

## **Marlborough ICAV**

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

The ICAV was registered under the laws of Ireland with registered number C186352

## **PROSPECTUS**

This Prospectus is dated 28 February 2025

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

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## 1 DEFINITIONS

<b>Accounting Date</b>	means the date by reference to which the annual accounts of each Fund shall be prepared and shall be 31 March in each year or such other date as the Manager in accordance with the requirements of the Central Bank may determine and, in the case of the termination of the ICAV or of a Fund, the date on which the final payment of cash and/or Investments shall have been made to Shareholders.
<b>Accounting Period</b>	means a period ending on the Accounting Date and commencing, in the case of the first such period on the date of authorisation of the ICAV and, in subsequent such periods, on the day following expiry of the last Accounting Period.
<b>Accumulating Shares</b>	means Shares of the ICAV carrying no right to any distribution of income but the income and capital gains attributable to such Shares is retained within the relevant Fund and reflected in the Net Asset Value of such Shares.
<b>Administration Agreement</b>	means the agreement dated 16 December 2022, as novated with effect from 11:59 pm on 7 October 2023, between the Manager, the ICAV and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.
<b>Administrator</b>	means HSBC Securities Services (Ireland) DAC or any successor thereto duly appointed as the administrator of the ICAV and each Fund in accordance with the requirements of the Central Bank.
<b>AIF</b>	means an alternative investment fund.
<b>AML Acts</b>	means the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010, 2013 and 2018 (as may be amended or supplemented from time to time).
<b>Anti-Dilution Levy</b>	means in respect of each Fund, the adjustment by way of an addition or deduction (as appropriate) when calculating the Subscription Price and/or the Redemption Price for Shares or by way of a deduction from the subscription monies received or the Redemption Proceeds payable for Shares on any Dealing Day, when there are net subscriptions and/or redemptions (as appropriate) to cover any dealing costs and to preserve the value of the underlying assets of the relevant Fund and which such levy may be retained for the benefit of the relevant Fund.
<b>Applicant</b>	means any person who completes and submits the Application Form to the ICAV, care of the Administrator, in accordance with the manner set out in the Prospectus and any Supplement.
<b>Application Form</b>	means the application form for subscription of Shares.
<b>Base Currency</b>	means, in the case of the ICAV, the accounting currency of the ICAV and, in the case of any Fund, such currency as is specified in the Supplement for the relevant Fund.
<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 UCITS Regulations</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019, as amended, supplemented or replaced from time to time.
<b>CIS</b>	an open-ended collective investment scheme within the meaning of Regulation 4(3) of the Regulations and which is prohibited from investing more than 10% of its assets in other such collective investment schemes.
<b>Class or Classes</b>	means one or more particular division of Shares in a Fund.
<b>Connected Party</b>	means the persons defined as such in the section headed <b>Portfolio Transactions and Conflicts of Interest</b> .
<b>Currency Settlement Day</b>	means any day on which the corresponding currency of the relevant Share Class may settle.
<b>Currency Share Class</b>	means a Class of Shares denominated in a currency other than the Base Currency of the relevant Fund.

<b>CRS</b>	means the Common Reporting Standard more fully described as the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development.
<b>Data Protection Legislation</b>	means the Data Protection Acts 1988 and 2018 (as amended, extended or replaced from time to time) and, with effect from 25 May 2018, the General Data Protection Regulation (Regulation (EU) 2016/679) of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC and any implementing legislation and all amendments thereto.
<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 per month.
<b>Dealing Deadline</b>	means in relation to applications for subscription, redemption or exchange of Shares, the day and time specified in the Supplement for the relevant Fund by which such applications must be received.
<b>Depository</b>	means HSBC Continental Europe, acting through its branch in Ireland, or any successor thereto duly appointed as depository in accordance with the requirements of the Central Bank.
<b>Depository Agreement</b>	means the agreement dated 16 December 2022, as novated with effect from 11:59 pm on 7 October 2023, between the ICAV, Manager and the Depository as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.
<b>Directors</b>	means the Directors of the ICAV, each a <b>Director</b> .
<b>Distributing Shares</b>	means Shares in a Fund in respect of which the net income and capital gains arising may be distributed.
<b>Distribution Agreement</b>	means an agreement as described in the relevant Supplement between the ICAV and the Distributor as amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank.
<b>Distributor</b>	means any distributor appointed by the ICAV under a Distribution Agreement and/or any successor thereto or additional entity duly appointed as a distributor of the Shares of the ICAV in accordance with the requirements of the Central Bank.
<b>Dividend Account</b>	means the dividend account at umbrella level in the name of the ICAV. All dividend proceeds will be paid to and from the dividend account.
<b>EEA</b>	means the European Economic Area which comprises the Member States together with Iceland, Liechtenstein and Norway.
<b>EEA Member State</b>	means a member state of the EEA.
<b>EU</b>	means the European Union.
<b>Euronext Dublin</b>	means The Irish Stock Exchange plc, trading as Euronext Dublin or any successor entity thereto.
<b>Exchange Charge</b>	means the charge, if any, payable on the exchange of Shares as is specified in the Supplement for the relevant Fund.
<b>FATCA</b>	means the U.S. Foreign Account Tax Compliance Act (as amended, consolidated or supplemented from time to time), including any regulations issued pursuant thereto (including an intergovernmental agreement between the U.S. and any other jurisdiction which facilitates the implementation of any law or regulation relating to FATCA).
<b>FDI</b>	means financial derivative instruments including over the counter derivatives (OTC) as permitted by the Regulations.
<b>Foreign Person</b>	means (i) a person who is neither resident nor ordinarily resident in Ireland for tax purposes who has provided the ICAV with the appropriate declaration under Schedule 2B TCA and the ICAV is not in possession of any information that would reasonably suggest that the declaration is incorrect or has at any time been incorrect, or (ii) the ICAV is in possession of written notice of approval from the Revenue to the effect that the requirement to have been provided with such declaration is deemed to have been complied with in respect of that person or class of shareholder to which

that person belongs, and that approval has not been withdrawn and any conditions to which that approval is subject have been satisfied.

<b>Fund</b>	means a separate portfolio of assets which is invested in accordance with the investment objective and policies as set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such fund shall be applied and charged and <b>Funds</b> means all or some of the Funds as the context requires or any other funds as may be established by the ICAV from time to time with the prior approval of the Central Bank.
<b>Hedged Currency Share Class</b>	means a Currency Share Class whose denominated currency is hedged against the Base Currency of the relevant Fund specified in the Supplement for the relevant Fund where the benefits and costs of such hedging transactions will accrue solely to holders of Shares of such Class, and which may be a Hedged Currency Share Class.
<b>ICAV</b>	means Marlborough ICAV.
<b>ICAV Act</b>	means the Irish Collective Asset-management Vehicles Act 2015 (as may be amended or supplemented from time to time).
<b>IGA</b>	means the intergovernmental agreement entered into by U.S. and Irish governments to improve international tax compliance and to implement FATCA.
<b>Initial Issue Price</b>	means the price per Share at which Shares are initially offered in a Fund or Class during the Initial Offer Period (excluding the Subscription Charge, if any) 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 Issue Price as specified in the Supplement for the relevant Fund.
<b>in kind</b>	means in specie
<b>Instrument of Incorporation</b>	means the Instrument of Incorporation of the ICAV as amended from time to time.
<b>Investment Management Agreement</b>	means an agreement as described in the relevant Supplement between the Manager and the Investment Manager as amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank.
<b>Investment Manager</b>	means the Investment Manager to each Fund as described in the relevant Supplement or any successor or addition thereto duly appointed in accordance with the requirements of the Central Bank.
<b>Ireland</b>	means the Republic of Ireland.
<b>Manager</b>	means TMF Fund Management (Ireland) Limited or any successor or addition thereto duly appointed in accordance with the requirements of the Central Bank. The Manager is the "responsible person" for the purposes of the Central Bank UCITS Regulations.
<b>Management Agreement</b>	means the management agreement between the ICAV and the Manager entered into with effect from 11:59 pm on 7 October 2023, as amended, supplemented, novated or otherwise modified from time to time in accordance with the requirements of the Central Bank.
<b>Marlborough Group</b>	means the Investment Manager, its holding company or companies and such holding companies' subsidiaries and affiliates.
<b>Member State</b>	means a member state of the European Union.
<b>Minimum Additional Investment Amount</b>	means such minimum cash amount or minimum number of Shares (if any) as the Directors may prescribe as the minimum additional investment amount required by each Shareholder for Shares in a Fund or Class thereof (after investing any Minimum Initial Investment Amount) as is specified in the Supplement for the relevant Fund.
<b>Minimum Fund Size</b>	means such amount (if any) as the Directors may decide for a Fund and as set out in the Supplement for the relevant Fund.
<b>Minimum Initial Investment Amount</b>	means such minimum cash amount or minimum number of Shares (if any) as the Directors may from time to time determine as the minimum initial investment amount required by each Applicant for Shares in a Fund or Class thereof as is specified in the Supplement for the relevant Fund.

<b>Minimum Redemption Amount</b>	means such amount (if any) as the Directors may from time to time determine as the minimum redemption amount required by each Shareholder for the relevant class of Shares within a Fund as is specified in the relevant Supplement.
<b>Minimum Shareholding</b>	means such minimum number or minimum value of Shares (if any) which must be held at any time by a Shareholder as is specified in the Supplement for the relevant Fund.
<b>month</b>	means a calendar month.
<b>Net Asset Value</b>	means in respect of the assets of a Fund or attributable to a Class thereof the amount determined in accordance with the Instrument of Incorporation as described in the <b>Calculation of Net Asset Value/Valuation of Assets</b> section of this Prospectus.
<b>Net Asset Value per Share</b>	means the Net Asset Value of a Fund divided by the number of Shares in issue in that Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to such number of decimal places as the Directors may determine in accordance with the Instrument of Incorporation and as further described in the <b>Calculation of Net Asset Value/Valuation of Assets</b> section below as the Net Asset Value per Share.
<b>OECD</b>	means the Organisation for Economic Co-operation and Development.
<b>OTC derivative</b>	means a Financial Derivative Instrument dealt in over the counter.
<b>Prospectus</b>	means the current prospectus of the ICAV and any Supplements and addenda thereto.
<b>Redemption Account</b>	means the redemption account at umbrella level in the name of the ICAV.
<b>Redemption Charge</b>	means in respect of a Fund the charge payable (if any) on a redemption of Shares as is specified in the Supplement for the relevant Fund.
<b>Redemption Price</b>	means the Net Asset Value per Share of the relevant Fund or Class as at the Valuation Point for the relevant Dealing Day less any duties and charges (other than the Redemption Charge, if any) as set out in this Prospectus or in the relevant Supplement.
<b>Redemption Proceeds</b>	means the amount due on the redemption of Shares;
<b>Regulated Market</b>	means any exchange or market on which a Fund may invest and which is regulated, recognised, open to the public and operating regularly and which is set out in Appendix I hereto.
<b>Regulations</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016 and as may be further amended from time to time.
<b>Revenue</b>	means the Office of the Revenue Commissioners, the Irish Government agency responsible for customs, excise, taxation and related matters.
<b>Securities Act</b>	means the United States Securities Act of 1933, as amended.
<b>Securities Financing Transaction or SFT</b>	means (i) a repurchase or reverse repurchase transaction; or (ii) securities lending, each as defined in the Securities Financing Transactions Regulations.
<b>Securities Financing Transactions Regulations</b>	means Regulation (EU) 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 modified, amended, consolidated or re-enacted from time to time.
<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 and time specified in the Supplement for the relevant Fund. In the case of redemptions this date will be no more than ten Business Days after the relevant Dealing Deadline.
<b>SFDR</b>	means 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 modified, amended, consolidated or re-enacted from time to time.

