics and risks of the host contract;
  - (iii) it has significant impact on the risk profile and pricing of the transferable security or money market instrument;
  - (iv) A transferable security or a money market instrument shall not be regarded as embedding a FDI where it contains a component which is contractually transferable independently of the transferable security or the money market instrument. Such a component shall be deemed a separate financial instrument; and
  - (v) The ICAV employs the VaR approach to measure its global exposure. The method used to calculate global exposure for each Fund is set out in the relevant Fund Supplement.

### **Cover requirements**

The Manager must, at any given time, ensure that, at all times: (i) a Fund is capable of meeting all its payment and delivery obligations incurred by transactions involving FDI; (ii) the risk management process of the Fund includes the monitoring of FDI transactions to ensure that every such transaction is covered adequately; and (iii) a transaction in FDI which gives rise, or may give rise, to a future commitment on behalf of a Fund must be covered as follows:

- (a) in the case of FDI which automatically, or at the discretion of a Fund, are cash settled a Fund must hold, at all times, liquid assets which are sufficient to cover the exposure.
- (b) in the case of FDI which require physical delivery of the underlying asset, the asset must be held at all times by the relevant Fund. Alternatively a Fund may cover the exposure with sufficient liquid assets where:
  - (i) the underlying assets consist of highly liquid fixed income securities;
  - (ii) the exposure can be adequately covered without the need to hold the underlying assets;
  - (iii) the specific FDI are addressed in the risk management process; and
  - (iv) details of the exposure are provided in the relevant Supplement.

## **Risk Management**

1. Each Fund must employ a RMP to monitor, measure and manage the risks attached to FDI positions.
2. Each Fund must provide the Central Bank with details of its proposed RMP with details of its FDI activity. The initial filing is required to include information in relation to:
  - (a) permitted types of FDI, including embedded derivatives in transferable securities and money market instruments;
  - (b) details of the underlying risks;
  - (c) relevant quantitative limits and how these will be monitored and enforced; and
  - (d) methods for estimating risks.
3. Material amendments to the initial filing must be notified to the Central Bank in advance. The Central Bank may object to the amendments notified to it and amendments and/or associated activities objected to by the Central Bank may not be made.
4. Each Fund must submit a report to the Central Bank on its FDI positions on an annual basis. The report, which must include information under the different categories identified under the heading "Permitted FDIs" above, must be submitted with the annual report of the ICAV. A Fund must, at the request of the Central Bank, provide this report at any time.
5. The ICAV will, on request, provide supplementary information to shareholders relating to the risk management methods employed including the qualitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

## **Techniques and Instruments, including the use of Repurchase/Reverse Repurchase and Securities Lending Agreements, for the purposes of Efficient Portfolio Management**

1. Where set out in the relevant Supplement only, for the purposes of efficient portfolio management, a Fund may enter into securities financing transactions: repurchase and/or reverse repurchase agreements ("**repo contracts**"), securities lending transactions (each a "**Securities Financing Transaction**"), subject to and in accordance with the conditions and limits set out in the Central Bank Regulations, the ESMA Guidelines 2014/937 and/or the SFTR. Repo contracts are transactions in which a Fund sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price. The repurchase price is usually greater than the original sale price, the difference effectively representing interest, sometimes called the repo rate. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.
2. The investment policy of a Fund may also provide for its investment in total return swaps or Securities Financing Transactions, as defined under the SFTR. The maximum and expected proportion of assets that may be subject to total return swaps will be set out in the relevant Supplement (as applicable). If a Fund uses total return swaps or Securities Financing Transactions, the relevant Supplement will include disclosure requirements as provided for under the SFTR.

### **Collateral**

3. All cash and non-cash assets (including, but not limited to equities and bonds) received in the context of efficient portfolio management techniques and Securities Financing Transactions should be considered as collateral and should comply with the following criteria:

- (a) Liquidity: Collateral received other than cash should be highly liquid and traded on a Recognised 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 24 of the Central Bank Regulations.
- (b) Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- (c) Issuer credit quality: Collateral received will be high quality. Where the issuer is subject to a credit rating by an agency registered and supervised by ESMA, that rating shall be taken into account by the Manager in the credit assessment process. Where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in the preceding sentence, this shall result in a new credit assessment being conducted of the issuer by the Manager without delay.
- (d) Correlation: Collateral received will be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- (e) Diversification (asset concentration): (i) Collateral will be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20 per cent of the Net Asset Value. When exposed to different counterparties, the different baskets of collateral will be aggregated to calculate the 20 per cent limit of exposure to a single issuer and (ii) a Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. Such a Fund will receive securities from at least 6 different issues, but securities from any single issue will not account for more than 30 per cent of the Fund's net value. Where a Fund intends to be fully collateralised in securities issued or guaranteed by a Member State, this will be disclosed in the relevant Supplement. The relevant Supplement should also identify the Member States, local authorities, or public international bodies or guaranteeing securities which a Fund is able to accept as collateral for more than 20 per cent of its net asset value.
- (f) Immediately available: Collateral received will be capable of being fully enforced at any time without reference to or approval from the counterparty.
- (g) Level of collateral required

The value of any collateral received by a Fund, adjusted in light of the haircut policy, must be marked to market daily and must equal or exceed, in value, at all times, the value of the amount invested or securities loaned.