<b>Shareholders</b>	means registered holders of Shares, and each a <b>Shareholder</b> .
<b>Shares</b>	means participating shares in the ICAV representing interests in a Fund and where the context so permits or requires any Class of participating shares representing interests in a Fund and <b>Share</b> means any one of them.
<b>Subscription Account</b>	the subscription account at umbrella level in the name of the ICAV.
<b>Subscription 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>Subscription Price</b>	means the Net Asset Value per Share of the relevant Fund or Class as at the Valuation Point for the Dealing Day plus any duties and charges (other than the Subscription Charge, if any).
<b>Supplement</b>	any supplement, including any addendum, to the Prospectus issued on behalf of the ICAV 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 investment as further described in the <b>Risk Factors</b> section of this Prospectus.
<b>Tax Authorities</b>	means domestic or foreign tax, revenue, fiscal or monetary authorities.
<b>Taxable Irish Person</b>	means any person, other than: <ul style="list-style-type: none"> <li>(a) a Foreign Person;</li> <li>(b) an intermediary, including a nominee, for a Foreign Person;</li> <li>(c) a qualifying management company within the meaning of section 739B TCA;</li> <li>(d) a specified company within the meaning of section 734 TCA;</li> <li>(e) an investment undertaking within the meaning of section 739B TCA;</li> <li>(f) an investment limited partnership within the meaning of section 739J TCA;</li> <li>(g) an exempt approved scheme or a retirement annuity contract or trust scheme within the provisions of sections 774, 784 or 785 TCA;</li> <li>(h) a company carrying on life business within the meaning of section 706 TCA;</li> <li>(i) a special investment scheme within the meaning of section 737 TCA;</li> <li>(j) a unit trust to which section 731(5)(a) TCA applies;</li> <li>(k) a charity entitled to an exemption from income tax or corporation tax under section 207(1)(b) TCA;</li> <li>(l) a person entitled to exemption from income tax and capital gains tax under section 784A(2) TCA, section 787I TCA or section 848E TCA and the units held are assets of an approved retirement fund, an approved minimum retirement fund, a special savings incentive account or a personal retirement savings account (as defined in section 787A TCA);</li> <li>(m) the Courts Service;</li> <li>(n) a Credit Union;</li> <li>(o) a company within the charge to corporation tax under section 739G(2) TCA, but only where the fund is a money market fund;</li> <li>(p) a company within the charge to corporation tax under section 110(2) TCA;</li> <li>(q) the National Asset Management Agency;</li> <li>(r) the National Treasury Management Agency or a fund investment vehicle within the meaning of section 739D(6)(kb) TCA;</li> <li>(s) the National Pensions Reserve Fund Commission or a Commission investment vehicle (within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 as amended);</li> <li>(t) the State acting through the National Pensions Reserve Fund Commission or a Commission investment vehicle within the meaning given by section 2 of the National Pensions Reserve Fund Act 2000 (as amended); and</li> <li>(u) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the ICAV in respect of that Shareholder under Part 27 Chapter 1A TCA,</li> </ul>

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

<b>TCA</b>	means the Irish Taxes Consolidation Act, 1997, as amended from time to time.
<b>Total Return Swap</b>	means a total return swap as defined in the Securities Financing Transactions Regulations.
<b>transferable securities</b>	shall have the meaning prescribed in the Regulations and Central Bank UCITS Regulations.
<b>UCITS</b>	means an undertaking for collective investment in transferable securities established pursuant to the Regulations or pursuant to the legislation or regulation that transposed the UCITS Directive in a Member State other than Ireland, as the case may be.
<b>UCITS Directive</b>	means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directives 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions and as may be further amended from time to time.
<b>Unhedged Currency Share Class</b>	means a Currency Share Class where typically, Shares may be applied and paid for, income payments calculated and paid and Redemption Proceeds paid in a currency other than the Base Currency of the relevant Fund on the basis of a currency conversion at the prevailing spot currency exchange rate of the relevant Base Currency for the currency of the relevant Class of Shares and whose denominated currency is unhedged against the Base Currency of the relevant Fund.
<b>Umbrella Cash Subscription, Redemption and Dividend Accounts</b>	means cash accounts for subscriptions, redemptions and dividends at umbrella level in the name of the ICAV.
<b>United States and U.S.</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>U.S. Person</b>	means, unless otherwise determined by the Directors, a person resident in the U.S., a citizen of the U.S., a corporation, partnership or other entity created or organised in or under the laws of the U.S., an estate or trust treated as a resident of the U.S. for income tax purposes, or any person falling within the definition of the term U.S. Person under Regulation S of the Securities Act or FATCA and includes: (i) any natural person resident in the U.S.; (ii) any partnership or corporation organized or incorporated under the laws of the U.S.; (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 non-United States entity located in the U.S.; (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 or similar account (other than an estate or trust) held by a dealer or other fiduciary, organized, incorporated, or (if an individual) resident in the U.S.; and (viii) any partnership or corporation if: (A) organized or incorporated under the laws of any non-U.S. 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 organized or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of the Securities Act) who are not natural persons, estates or trusts.
<b>Valuation Point</b>	the point in time by reference to which the Net Asset Value, the Net Asset Value of a Class Fund and the Net Asset Value per Share are calculated as is specified herein or in the Supplement for the relevant Fund.



## 2 INTRODUCTION

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

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

The ICAV was registered as an umbrella Irish collective asset-management vehicle with segregated liability between Funds pursuant to Part 2, Chapter 1 of the ICAV Act on 6 November 2018 and is authorised by the Central Bank pursuant to the Regulations.

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

The ICAV is structured as an umbrella fund with segregated liability between Funds. The Instrument of Incorporation provides for the creation of Funds, each constituting interests in a defined portfolio of assets and liabilities. Shares representing interests in different Funds of the ICAV may be issued from time to time by the Directors. Within each Fund, the Directors may issue Shares or more than one Class. All Shares of each Class will rank *pari passu* save as provided for in the relevant Supplement. 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 strategies applicable to the particular Fund. As the ICAV has segregated liability between its Funds, any liability incurred on behalf of or attributable to any Fund shall be discharged solely out of the assets of that Fund.

Particulars relating to individual Funds and the Classes of Shares available are set out in the relevant Supplement. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus.

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 prepare and 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.

Distribution of this Prospectus and the Supplement(s) is not authorised in any jurisdiction after publication of the most recent annual report and audited accounts of the ICAV for the year up to 31 March unless accompanied by a copy of such report and accounts or the then latest published semi-annual report and unaudited accounts. Such reports, this Prospectus and the Supplement(s) together form the prospectus for the issue of Shares in the ICAV.

### **Restrictions on Distribution and Sale of Shares**

The distribution of this Prospectus and any Supplement and the offering or purchase of Shares may be restricted in certain jurisdictions and, accordingly, persons into whose possession this Prospectus and/or Supplement comes are required to inform themselves about, and to observe, such restrictions. This Prospectus does not constitute, and may not be used for the purpose of, an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised or in which the person making such offer or solicitation is not qualified to do so.

Shares are offered only on the basis of the information contained in the current Prospectus and relevant Supplement. The ICAV's and, if applicable, a Fund's annual and semi-annual reports are incorporated by reference and are available on request as further described in the section entitled **Documents Available for Inspection** in this Prospectus. No person has been authorised to issue any advertisement or to give any information, or to make any representations in connection with the offering, placing, subscription or sale of Shares other than those contained in the current Prospectus and the relevant Supplement and, if issued,

given or made, such advertisement, information or representations must not be relied upon as having been authorised by the ICAV or the Manager.

The Directors have the power to impose restrictions on the holding of Shares directly or indirectly by (and consequently to redeem Shares held by) such persons or entities as described under the **Mandatory Redemptions** section of this Prospectus.

### **United States**

The Shares have not been and will not be registered under the Securities Act or the securities laws of any state or political subdivision of the United States and may not, except in a transaction which does not violate U.S. securities laws, be directly or indirectly offered or sold in the U.S. or to or for the benefit of any U.S. Person. Neither the ICAV nor any Fund will be registered under the Investment Company Act of 1940, as amended.

### **Risk Factors**

Investors should read and consider the section of this Prospectus entitled **Risk Factors** before investing in the ICAV.

**The value of and income from Shares in a Fund may go up or down and Shareholders may not get back the amount they have invested in the Fund.**

**Details of any applicable Subscription Charge, of up to 5%, or Redemption Charge, of up to 3%, will be disclosed in the Supplement for a Fund. 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 relevant Fund should be viewed as medium to long term.**

**Shareholders should note that where there is not sufficient income or capital gains to cover the fees and expenses of the Fund that all/part of such fees and expenses may be charged to the capital of the Fund. This may have the effect of lowering the capital value of your investment so that income will be achieved by foregoing the potential for future capital growth.**

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

### **Reliance on this Prospectus**

This Prospectus and any other documents referred to in it and the relevant Supplement(s) should be read in their entirety before making an application for Shares. Statements made in this Prospectus and any Supplement are based on the laws and practice in force in Ireland at the date of the Prospectus or Supplement, as the case may be, which may be subject to changes. Neither the delivery of this Prospectus or any Supplement or key investor information document nor the offer, placement, allotment or issue of any of the Shares shall under any circumstances create any implication or constitute a representation that the information given in this Prospectus or any Supplement or key investor information document is correct as of any time subsequent to the date of this Prospectus or the relevant Supplement or key investor information document. This Prospectus and the Supplements or key investor information document may from time to time be updated in accordance with the requirements of the Central Bank and intending subscribers should enquire of the Distributor or the Administrator as to the issue of any later versions or as to the issue of any reports and accounts of the ICAV.

The contents of this Prospectus are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters. Each prospective investor must rely upon such

investor's own representatives, as to legal, economic, tax and related aspects of the investment described herein and as to its suitability for such investor.

**Prospective investors should inform themselves as to (a) the legal requirements within their own jurisdictions, (b) any exchange control requirements and foreign exchange restrictions, (c) the income and other tax consequences and (d) any other governmental or other consents or formalities which may apply in their own jurisdictions and which might be relevant to the purchase, holding or disposal of Shares.**

This Prospectus may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. To the extent that there is any inconsistency between this English language document and the document in another language, this English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail.

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

This Prospectus, including any Supplement shall be governed by and construed in accordance with Irish law.

### **3 FUNDS**

#### **3.1 Funds**

The ICAV is structured as an umbrella fund in that different Funds may be established from time to time by the Directors with the prior approval of the Central Bank to provide both individual and institutional investors with a choice of Shares in different Funds. On the introduction of any new Fund, the Directors will issue documentation setting out the relevant details of each such Fund. Each Fund may be differentiated by its specific investment objective, strategy, currency of denomination or other specific features as described in the relevant Supplement. A separate pool of assets is maintained for each Fund and is invested in accordance with each Fund's respective investment objective. Because the ICAV has segregated liability between its Funds, any liability incurred on behalf of, or attributable to, any Fund shall be discharged solely out of the assets of that Fund. Shares may be issued in relation to each Fund.

#### **3.2 Classes**

Each Fund may comprise of one or more Classes. The different Classes of Shares available for issue in each Fund will be set out in a Supplement for the relevant Fund. The different Classes of Shares in a Fund may, inter alia, have the following distinguishing features: currency of denomination; distribution policy; may be Hedged Currency Share Classes or Unhedged Currency Share Classes; levels of fees and expenses; charging structures; and may have different Minimum Initial Investment Amounts, Minimum Additional Investment Amounts, Minimum Redemption Amounts and/or Minimum Shareholding. The different Classes of Shares within a Fund together represent interests in the single pool of assets maintained for that Fund.

#### **3.3 Investment Objective and Strategies**

The investment objective and policies of each Fund will be formulated by the Directors at the time of the creation of that Fund. Details of the investment objective and policies for each Fund of the ICAV appear in the Supplement for the relevant Fund.

Any change to the investment objective or a material change to investment policies of a Fund will be subject to the prior written approval of all Shareholders of the Fund or approval by ordinary resolution passed at a general meeting of the relevant Fund duly convened or held. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or material change of investment policies of a Fund on the basis of an ordinary resolution passed at a general meeting of the

Shareholders of the Fund, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares repurchased prior to the implementation of such change.

The Investment Manager has been given full discretion in the investment and reinvestment of the assets of each Fund, provided that it complies with the Fund's investment objective, policies and restrictions in exercising that discretion. Each Fund's investments will be limited to investments permitted by the Regulations as set out under the **Investment Restrictions** section below. The Investment Manager decides on the composition of each Fund depending on an assessment of the market situation and taking into consideration the Fund's investment objective and policies. Accordingly, the exposure of each Fund to individual issuers, instruments or markets shall be determined from time to time solely by the Investment Manager in accordance with the Fund's investment objective, policies and restrictions.

The list of Regulated Markets on which a Fund's investments in securities and FDI, other than permitted investments in unlisted securities and OTC derivatives, will be listed or traded is set out in Appendix I.

A Fund may invest in other Funds where provided for in the Supplement of the investing Fund. Actual limits of such investment will be set out in the Supplement and will be in accordance with the section headed **Investment in other collective investment schemes** under the **Investment Restrictions** in Appendix 2. Cross investment in a Fund may not be made if that Fund holds Shares in another Fund.

### 3.4 **Investment Restrictions**

The investment restrictions for each Fund will be formulated by the Directors at the time of the creation of the Fund. The Instrument of Incorporation provides that investments may only be made as permitted by the Instrument of Incorporation and the Regulations.

In addition, the general investment restrictions in Appendix 2 apply to each Fund except where restrictions are expressly or implicitly disapplied in accordance with the requirements of the Central Bank. In that case, the Supplement for the relevant Fund will set out the extent to which such investment restrictions do not apply and specify if any additional restrictions apply.

### 3.5 **Borrowing and Lending Powers and Restrictions**

The ICAV may borrow up to 10% of a Fund's Net Asset Value at any time and the assets of such Fund may be charged as security for any such borrowing, provided that such borrowing is only for temporary purposes. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding. Assets of a Fund may not be passed outside of the Depositary's custody network to secure borrowings. The ICAV may acquire foreign currency by means of a back to back loan agreement(s). Foreign currency obtained in this manner is not classed as borrowings for the purposes of the borrowing restrictions set out above provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding. Where borrowings exceed the value of a back to back deposit that excess shall be treated as borrowing for the purposes of the Regulation 103 of the Regulations. Where the offsetting deposit is not denominated in the Base Currency of the relevant Fund, changes in the exchange rate between the Base Currency and the currency of the offsetting deposit may lead to a depreciation of the value of the offsetting deposit as expressed in the Base Currency.

Without prejudice to the powers of the ICAV to invest in transferable securities, money market instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions in Appendix 2, the ICAV may not lend to, or act as guarantor on behalf of, third parties.

A Fund may acquire transferable securities, money market instruments and other financial instruments referred to in paragraph 1 of the Investment Restrictions in Appendix 2 which are not fully paid. The ICAV may not carry out uncovered sales of transferable securities, money market instruments and other financial instruments.

A Fund may engage in leverage through the use of financial derivative instruments to the extent permitted by the Central Bank UCITS Regulations. The extent to which a Fund may be leveraged, if any, will be set out in the relevant Supplement.

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

### 3.6 **Changes to Investment and Borrowing Restrictions**

It is intended that the ICAV shall have the power (subject to the prior approval of the Central Bank) to avail itself of any change in the investment and borrowing restrictions specified in the Regulations which would permit investment by the ICAV in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the Regulations. This is without prejudice to the requirements of the second paragraph of section 3.3 above.

### 3.7 **Sustainability**

Article 6 of SFDR provides that financial market participants such as the Manager shall include in the Prospectus descriptions of the manner in which Sustainability Risks are integrated into their investment decisions and the results of the assessment of the likely impacts of Sustainability Risks on the returns of the financial products they make available.

In its investment decisions, the Investment Manager considers, in addition to the considerations outlined in the relevant Supplement, Sustainability Risks and environmental, social and governance (**ESG**) issues. Companies with sound governance and that act responsibly within their environment and society as a whole tend to outperform. As part of the Investment Manager's investment approach, it seeks to integrate ESG criteria in assessing its target investments. This includes the identification of global sustainability trends, financially relevant ESG issues and challenges.

Investments will continue to be monitored also from an ESG perspective. In addition, a dialogue may be sought by the Investment Manager with senior management of companies or fund managers regarding better corporate governance and greater consideration of ESG criteria.

An assessment is undertaken of the likely impacts of the Sustainability Risks on a Fund's return. Assessment of Sustainability Risks is complex and requires subjective judgements, which may be based on data which is difficult to obtain and may be incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that the Investment Manager will correctly assess the impact of Sustainability Risks on the Fund's investments or proposed investments.

The impacts following the occurrence of a Sustainability Risk may be numerous and may 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.

Any Sustainability Risk can either represent a risk on its own or have an impact on other risks and contribute significantly to other risks, such as market risks, operational risks, liquidity risks or counterparty risks.

SFDR requires the Manager to determine whether they consider the principal adverse impacts (PAIs) of their investment decisions on sustainability factors. The Manager does not consider PAIs at the entity level due to the nature of the Funds, their approaches to sustainability risk integration and the availability of appropriate data via established data vendors or other sources. Unless otherwise set out in the relevant Supplement for a Fund, the Investment Manager does not consider PAIs in the investment strategy of a Fund, as the Funds do not have an explicit ESG strategy.

The investments underlying the Funds do not take into account the EU criteria for environmentally sustainable economic activities.

### 3.8 Use of FDI and Efficient Portfolio Management

Where disclosed in the Supplement for a Fund, a Fund may utilise FDI dealt on a regulated market and/or OTC derivatives for investment purposes and/or for efficient portfolio management purposes, including for hedging against market movements, currency exchange or interest rate risks, subject to the general restrictions outlined in Appendix 2 and the conditions of, and within the limits laid down by, the Central Bank.

FDI can be used in a Fund in different ways, such as:

- (i) for hedging purposes with the aim to reduce the Fund's level of risk or to hedge the currency exposure in a Hedged Currency Share Class; hedging may lead to correspondingly lower potential gains;
- (ii) as a replacement for direct investment in transferable securities in order to avail of cost or liquidity advantages of FDI over transferable securities; or
- (iii) for investment purposes to increase the level of investment above the level of investment of a Fund that is fully invested in transferable securities, with the aim of increasing returns (leverage). Such a strategy typically leads to an increase in the level of risk of the Fund; if the Fund employs FDI to increase the level of investment, it will do so within the limits set by the Central Bank.

Engagement in FDI may include short transactions in FDI (creating negative positions) which can lead to gains in the Fund if the prices of certain securities, investment markets or currencies fall, or to losses in the Fund if underlying prices rise. The ability to use strategies using FDI may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved.