- 4. Risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by the risk management process.
- 5. Collateral received on a title transfer basis should be held by the Depositary. For other types of collateral arrangement, the collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated to the provider of the collateral.
- 6. Non-cash collateral cannot be sold, pledged or re-invested.
- 7. Cash collateral may not be invested other than in the following:
  - (a) deposits with Relevant Institutions;
  - (b) high-quality government bonds;

- (c) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the ICAV is able to recall at any time the full amount of cash on an accrued basis;
- (d) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Where the Manager invests the cash collateral received by a Fund that investment shall comply with the diversification requirements applicable to non-cash collateral and invested cash collateral may not be placed on deposit with the counterparty or with an entity that is related or connected to the counterparty. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section of the Prospectus entitled "*Re-investment of Cash Collateral Risk*" for more details.

8. The Manager shall ensure that a Fund receiving collateral for at least 30% of assets there is in place an appropriate stress testing policy in place to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to assess the liquidity risk attached to the collateral. The liquidity stress testing policy should at least prescribe the following:
  - (a) design of stress test scenario analysis including calibration, certification and sensitivity analysis;
  - (b) empirical approach to impact assessment, including back testing of liquidity risk estimates;
  - (c) reporting frequency and limit/loss tolerance threshold/s; and
  - (d) mitigation actions to reduce loss including haircut policy and gap risk protection.
9. The Manager shall, in accordance with this paragraph, establish and ensure adherence to a haircut policy for a Fund, adapted for each class of assets received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed in accordance with Regulation 21 of the Central Bank Regulations Subject to the following sentence if issuer or issue credit quality of the collateral is not of high quality in accordance with paragraph 2(c) above or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut shall be applied. However, the application of such a haircut will be determined on a case by case basis, depending on the exact details of the assessment of the collateral. The Manager, in its discretion, may consider it appropriate in certain circumstances to resolve to accept certain collateral with more conservative, less conservative or no haircuts applied if it so determines, on an objectively justifiable basis. Any extenuating circumstances that warrant the acceptance of relevant collateral with haircut provisions other than the guideline levels must be outlined in writing. The Manager shall document the hair cut policy and justify and document each decision to apply a specific haircut, or to refrain from applying any haircut, to a certain class of assets.
10. Where a counterparty to a repurchase or securities lending agreement which has been entered into by the Manager on behalf of a Fund:
  - (a) was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Fund in the credit assessment process;
  - (b) where a counterparty is downgraded to A-2 or below (or comparable rating) by the credit rating agency referred to in subparagraph (a) of this paragraph 9 this shall result in a new credit assessment being conducted of the counterparty by the Fund without delay.

11. The Manager shall ensure that it is at all times able to recall any security that has been lent out or to terminate any securities lending agreement to which it is party. The Manager that enters into a reverse repurchase agreement shall ensure that it is at all times able to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. In circumstances in which cash is, recallable at any time on a mark-to-market basis, the Manager shall use the mark-to-market value of the reverse repurchase agreement the calculation of the Net Asset Value of the Fund.
12. A Manager that enters into a repurchase agreement shall ensure that a Fund is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered.
13. Repurchase/reverse repurchase agreements or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 of the Regulations and Regulation 111 of the Regulations respectively.
14. All the revenues arising from efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the Fund.