Techniques and instruments utilised for the purposes of efficient portfolio management may only be used in accordance with the investment strategy of the relevant Fund. A Fund may employ investment techniques and instruments (including, but not limited to, the use of Securities Financing Transactions and/or Total Return Swaps) relating to transferable securities and/or other financial instruments in which it invests (including, but not limited to, equity and equity related securities, debt and debt related securities, structured financial instruments, asset backed securities, and liquid and near cash assets, such as short-term fixed income securities, instruments and obligations, bills, commercial paper and notes, derivatives and other permitted investments of a Fund specified in the Supplement for a Fund) for efficient portfolio management purposes in accordance with the investment strategy of the relevant Fund. Any such technique or instrument should be reasonably believed by the Investment Manager to be economically appropriate to the efficient portfolio management of the relevant Fund, i.e., the use of such a technique or instrument may only be undertaken for the purpose of one or more of the following:

- (i) a reduction in risk;
- (ii) a reduction in cost; or
- (iii) an increase in capital or income returns to a Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in Regulation 70(1)(c) of the Central Bank UCITS Regulations.

The specific techniques and instruments to be utilised by a Fund (if any) will be set out in the Supplement for the relevant Fund.

Each counterparty to an OTC derivatives transaction, securities lending or repurchase agreement must be an eligible counterparty for a UCITS and be subject to prudential supervision rules and specialised in this type of transactions. The ICAV will seek to appoint regulated financial institutions as counterparties that have been subject to an approval process, subject to prudential supervision rules and specialised in this type of transaction. The ICAV must be satisfied that the counterparty does not carry undue credit risk and will value

the transactions with reasonable accuracy and on a reliable basis and can be sold, liquidated or closed by an offsetting transaction at any time at their fair value at the request of the ICAV.

Before utilising any FDI on behalf of a Fund, a suitable risk management process report must be being submitted to the Central Bank, which specifies for that purpose, the types of derivative instruments, the underlying risks, the quantitative limits and the methods which are chosen in order to estimate the risks associated with transactions in any FDI applicable to a Fund. A Fund will not employ any instruments that are not included in the existing risk management process. Prior to investing in FDI which are not included in the risk management process, a revised risk management process report will be put in place.

The Manager will on request provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments in respect of the relevant Funds.

Investors should refer to the **Risk Factors** section in this Prospectus for an overview of the risks associated with the use of FDI and techniques and instruments for investment and/or efficient portfolio management purposes.

### **Operational Costs/Fees**

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

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

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

### **3.9 Securities Financing Transaction Regulations**

While the ICAV may be authorised to enter into Securities Financing Transactions (SFTs) and Total Return Swaps, unless otherwise set out in the Supplement for the relevant Fund, it is not anticipated that the ICAV will enter into any SFTs or Total Return Swaps. However, in the event that the ICAV contemplates entering into such transactions where not previously disclosed to investors, investors will be provided with further details of the structure and use of such transactions, together with any other information required to be disclosed to investors in accordance with Articles 13 and 14 of the SFTR by updating this Prospectus or the relevant Supplement.

### **3.10 Collateral Policy in respect of FDI, Repurchase, Reverse Repurchase and Stock lending Agreements**

#### **Non Cash Collateral**

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

- (i) **Liquidity:** Non-cash collateral should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations (paragraphs 5.1-5.3 in Appendix 2);

- (ii) **Valuation:** Collateral must be capable of being valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place;
- (iii) **Issuer credit quality:** Collateral received should be of high quality;
- (iv) **Correlation:** Collateral received should be issued by an entity that is independent from the counterparty. There should be a reasonable ground to expect that it would not display a high correlation with the performance of the counterparty;
- (v) **Diversification (asset concentration):**
  - (a). Subject to sub-paragraph (b) below, collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Net Asset Value of the relevant Fund. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer.
  - (b) 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, provided that the Fund receives securities from at least 6 different issues, with securities from any one issue not exceeding 30% of the Net Asset Value of the Fund. Please see section 2.12 of the section of Appendix 2 for individual issuers.
- (vi) **Immediately available:** Collateral received should be capable of being fully enforced by the ICAV at any time without reference to or approval from the relevant counterparty; and

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

### Cash Collateral

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

- (i) **cash** received as collateral may only be invested in the following:
  - (a) deposits with a credit institution authorised in the European Economic Area (EEA) (EU Member States, Norway, Iceland, Liechtenstein), a credit institution authorised within a signatory state, other than an EU Member State or a Member State of EEA, to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States, United Kingdom) or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand (the 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);
- (ii) invested cash collateral must be diversified in accordance with the paragraph entitled **Diversification (asset concentration)** above;
- (iii) invested cash collateral may not be placed on deposit with the counterparty or a related entity.



## Level of Collateral Required

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

Repurchase agreements	at least 100% of the exposure to the counterparty
Reverse repurchase agreements	at least 100% of the exposure to the counterparty
Lending of portfolio securities	at least 100% of the exposure to the counterparty
OTC derivatives	Such collateral to ensure, in any event, that counterparty exposure is managed within the limits set out in Appendix 2

## Haircut Policy

In advance of a Fund entering into OTC derivative transactions, repurchase and reverse repurchase agreements, the Manager or Investment Manager will determine what, if any, haircut may be required and acceptable for each class of asset to be received as collateral, which will be set out in the agreement with the relevant counterparty or otherwise documented at the time of entering into such agreement. Such haircut will take into account the characteristics of the asset such as the credit standing or price volatility of the assets received as collateral and, where applicable, the outcome of any stress test performed in accordance with the Central Bank's requirements. The level of collateral put in place will change from time to time and will be dependent on counterparty risk requirements of the Central Bank and the requirements for collateral under any agreements with counterparties.

### 3.11 Share Class Hedging

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

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

The Investment Manager has appointed an affiliate of the Depositary and Administrator, HSBC Bank plc, to manage currency hedging for certain of the Funds' Hedged Currency Share Classes. HSBC Bank plc acts pursuant to an agreement to carry out passive currency hedging transactions.

HSBC Bank plc is authorised by the PRA and regulated by the FCA and the PRA. HSBC Bank plc is a company incorporated in England and Wales with company registration number 14259 and whose registered office is 8 Canada Square, London E14 5HQ, United Kingdom.

### 3.12 **Dividend Policy**

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

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

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

Dividends payable to Shareholders will be paid by electronic transfer to the bank account designated by the Shareholder in the Application Form (or as otherwise agreed with the ICAV) at the expense of the payee and will be paid within the time frame as provided for in the relevant Supplement. Dividend payments in cash will be made in the currency of denomination of the relevant Share Class unless the relevant Supplement provides otherwise. The ICAV, or the Administrator on its behalf, shall be entitled to deduct from the distribution such amount as may be necessary to discharge any liability to tax in respect of such distribution and shall arrange to discharge the amount of tax due.

Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of dividend payments. In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the Fund until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which such dividend will be paid.

Until payment, dividend proceeds may be held in the Dividend Account. The payee of such dividend proceeds from the Dividend Account will be an unsecured general creditor of the particular fund with respect to the dividend proceeds held in the Dividend Account. Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes may result in a delay in the settlement of dividend proceeds.

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

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

## **4 RISK FACTORS**

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

### **4.1 General Risk**

The Funds will be investing in assets selected by the Investment Manager in accordance with the respective investment policies. The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, will therefore be closely linked to the performance of such investments and investors should be aware that the value can go down as well as up. Investments made by the Investment Manager may 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. Each Shareholder may not get back the amount they invest and may receive a return from their investment which is insufficient at the time to meet their own investment objectives. Results may vary substantially over time and all of each Shareholder's investment is at risk.

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

### **4.2 Liquidity of Investments**

Investors often describe the speed and ease with which an asset can be sold and converted into cash as its liquidity. Most of the investments owned by a Fund can usually be sold promptly at a fair price and therefore can be described as relatively liquid. But a Fund may also hold investments which become illiquid over a period of time due to volatility or low trading volumes, which means they can't be sold quickly or easily. Some investments may become illiquid because of legal restrictions, the nature of the investment itself and settlement terms, or for other reasons. Sometimes, there may simply be a shortage of buyers. A Fund that has trouble selling an investment can lose value or incur extra costs. In addition, illiquid investments may be more difficult to value accurately and may experience larger price changes. This can cause greater fluctuations in a Fund's value.

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

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

### **4.4 Effect of Subscription Charge and Redemption Charge**

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

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

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

#### 4.6 **Suspension of Dealings**

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

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

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

#### 4.8 **Umbrella Cash Subscription, Redemption and Dividend Accounts**

Subscription monies received in respect of a fund in advance of the issue of Shares will be held in the Subscriptions Account in the name of the ICAV and will be treated as an asset of the relevant fund.

In consideration of the issue of Shares, the subscription proceeds are transferred to the relevant fund custody cash account in accordance with the procedure set out under "*Subscription for Shares*" below. Until the issue of Shares with reference to the relevant Valuation Point on the Dealing Day, the entitlement of applicants to the subscription monies paid into the Subscriptions Account is that of an unsecured creditor of the relevant fund with respect to the amount subscribed and held in the Subscriptions Account. Investors do not become a Shareholder until the Shares are issued and the subscription monies are received. Investors will be unsecured creditors of the relevant fund with respect to the amount subscribed and held by the ICAV until Shares are issued on the Dealing Day. As such, investors will not benefit from any appreciation in the Net Asset Value of the relevant fund or any other Shareholder rights (including dividend entitlement) until such time as Shares are issued on the relevant Dealing Day. In the event of an insolvency of the fund or the ICAV, there is no guarantee that the fund or ICAV will have sufficient funds to pay unsecured creditors in full.

Payment of repurchase proceeds and dividends in respect of Shares in a fund is subject to receipt by the Administrator of the Application Form and compliance with all anti-money laundering procedures. Redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, and will be unsecured creditors of the particular fund, from the relevant Dealing Day. Pending redemptions and distributions, including blocked redemptions or distributions, will, pending payment to the relevant Shareholder, be held in the Redemptions Account in the name of the ICAV. Redeeming Shareholders and Shareholders entitled to such distributions will be unsecured creditors of the relevant fund, and will not benefit from any appreciation in the Net Asset Value of the fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount held in the Umbrella Cash Subscription, Redemption or Dividend Accounts. In the event of an insolvency of the relevant Fund or the ICAV, there is no guarantee that the Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should ensure that any outstanding issues are addressed promptly and outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder's own risk.

In the event of the insolvency of another fund of the ICAV (the **Insolvent Fund**), recovery of any amounts held in the Umbrella Cash Subscription, Redemption or Dividend Accounts to which another fund is entitled (the **Entitled Fund**), but which may have transferred to the Insolvent Fund as a result of the operation of the Umbrella Cash Subscription, Redemption or Dividend Accounts, will be subject to the principles of Irish insolvency law and the terms and conditions for the Umbrella Cash Subscription, Redemption or Dividend

Accounts. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the Insolvent Fund may have insufficient funds to repay amounts due to the Entitled Fund.

Umbrella Cash Subscription, Redemption or Dividend Accounts are maintained by the ICAV and operated by the Administrator at umbrella level in the name of the ICAV for the purposes of (i) receiving subscription monies from applicants for the issue of Shares; (ii) paying redemption proceeds to investors; and (iii) paying dividends to Shareholders of Distributing Shares. The subscription monies are held in the Subscription Account for the account of the relevant Fund pending settlement of the associated issue of Shares.

#### 4.9 **Mandatory Redemption Risk**

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 Fund Size (if any) specified in the Supplement for the relevant Fund or otherwise notified to Shareholders.

The Instrument of Incorporation of the ICAV gives powers to the Directors to impose restrictions on the holding of Shares directly or indirectly by (and consequently to redeem Shares held by), or the transfer of Shares to any person or entity as outlined in the section entitled **Mandatory Redemptions** below.

#### 4.10 **Withholding Tax**

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

#### 4.11 **Credit Risk**

Credit risk also arises from the uncertainty surrounding the ultimate repayment of principal and interest or other investments by the issuers of such securities. There can be no assurance that the issuers of securities or other instruments in which a Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or other instruments. A Fund will also be exposed to a credit risk in relation to the counterparties with whom a Fund trades and may bear the risk of settlement default. Changes in the credit quality of an issuer and/or security or other instrument could affect the value of a security or other instrument or a Fund's share price.

#### 4.12 **Portfolio Currency Risk**

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

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

A Fund may enter into currency exchange and other transactions and/or use techniques and instruments to seek to protect against fluctuation in the relative value of its portfolio positions as a result of changes in currency exchange rates or interest rates between the trade and settlement dates of specific securities transactions or anticipated securities transactions. Although these transactions are intended to minimise the risk of loss due to a decline in the value of hedged currency or interest rate, they also limit any potential gain

that might be realised should the value of the hedged currency or interest rate increase. The precise matching of the relevant contract amounts and the value of the securities involved will not generally be possible because the future value of such securities will change as a consequence of market movements in the value of such securities between the date when the relevant contract is entered into and the date when it matures. The successful execution of a hedging strategy which matches exactly the profile of the investments of any Fund cannot be assured. It may not be possible to hedge against generally anticipated exchange or interest rate fluctuations at a price sufficient to protect the assets from the anticipated decline in value of the portfolio positions as a result of such fluctuations. Fund performance may be strongly influenced by movements in FX rates because currency positions held by the Fund may not always correspond with the securities positions held.

#### 4.13 **Share Class Currency Risk**

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

#### 4.14 **Interest Rate Risk**

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

#### 4.15 **Reliance on the Investment Manager**

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 it is willing to entrust all aspects of management of the Fund to the ICAV and, in accordance with the terms of the Investment Management Agreement, all aspects of selection and management of the Fund's investments to the Investment Manager. The Fund's performance depends on, amongst other things, the expertise and investment decisions of the Investment Manager. The Investment Manager's opinion about the intrinsic worth of a company or security may be incorrect, the Fund's investment objective may not be achieved and the market may continue to undervalue the securities held by the Fund.

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

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

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

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

#### **4.17 Segregated Liability Risk**

While there are provisions which provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in particular, in satisfying local creditors' claims.

#### **4.18 Concentration Risk**

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

#### **4.19 Risks associated with Investment in other Collective Investment Schemes**

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

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

The Funds will not have an active role in the day-to-day management of the collective investment schemes in which they invest. Moreover, Funds will generally not have the opportunity to evaluate the specific investments made by any underlying collective investment schemes before they are made. Accordingly, the returns of a Fund will primarily depend on the performance of these unrelated underlying fund managers and could be substantially adversely affected by the unfavourable performance of such underlying fund managers.

#### **4.20 Equity Markets Risk**

Investments in equity securities offer the potential for substantial capital appreciation. However, such investments also involve risks, including issuer, industry, market and general economic related risks. Although the Investment Manager may attempt to reduce these risks by utilising various techniques

described in this Prospectus and where applicable in the Supplement for a relevant Fund, adverse developments or perceived adverse developments in one or more of these areas could cause a substantial decline in the value of equity securities owned by a Fund.

#### 4.21 **Emerging Market Risk**

To the extent that a Fund invests in emerging markets, the following risks shall also apply:

- (i) The trading and settlement practices of some of the stock exchanges or markets on which a Fund may invest may not be the same as those in more developed markets, which may increase settlement risk and/or result in delays in realising investments made by a Fund. In addition, a Fund will be exposed to credit risk on parties with whom it trades and will bear the risk of settlement default. The Depositary may be instructed by the Investment Manager to settle transactions on a delivery free of payment basis where the Investment Manager believes that this form of settlement is common market practice. Shareholders should be aware, however, that this may result in a loss to a Fund if a transaction fails to settle and the Depositary will not be liable to a Fund or to the Shareholders for such a loss.
- (ii) Currency fluctuations can be severe in developing countries that have both floating and fixed exchange rate regimes. The latter can undergo sharp one-time devaluations.
- (iii) Disclosure and regulatory standards may be less stringent in certain securities markets than they are in developed countries and there may be less publicly available information on the issuers than is published by or about issuers in such developed countries. Consequently some of the publicly available information may be incomplete and/or inaccurate. In some countries the legal infrastructure and accounting and reporting standards do not provide the same degree of shareholder protection or information to investors as would generally apply in many developed countries. In particular, greater reliance may be placed by the auditors on representations from the management of a company and there may be less independent verification of information than would apply in many developed countries. The valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may also be treated differently from international accounting standards.
- (iv) The performance of a Fund may be affected by changes in economic and market conditions, uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and in legal, regulatory and tax requirements. A Fund may also be exposed to risks of expropriation, nationalisation and confiscation of assets and changes in legislation relating to the level of foreign ownership.
- (v) Local custody services remain underdeveloped in many emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances a Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Such circumstances may include uncertainty relating to, or the retroactive application of legislation, the imposition of exchange controls or improper registration of title. In some emerging market countries evidence of title to shares is maintained in book-entry form by an independent registrar who may not be subject to effective government supervision, which increases the risk of the registration of a Fund's holdings of shares in such markets being lost through fraud, negligence or mere oversight on the part of such independent registrars. The costs borne by a Fund in investing and holding investments in such markets will generally be higher than in organised securities markets.
- (vi) Prices of securities traded in emerging markets tend to be less liquid and more volatile.

#### 4.22 **FDI and Efficient Portfolio Management Techniques and Instruments (EPM)**

Where disclosed in the relevant Fund supplement, a Fund may use FDI for hedging and investment purposes and may use EPM techniques and instruments such as repurchase agreements, reverse repurchase agreements and stock lending agreements. Each Fund may seek to protect or enhance its returns by using FDI and EPM techniques and instruments in accordance with the Supplement for a Fund and subject to the



conditions and limits set out in the Central Bank UCITS Regulations and the Regulations. The ability to use these strategies may be limited by market conditions and regulatory limits and there can be no assurance that the objective sought to be attained from the use of these strategies will be achieved. The use of FDI and EPM techniques and instruments involves investment risks and transaction costs to which a Fund would not be subject if such Fund did not use these strategies. If the predictions of movements in the direction of the respective underlying(s) are inaccurate, the adverse consequences to a Fund may leave a Fund in a worse position than if such strategies were not used.

Risks inherent in the use of FDI and EPM techniques and instruments include, but are not limited to:

- (i) the dependence on the ability to predict correctly movements in the direction of the underlying interest rates, securities prices, currency markets or other parameters;
- (ii) the possibly imperfect correlation between the price of FDI and movements in their underlying interest rates, securities prices, currency markets or other parameters;
- (iii) the fact that skills needed to use these strategies are different from those needed to select securities;
- (iv) the possible absence of a liquid secondary market for any particular instrument at any time;
- (v) the possible inability of a Fund to purchase or sell an instrument at a time that otherwise would be favourable for it to do so, or the possible need for a Fund to sell an instrument at a disadvantageous time;
- (vi) the potential loss arising from the use of FDI and EPM techniques and instruments may not be predictable and may even exceed the margins or other collateral paid;
- (vii) the risk of insolvency or default of a counterparty; and
- (viii) the risk, in particular in the case of OTC FDI or EPM techniques and instruments, that the relevant documentation might not accurately reflect the terms agreed or be legally enforceable or the risk of loss due to the unexpected application of a law or regulation.

#### **4.23 Repurchase Agreements**

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

#### **4.24 Reverse Repurchase Agreements**

Reverse repurchase transactions involve risks in that (a) in the event of the failure of the counterparty with which cash of a Fund has been placed there is the risk that collateral received may realise less than the cash placed out, whether because of inaccurate pricing of the collateral, adverse market movements, a deterioration in the credit rating of issuers of the collateral, or the illiquidity of the market in which the collateral is traded; and that (b) (i) locking cash in transactions of excessive size or duration, (ii) delays in recovering cash placed out, or (iii) difficulty in realising collateral may restrict the ability of the Fund to meet redemption requests, security purchases or, more generally, reinvestment.

#### **4.25 Securities Lending / Stock Lending Risk**

Securities lending, as applicable for a Fund, involves lending for a fee portfolio securities held by a Fund for a set period of time to willing, qualified borrowers who have posted collateral. In lending its securities, a Fund

is subject to the risk that the borrower may not fulfil its obligations or go bankrupt leaving the Fund holding collateral worth less than the securities it has lent, resulting in a loss to the Fund.

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

For securities lending made with Connected Parties of the Depositary or the Investment Manager, it must be made on arm's length commercial terms and the Depositary's written consent is required. Please see the "**Portfolio Transactions and Conflicts of Interest**" section below.

#### 4.26 **Collateral Risk**

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

#### 4.27 **Limited Recourse**

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

#### 4.28 **Possible Effects of Substantial Redemptions or Withdrawals**

Redemptions or withdrawals from a Fund could require that Fund to liquidate its positions more rapidly than otherwise desirable, which could adversely affect that Fund's Net Asset Value. Illiquidity in certain securities could make it difficult for a Fund to liquidate positions on favourable terms, which may affect that Fund's Net Asset Value. Although a Fund may suspend redemptions or withdrawals in the manner described under the section entitled **Suspension of Calculation of Net Asset Value** in order to minimise this risk, it might not always do so, nor would use of this provision eliminate such value or liquidity risks.