**APPENDIX III  
LIST OF SUB-CUSTODIANS**

<b><u>Market</u></b>	<b><u>Local Agent</u></b>
Argentina	Citibank N.A. - Buenos Aires Branch
Australia	HSBC Bank Australia Limited
Austria	UniCredit Bank Austria AG
Bahrain	HSBC Bank Middle East Limited, Bahrain branch
Bangladesh	Standard Chartered Bank, Bangladesh branch
Belgium	BNP Paribas Securities Services
Bermuda	HSBC Bank of Bermuda Limited
Bosnia	UniCredit Bank d.d. (hub market serviced out of UniCredit Bank Austria)
Botswana	Standard Chartered Bank Botswana Limited
Brazil	Citibank N.A., São Paulo
Bulgaria	Citibank Europe plc, Bulgaria Branch
Canada	RBC Investor Services Trust
Chile	Banco de Chile
China	Standard Chartered Bank (China) Limited - Shanghai
Colombia	Cititrust Colombia S.A., Sociedad Fiduciaria
Colombia	Cititrust Colombia S.A., Sociedad Fiduciaria
Costa Rica	Banco BCT SA
Croatia	Zagrebacka banka d.d. (hub market serviced out of UniCredit Bank Austria)
Cyprus	BNP Paribas Securities Services
Czech Republic	Citibank Europe plc Prague Branch
Czech Republic	Citibank Europe plc Prague Branch
Denmark	Skandinaviska Enskilda Banken AB (publ), Danmark Branch
Egypt	Citibank N.A. - Cairo Branch
Estonia	Swedbank AS (hub market serviced out of Nordea Swedbank AS)
Eswatini	Standard Bank Eswatini Limited
Finland	Nordea Bank Abp
France	CACEIS Bank
Germany	Deutsche Bank AG
Ghana	Standard Chartered Bank Ghana Ltd
Greece	HSBC France, Athens branch
Hong Kong	The Hongkong and Shanghai Banking Corporation Limited
Hungary	UniCredit Bank Hungary ZRT
Iceland	Landsbankinn hf
India	Citibank N.A. - Mumbai Branch
India	The Hongkong and Shanghai Banking Corporation Limited, India Branch
Indonesia	Standard Chartered Bank, Indonesia branch
Ireland	Citibank, N.A., London Branch
Israel	Bank Hapoalim BM
Italy	BNP Paribas Securities Services, Milan Branch
Ivory Coast	Standard Chartered Bank Cote d'Ivoire
Japan	MUFG Bank, Ltd
Kazakhstan	JSC Citibank Kazakhstan
Kenya	Standard Chartered Bank Kenya Limited
Kuwait	HSBC Bank Middle East Limited, Kuwait branch
Latvia	"Swedbank" AS (hub market serviced out of Nordea Bank Abp)
Lithuania	"Swedbank" AB (hub market serviced out of Nordea Bank Abp)
Luxembourg	KBL European Private Bankers SA
Malaysia	Standard Chartered Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Limited, Mauritius branch
Mexico	Banco S3 CACEIS Mexico, S.A., Institucion De Banca Multiple
Morocco	Citibank Maghreb S.A.

Namibia	Standard Bank Namibia Limited
Netherlands	BNP Paribas Securities Services
New Zealand	The Hongkong and Shanghai Banking Corporation, New Zealand branch
Nigeria	Stanbic IBTC Bank Plc
Norway	Skandinaviska Enskilda Banken AB (publ), Oslo Branch
Oman	HSBC Bank Oman SAOG
Pakistan	Standard Chartered Bank (Pakistan) Limited
Peru	Citibank Del Peru S.A.
Philippines	Standard Chartered Bank, Philippines branch
Poland	Bank Polska Kasa Opieki SA
Poland	Bank Polska Kasa Opieki SA
Portugal	BNP Paribas Securities Services
Qatar	HSBC Bank Middle East Limited, Qatar branch
Romania	Citibank Europe plc, Dublin - Sucursala Romania
Russia	AO Citibank
Rwanda SCB	KCB Bank Rwanda Limited (SCB's appointed agent) via Standard Chartered Bank (Mauritius) Limited
Saudia Arabia	HSBC Saudi Arabia Limited HSBC Saudi Arabia and the Saudi British Bank (SABB)
Serbia	UniCredit Bank Serbia JSC (hub market serviced out of UniCredit Bank Austria)
Singapore	Standard Chartered Bank (Singapore) Limited
Slovakia	Citibank Europe plc, pobočka zahraničnej banky
Slovenia	UniCredit Banka Slovenija d.d.
South Africa	Standard Chartered Bank Johannesburg Branch
South Korea	The Hongkong and Shanghai Banking Corporation, Korea branch
Spain	Societe Generale Sucursal en España
Sri Lanka	The Hongkong and Shanghai Banking Corporation, Sri Lanka branch
Sweden	Skandinaviska Enskilda Banken AB (publ)
Switzerland	UBS Switzerland AG
Taiwan	Standard Chartered Bank (Taiwan) Ltd
Tanzania	Standard Chartered Bank (Tanzania) Limited via Standard Chartered Bank (Mauritius) Limited operational hub
Thailand	The Hongkong and Shanghai Banking Corporation ("HSBC"), Thailand branch
Thailand	Standard Chartered Bank (Thai) Public Company Limited
Tunisia	Union Internationale de Banques (UIB)
Turkey	Citibank Anonim Sirketi
Uganda	Standard Chartered Bank Uganda Limited
Ukraine	JSC "Citibank"
United Arab Emirates	HSBC Bank Middle East Limited
United Kingdom	HSBC Bank plc
United States	Brown Brothers Harriman
Uruguay	Banco Itau Uruguay SA
Vietnam	HSBC Bank (Vietnam) Ltd
Zambia	Standard Chartered Bank Zambia Plc
Zimbabwe	Standard Chartered Bank Zimbabwe Limited