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

#### 4.29 **Limitations on Redemption of Shares/Liquidity**

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

#### 4.30 **Regulatory Restrictions**

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

#### 4.31 **Specialisation Risk**

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

#### 4.32 **Sustainability Risks**

A Sustainability Risk in the context of a Fund is 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 investment. The following are environmental, social and governance themes that may be relevant for the Fund. Within these themes, events may happen or conditions may arise that impact the valuation of the Fund:

##### *Environmental Risk*

- Carbon Emissions Risk
- Climate Change Risk
- Natural Resource Depletion Risk
- Pollution and Waste Risk

##### *Social Risks*

- Human Capital Risk
- External Social Risk
- Megatrends Risk

##### *Governance*

- Board Diversity and Structure Risk
- Inadequate External or Internal Audit Risk
- Fair Tax Strategy Risk
- Shareholders' Rights Risk
- Bribery and Corruption Risk
- IT Safeguards Risk

- Employee Safeguards Risk

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

## 5 **MANAGEMENT OF THE ICAV**

### 5.1 **Directors of the ICAV**

The Directors of the ICAV are described below and each Director is non-executive:

#### **Raymond O'Neill (Irish):**

Raymond O'Neill has gained considerable experience working in the financial services market in general and the investment management industry in particular. Raymond currently acts as an Independent Non-Executive Director of regulated investment funds and other regulated entities. Prior to taking these roles Raymond was a Founding Member and the CEO of Kinetic Partners, a global consultancy firm from 2005 to 2013. Previously Raymond was Managing Partner of the Financial Services Group at RSM Robson Rhodes, a London based professional services firm, after working as Managing Director at Investors Bank & Trust in Dublin, a global fund administrator and custodian. Between 1991 and 1994, Raymond was Vice President and Treasurer of Atlantic Corporate Management, a family office based in Bermuda. Between 1987 and 1991, Raymond was a Manager in the Fund Administration department of the Bank of Bermuda. Raymond is a Chartered Certified Accountant (FCCA), a Chartered Financial Analyst (CFA) and holds a Diploma in Company Direction (Dip IOD) from the Institute of Directors.

Raymond is Chair and an independent non-executive director of the ICAV.

#### **Dom Clarke (British):**

Dom Clarke is the Chief Financial Officer of Marlborough Group including holding SMF3 Executive Director roles on three UK regulated businesses. As Chief Financial Officer, Dom oversees the shared services across the group of Finance, HR, IT and Data, Business Transformation, Legal and Co-Sec. Dom also works on the Group's strategic investments with involvement in the acquisition and successful integration of IFSL. Dom has been with the business for eleven years and previously held roles at Prometheus World as well as working on mergers and acquisitions at Clearwater International. Dom qualified as a Chartered Accountant (ACA – issued by the ICAEW) in 2009 following three years in banking and securities audit with Deloitte. Dom also holds the Investment Operations Certificate (IOC) qualification from the Chartered Institute for Securities & Investment and the Certificate in International Treasury Management (CertITM) qualification from the Association of Corporate Treasurers.

#### **Brian Farrell (Irish):**

Brian Farrell has over twenty-five years' experience in the asset management and investment funds industry and acts as Director of investment funds, fund managers and other companies. Previously Brian was Designated Person for Investment Management and a Director of Marlborough Group's Irish UCITS Manager, and Interim Finance Director of a start-up fintech. Up to late 2020, Brian was Head of Oversight of a large third-party UCITS Manager and AIFM, Link Fund Manager Solutions Ireland (now part of Waystone), and prior to that, Chief Financial Officer of a MiFID investment manager and start-up AIFM. During the previous ten years Brian was a Vice President in the compliance and regulatory consulting practice of Duff & Phelps (now Kroll) where he acted as Designated Person of UCITS funds, AIFs and Management Companies and managed the firm's financial reporting practice. Brian started his finance career with investment firms in Ireland and Australia including Ulster Bank Markets, BNY Mellon and Goldman Sachs. Brian is a Chartered Certified Accountant, holds the designation of Certified Investment Fund Director from The Institute of Bankers in Ireland, and is a Member of the Chartered Institute for Securities & Investment. Brian holds a Diploma in Risk Management, Internal Audit and Compliance (with distinction) and a Diploma in Strategic Finance and Business Analytics (with distinction) from Chartered Accountants Ireland.

### **Danny Knight (British)**

Danny Knight is Commercial Director at the Marlborough Group and has almost 25 years' experience in the asset management and financial services industry. Danny joined Marlborough in March 2023 after nearly ten years at Quilter Investors, including the Old Mutual Global Investors business where he joined as Director of Investment Solutions. Danny held several roles at Quilter including Head of Group Distribution, Head of Investment Directors & Client Services and latterly as Head of Investment Proposition for the group both in the UK and internationally. Previously Danny held senior management positions at Henderson Global Investors and New Star Asset Management including extensive board and investment committee experience. Since starting his career with Jupiter Fund Management, Danny has gained broad commercial experience across distribution, marketing, governance and product.

### **Martin Ratcliffe (British):**

Martin Ratcliffe is Head of Group Distribution of the Marlborough Group and has over thirty years' experience in the wealth management and investment fund industry. Martin is with the business for nine years and previously held a number of senior management positions in the UK including CEO of IFDS Managers Limited (a joint venture between State Street and DST) and CEO of IFSL, a provider of authorised corporate director services (then owned by BNP Paribas, now part of the Marlborough Group). Prior to that Martin was General Manager and Director of Henderson Administration Ireland providing investment management administration services. Martin has held regulated controlled functions and is a Fellow of the Chartered Institute for Securities & Investment.

## **5.2 The ICAV**

The ICAV has delegated the day to day investment management and administration of all the assets of the ICAV to the Manager and has approved the Depositary to act as the depositary of all of the assets of the ICAV.

## **5.3 Manager**

TMF Fund Management (Ireland) Limited has been appointed as manager for the ICAV pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the ICAV's affairs, with power to delegate such functions subject to the overall supervision and control of the Directors. The Board of the ICAV retains the discretion to delegate as determined by the Directors. In accordance with the requirements of the Central Bank, the Manager delegates certain of its fund administration duties to the Administrator (including responsibility for the preparation and maintenance of the ICAV's records and accounts and related fund accounting matters, the calculation of the Net Asset Value per Share and the provision of share registration services in respect of the Funds); and some of its portfolio management functions to the Investment Manager. The liability of the Manager to the ICAV will not be affected by the fact that it has delegated certain of its functions.

The Manager was incorporated in Ireland as a private limited company on 14 November 2012 under registration number 520092 and with its registered office at Ground Floor, Two Dockland Central, Guild Street, Dublin D01 K2C5, Ireland. The Manager is authorised as a UCITS Manager by the Central Bank. It is a wholly-owned subsidiary of TMF Management Holding Ireland Limited.

The directors of the Manager are:

### **Lorraine Rooney (Irish Resident)**

Lorraine Rooney is the CEO of TMF Fund Management (Ireland) Limited. Since 2005, Lorraine has gained extensive experience both in-house and in private practice as a lawyer and compliance professional advising fund promoters, fund service providers, AIFM & UCITS management companies and fund boards on the establishment, ongoing operation and regulation of all types of UCITS and AIFs. She has worked both in-house and at global organisations, including Dechert, State Street, AXA & MUFG Investor Services and at

Irish domiciled third-party management companies, KBA Associates & Carne. Lorraine is an active member of Irish Funds groups and is a regular industry speaker, she also acts as a guest lecturer and examiner at the Law Society of Ireland, from time to time.

Lorraine is a practising member of the Law Society of Ireland and has completed the Professional Diploma in Compliance and is a Licentiate of the Association of Compliance Officers in Ireland (LCOI). She holds a Bachelor of Psychology (Hons) from Trinity College Dublin and a Diploma in Commercial Law, Diploma in Finance Law & Certificate in Data Protection awarded by the Law Society of Ireland.

### **Bernard Hanratty (Irish Resident)**

Bernard is an Independent Non-Executive Director (INED) and is approved by the Central Bank as an INED, Chairman of the Board and Chairman of the Risk Committee. He serves on the boards of Fund Service Providers, Fund Management Companies and Investment Funds. His 30 years career in international banking with Citigroup is complemented by an 18-month Public Sector CEO role. He sat on the boards of many regulated entities at Citigroup. He is a past board member and Chairman of Irish Funds. He has also completed an expert witness assignment in a complex European fraud case. In 2015, Bernard founded a corporate governance software company, Tivus Limited.

### **Marco Cipolla**

Marco is a non-executive Director of the Company, resident in Luxembourg.

Marco is executive director and member of the management team for the TMF Luxembourg fund services division. Marco has extensive experience in the funds industry, ranging from fund administration for an Italian banking asset manager, to an independent Luxembourg asset manager, and finally setting up and running a UCITS/AIFM management company.

Marco holds a bachelor's degree and a master's degree in financial engineering from the Politecnico do Milano and completed an Executive MBA with ESSEC & Mannheim Business School in 2021. Marco is a board member of the LPEA, co-chair of the Operations committee at L3A and member of various ALFI technical committees.

For the purpose of this document the address of each of the directors of the Manager is the registered office of the Manager.

The corporate secretary of the Manager is Leeanne Venter, whose registered address is at Ground Floor, Two Dockland Central, Guild Street, Dublin D01 K2C5, Ireland.

### **Remuneration Policy of the Manager**

The Manager has established policies and procedures in relation to remuneration which, in the Manager's opinion, are proportionate and consistent with sound and effective risk management in accordance with applicable UCITS requirements (the **Remuneration Policy**). The Remuneration Policy is intended to discourage specified categories of personnel/staff, to the extent that personnel/staff of the Manager fall within those specified categories, from taking risks deemed to be inconsistent with the ICAV's risk profile or which might impair the Manager in complying with the duty to act in the ICAV's best interests.

Details of the Manager's up-to-date Remuneration Policy, including a description of how remuneration and benefits are calculated and the identities of the persons responsible for awarding such remuneration/benefits can be accessed from the following website: <https://www.tmf-group.com/en/services/fund-services/tmf-fund-management-ireland-limited/>. A paper copy of the Remuneration Policy is also available free of charge from the Manager upon request. The Remuneration Policy is in line with the business strategy, objectives, values and interests of the Manager, the ICAV and the shareholders and includes measures to avoid conflicts of interest.

#### 5.4 **Investment Manager**

The Manager has appointed an Investment Manager for each Fund as set out in the relevant Supplement.

#### 5.5 **Depositary**

The ICAV has appointed HSBC Continental Europe, acting through its branch in Ireland as the Depositary responsible for providing depositary services to the ICAV for the purposes of and in compliance with the Regulations pursuant to the Depositary Agreement.

The Depositary has a registered branch in Ireland (registration number 908966) having its registered office at 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland, and regulated by the Central Bank as a depositary for Irish authorised investment funds and otherwise regulated by the Central Bank for conduct of business rules. HSBC Continental Europe, a company incorporated under the laws of France as a société anonyme (registered number 775 670 284 RCS Paris), having its registered office at 38 Avenue Kléber, 75116 Paris, France, is supervised by the European Central Bank as part of the Single Supervisory Mechanism, the French Prudential Supervisory and Resolution Authority as the French National Competent Authority and the French Financial Markets Authority for the activities carried out over financial instruments or in financial markets. The Depositary is an indirect wholly owned subsidiary of HSBC Holdings plc, a public limited company incorporated in England and Wales. When providing services to Irish UCITS, the Depositary is subject to the supervision of the Central Bank.

The Depositary provides services to the ICAV as set out in the Depositary Agreement and, in doing so, shall comply with the Regulations.

##### **Duties of the Depositary**

The Depositary's key duties include the following:

- (a) safekeeping the assets of the relevant Funds which includes (i) holding in custody all financial instruments that may be held in custody in accordance with Regulation 34(4)(a) of the Regulations; and (ii) verifying the ownership of other assets and maintaining records accordingly, in each case in accordance with Regulation 34(4)(b) of the Regulations;
- (b) ensuring that the relevant Fund's cash flows are properly monitored and in particular that all payments made by or on behalf of applicants upon the subscription to shares of the Funds have been received and that all cash of the relevant Fund has been booked in cash accounts that are in accordance with Regulation 34(3) of the Regulations;
- (c) ensuring that the sale, issue, redemption, repurchase and cancellation of Shares is carried out in accordance with the Regulations and the Instrument of Incorporation and that the valuation of the Shares of the Funds are calculated in accordance with the Regulations and the Instrument of Incorporation;
- (d) carrying out the instructions of the ICAV unless they conflict with the Regulations or the Instrument of Incorporation;
- (e) ensuring that in transactions involving the relevant Fund's assets any consideration is remitted to the ICAV within the usual time limits;
- (f) ensuring that the ICAV's income is applied in accordance with the Regulations and the Instrument of Incorporation;
- (g) enquiring into the conduct of the ICAV in each accounting period and report thereon to the Shareholders. The Depositary's report shall state whether in the Depositary's opinion the ICAV has been managed in that period:

- (1) in accordance with the limitations imposed on the borrowing powers of the ICAV by the Instrument of Incorporation and by the Central Bank under the powers granted to the Central Bank by the Regulations;
- (2) otherwise in accordance with the provisions of the Instrument and the Regulations;

and if the ICAV has not been managed in accordance with (1) or (2) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

### **Delegation of Functions and Liability**

The Depositary may delegate its safekeeping functions subject to the terms of the Depositary Agreement.

The Depositary Agreement contains provisions governing the responsibility and limitations on the responsibility of the Depositary and provides for its indemnification in certain circumstances.

Subject to the paragraph below, and pursuant to the Depositary Agreement, the Depositary will be liable to the ICAV and its Shareholders for the loss of a financial instrument of the ICAV which is entrusted to the Depositary for safekeeping. The Depositary shall also be liable for all other losses suffered by the ICAV as a result of its negligence or intentional failure to properly fulfil its obligations under the Regulations.

The Depositary may delegate its safekeeping functions to one or more delegates in accordance with, and subject to the Regulations and on the terms set out in the Depositary Agreement. The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party. The performance of the safekeeping function of the Depositary in respect of certain of the ICAV's assets has been delegated to the delegates listed in Appendix 3. The Depositary has delegated the safekeeping of certain of the assets of the ICAV to one global sub-custodian being HSBC Bank plc in London (**HBEU**) (the **Global Sub-Custodian**) in accordance with the terms of a written agreement between the Depositary and the Global Sub-Custodian. The Global Sub-Custodian may also use sub-delegates appointed in accordance with the terms of written agreements between the Global Sub-Custodian and those sub-delegates for the safekeeping of certain of the assets of the ICAV.

The Depositary shall not be liable for the loss of a financial instrument held in custody by the Depositary where the loss of the financial instrument arises as a result of an external event beyond the reasonable control of the Depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Depositary's liability to the Shareholders of the ICAV may be invoked directly or indirectly through the ICAV provided this does not lead to duplication of redress or to unequal treatment of Shareholders.

### **Termination Provisions**

The appointment of the Depositary under the Depositary Agreement may be terminated without cause by not less than ninety (90) days written notice provided that the Depositary Agreement does not terminate until a replacement Depositary has been appointed.

### **Conflicts of Interest**

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates, for example, and without prejudice to the generality of the foregoing, where an appointed delegate is an affiliated group company and is providing a product or service to the ICAV and has a financial or business interest in such product or service, or receives remuneration for other related products or services it provides to the ICAV. The Depositary maintains a conflict of interest policy to address this.

The Depositary and any of its affiliates may effect, and make a profit from, transactions in which the Depositary (or its affiliates, or another client of the Depositary or its affiliates) has (directly or indirectly) a



material interest or a relationship of any description and which involves or may involve a potential conflict of interest with the Depositary's duty to the ICAV. This includes for example circumstances in which the same entity to which the Depositary or any of its affiliates or connected persons belong, acts as Administrator of the ICAV; provides stock lending services and foreign exchange facilities to the ICAV and/or a Fund and/or to other funds or companies; acts as banker, derivatives counterparty of the ICAV and/or a Fund; acts in the same transaction as agent for more than one client; or earns profits from or has a financial or business interest in any of these activities.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the ICAV and will treat the ICAV and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the ICAV than if the conflict or potential conflict had not existed.

The Depositary in no way acts as guarantor or offeror of the ICAV's shares or any underlying investment. The Depositary is a service provider to the ICAV and has no responsibility or authority to make investment decisions, or render investment advice, with respect to the assets of the ICAV. Save as required by the Regulations, the Depositary is not responsible for, and accepts no responsibility or liability for, any losses suffered by the ICAV or any Shareholders in the ICAV, as a result of any failure by the ICAV or the Investment Manager to adhere to the ICAV's investment objectives, policy, investment restrictions, borrowing restrictions or operating guidelines.

The Depositary is a service provider to the ICAV and is not responsible for the preparation of this document or for the activities of the ICAV and therefore accepts no responsibility for any information contained, or incorporated by reference, in this document.

#### **Miscellaneous**

Up to date information regarding the name of the Depositary, a description of its duties, any conflicts of interest and delegations of its safekeeping functions will be made available to shareholders on request and free of charge at the registered office of the Depositary.

### **5.6 Administrator**

The ICAV has appointed HSBC Securities Services (Ireland) DAC as the administrator, registrar and transfer agent of the ICAV under the Administration Agreement. Under the terms of the Administration Agreement the Administrator is responsible for providing registrar and transfer agent services, performing the day-to-day administration of the ICAV; for providing fund accounting for the ICAV, including the calculation of the NAV of the Funds and the Shares.

The Administrator was incorporated as a private limited company incorporated under the laws of Ireland on 29 November 1991 and is engaged in the business of providing administration and accounting services to collective investment schemes. The Administrator is an indirect wholly owned subsidiary of HSBC Holdings plc, a public limited company incorporated in the United Kingdom.

The appointment of the Administrator may be terminated without cause by not less than ninety (90) days' notice in writing.

The Administrator is a service provider to the ICAV and has no responsibility or authority to make investment decisions, or render investment advice, with respect to the assets of the ICAV. The Administrator is not responsible for and accepts no responsibility or liability for any losses suffered by the ICAV or any investors in the ICAV as a result of any failure by the ICAV or the Investment Manager to adhere to the investment objective, policy, investment restrictions, borrowing restrictions or operating guidelines. The Administrator is a service provider to the ICAV and is not responsible for the preparation of this document or for the activities of the ICAV and therefore accepts no responsibility for any information contained in this document.

Under the terms of the Administration Agreement, the Administrator is able to delegate certain of its functions and duties to the Administrator's affiliates.

#### 5.7 **Paying Agents/Correspondent Banks**

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

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

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

Subject to the provisions of this section, the Manager, the Investment Manager, the Administrator, the Depositary, the Distributor and any of their respective subsidiaries or delegates (each a **Connected Party**) may contract or enter into any financial, banking or other transaction with one another or with the ICAV. This includes, without limitation, investment by the ICAV in securities of any Connected Party or investment by any Connected Party 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 Party 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. In the event of a conflict arising, each Connected Party shall ensure that the conflict will be resolved fairly.

Each Connected Party is or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the ICAV and/or their respective roles with respect to the ICAV. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services, valuation of securities (in circumstances in which fees may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the ICAV may invest.

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

Conflicts of interest may arise as a result of transactions in FDI and EPM techniques and instruments. For example, the counterparties to, or agents, intermediaries or other entities which provide services in respect of, such transactions may be related to the Manager, Investment Manager or the Depositary. As a result, those entities may generate profits, fees or other income or avoid losses through such transactions. Furthermore, conflicts of interests may also arise where the collateral provided by such entities is subject to a valuation or haircut applied by a related party.

Any cash of the ICAV may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2014, with any Connected Party or invested in certificates of deposit or banking instruments issued by any Connected Party. Banking and similar transactions may also be undertaken with or through a Connected Party.

Any Connected Party may also deal as agent or principal in the sale or purchase of securities and other investments to or from the ICAV. There will be no obligation on the part of any Connected Party 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 conducted at arm's length and are in the best interests of the Shareholders of that Fund and:

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

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

Conflicts of interest may arise in the Depositary's performance of its duties in circumstances where, including without limitation, the Manager or the ICAV maintains other business relationships with the Depositary or any of the Depositary's affiliates, where the ICAV's assets may include an investment or property held by the Depositary or managed by an affiliate of the Depositary, where the Depositary or an affiliate may have a holding in financial instruments purchased or sold by the Depositary on behalf of the ICAV or where the Depositary may have a relationship with another party that may conflict with the Depositary's duties to the ICAV and ICAV's interests. Conflicts of interest may also arise in circumstances where, including without limitation, the Manager or the ICAV maintains other business relationships with any of the Depositary's delegates or the delegate's sub-delegates, where the ICAV's assets may include an investment or property held by the delegate or sub-delegate or managed by the delegate or sub-delegate, where the delegate or its sub-delegate has a holding in financial instruments purchased or sold by the delegate or sub-delegate on behalf of the ICAV, where a delegate or sub-delegate may have a relationship with another party that may conflict with the delegate's or sub-delegate's duties to the ICAV and the ICAV's interests.

As the fees of the Administrator and 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 Administrator and the Investment Manager. Accordingly, there is a conflict of interest for the Administrator, the Investment Manager or any related parties in cases where the Administrator, the Investment Manager or any related parties are responsible for determining the valuation price of a Fund's investments.

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

## 6 SUBSCRIPTION FOR SHARES

### 6.1 Purchases of Shares

The details of the Shares available in each Fund are set out in the Supplement for the Fund.

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 nominate additional Dealing Days upon advance notice to Shareholders.

Applications for the initial subscription for Shares should be submitted in writing or sent by email, facsimile or other electronic platforms, in accordance with the requirements of the Administrator and the Central Bank, (with the Application Form and supporting documentation in relation to money laundering prevention checks to follow promptly) to the Administrator on or prior to the Dealing Deadline. An Application Form may be obtained from the Administrator. Applications received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline, unless it is specified in the relevant Supplement that the Manager may at its discretion and 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 Directors otherwise agree. The Administrator can take no responsibility for requests which are not appropriately transmitted or sent and in the case of trades instructed via SWIFT, appropriately acknowledged.

Subsequent subscription requests may be submitted in writing or sent by email, facsimile or other electronic platforms, including SWIFT, in accordance with the requirements of the Administrator and the Central Bank. No redemption payment may be made to a Shareholder until any supporting documentation required in connection with anti-money laundering requirements have been received by the Administrator.

The Minimum Initial Investment Amount for Shares and the Minimum Shareholding for Shares (if any) of each Fund are set out in the Supplement for the relevant Fund.

Under the Instrument of Incorporation, the Directors have absolute discretion to accept or reject in whole or in part any applications for Shares without assigning any reason therefore. 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, expenses or compensation by electronic transfer to the account from which it was paid.

Fractions of Shares will be issued (as necessary) to four decimal points or such other number of decimal places as the Directors or the Manager may determine from time to time.

### 6.2 Issue Price

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

Following the Initial Offer Period, Shares shall be issued at the Subscription Price per Share as determined on the day on which they are deemed to be issued.

The Directors may make an adjustment by way of an addition to the subscription amount which will be reflected in the issue price when there are net subscriptions to include a charge/Anti-Dilution Levy which the Investment Manager considers represents an appropriate figure to cover dealing costs and/or to preserve the value of the underlying assets of the relevant Fund. Any such charge/levy shall be retained for the benefit of the relevant Fund and the Directors reserve the right to waive such charge at any time.

A Subscription Charge of up to 5% of the investment may be charged if provided for in the Supplement for the relevant Fund.

### 6.3 Payment for Shares

Payment in respect of the issue of Shares must be made to the ICAV (the relevant account will be specified in the Application Form or otherwise notified to investors in advance) by the relevant Settlement Date by wire transfer in cleared funds in the currency of denomination of the relevant Share Class.

It is the responsibility of Applicants to transmit payment for subscriptions promptly, with clear customer identification. Applicants shall be responsible for their own bank charges, including any lifting fees or commissions. The value received in the ICAV's bank account must equal the subscription amount.

Shares are not issued until subscription monies have been received. An allotment of Shares may be made provisionally pending receipt of cleared funds by the Settlement Date. 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 and the relevant monies returned to the Applicant at their risk, 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 next Dealing Day following receipt of payment in full or of cleared funds. In such cases the Directors may charge the Applicant for any resulting losses and costs incurred by the relevant Fund.

In the event of a delay in the settlement of subscription proceeds, the ICAV may temporarily borrow an amount up to the value of the delayed subscription on or after the relevant Settlement Date. Any such borrowing will be subject to the restrictions on borrowing set forth above. Once the required subscription monies have been received, the ICAV will use this to repay the borrowings. The ICAV reserves the right to charge the relevant Shareholder interest on the late receipt of subscription monies.

### 6.4 In kind Issues

The Directors may in their absolute discretion accept payment for Shares of a Fund in specie, and may allot Shares in the Fund provided that arrangements are made to vest in the Depositary on behalf of the ICAV investments which would form part of the assets of the relevant Fund and provided that (i) the Depositary is satisfied that there is unlikely to be any material prejudice to existing Shareholders in the relevant Fund; and (ii) such investments would qualify as an investment of the relevant Fund in accordance with its investment objective, strategies and restrictions. The number of Shares to be issued in this way shall be the number which would have been issued for cash against the payment of a sum equal to the value of the investments, and an amount may be deducted from the value of the investments to allow for attributable transaction costs incurred by the Fund as a result of accepting the assets. The value of the investments to be vested shall be calculated by applying the valuation methods described under the section entitled **Calculation of Net Asset Value/ Valuation of Assets** below.

### 6.5 Anti-Money Laundering Provisions

Measures provided for in the AML Acts, which are aimed towards the prevention of money laundering, require detailed verification of each Applicant's identity, address and source of funds; for example an individual will be required to produce a certified copy of his passport or identification card together with either one or two forms of evidence of his address such as a utility bill or bank statement and his date of birth. In the case of corporate Applicants this will 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 that the Administrator requires further proof of the identity of any Applicant, it will contact the Applicant on receipt of an Application Form. In the event of delay or failure by the Applicant to produce any information required for verification purposes, the Administrator may on the instruction of the Directors or their delegates refuse to accept the application and return all subscription monies or compulsorily redeem such Shareholder's Shares and/or payment of Redemption Proceeds may be delayed and none of

the Fund, the Directors, the 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 electronic 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 may refuse to pay Redemption Proceeds where the requisite information for verification purposes has not been produced by a Shareholder.

Depending on the circumstances of each application, a detailed verification of the source of funds may not be required where: (a) the application is made through a recognised intermediary, or (b) investment is made by a recognised intermediary or financial institution. These exceptions will only apply if the financial institution or intermediary referred to above is located in a country which has equivalent anti money laundering legislation to that in place in Ireland. Applicants may contact the Administrator in order to determine whether they meet the above exceptions.

The Application Form may contain certain indemnities in favour of, amongst others, the Directors, the ICAV, the Administrator, the Depositary, the Manager, the Investment Manager and any relevant distributor in the event that the Applicant fails to comply with the requirements of the Application Form, including the anti-money laundering requirements, for any loss suffered by them as a result.

If an application has been accepted and AML documentation is not provided in full, the Shareholder's account will be deemed non-compliant and all payments will be withheld. A minimum of three requests for AML documentation will be sent to the Shareholder. If the documentation is not forthcoming for a period of 120 days following account opening, the account will be placed on transaction hold, meaning that no further subscriptions or switches can be processed on the account. Similarly, if a Shareholder's status changes from 'AML compliant' to 'non-compliant' due to a change in circumstances, the same time-line will apply at which point the account will be blocked and no further subscriptions will be accepted. Redemptions can be processed on a non-compliant Shareholder's account, but proceeds will not be paid.

## **6.6 Form of Shares and Confirmation of Ownership**

Shares issued will be registered and the register will be the sole evidence of ownership of these Shares.

The Administrator shall maintain each Fund's register of Shareholders in which all issues, redemptions, exchange and transfers of Shares will be recorded.

A contract note which will give details of the subscription, exchange, transfer or redemption made will be sent to Shareholders within 5 Business Days after the relevant Dealing Day. The contract note is a confirmation of ownership. A holding of Shares may only be registered in a single name.

## **6.7 Data Protection**

In the course of business, the ICAV will collect, record, store, adapt, transfer and otherwise process information by which prospective investors may be directly or indirectly identified. The ICAV is a data controller within the meaning of Data Protection Legislation and undertakes to hold any personal data provided by investors in accordance with Data Protection Legislation.

The ICAV and/or any of its delegates or service providers may process prospective investor's personal data for any one or more of the following purposes and legal bases:

- (i) to operate the Funds, including managing and administering a Shareholder's investment in the relevant Fund on an on-going basis which enables the ICAV to satisfy its contractual duties and obligations to the Shareholder);
- (ii) to comply with any applicable legal, tax or regulatory obligations on the ICAV, for example, under ICAV Act and anti-money laundering and counter-terrorism legislation;

- (iii) for any other legitimate business interests' of the ICAV or a third party to whom personal data is disclosed, where such interests are not overridden by the interests of the investor, including for statistical analysis and market research purposes; or
- (iv) for any other specific purposes where investors have given their specific consent and where processing of personal data is based on consent, the investors will have the right to withdraw it at any time.

The ICAV and/or any of its delegates or service providers may disclose or transfer personal data, whether in Ireland or elsewhere (including entities situated in countries outside of the EEA), to other delegates, duly appointed agents and service providers of the ICAV (and any of their respective related, associated or affiliated companies or sub-delegates) and to third parties including advisers, regulatory bodies, taxation authorities, auditors, technology providers for the purposes specified above.

The ICAV will not keep personal data for longer than is necessary for the purpose(s) for which it was collected. In determining appropriate retention periods, the ICAV shall have regard to the Statute of Limitations Act 1957, as amended, and any statutory obligations to retain information, including anti-money laundering, counter-terrorism and tax legislation. The ICAV will take all reasonable steps to destroy or erase the data from its systems when they are no longer required.

Where specific processing is based on an investor's consent, that investor has the right to withdraw it at any time. Investors have the right to request access to their personal data kept by the ICAV; and the right to rectification or erasure of their data; to restrict or object to processing of their data, and to data portability, subject to any restrictions imposed by Data Protection Legislation.

The ICAV and/or any of its delegates and service providers will not transfer personal data to a country outside of the EEA unless that country ensures an adequate level of data protection or appropriate safeguards are in place. The European Commission has prepared a list of countries that are deemed to provide an adequate level of data protection which, to date, includes Andorra, Argentina, Canada, Faroe Islands, Guernsey, Israel, Isle of Man, Japan, Jersey, New Zealand, Republic of Korea, Switzerland, the United Kingdom, the United States (where the U.S. recipient is participating in the EU-U.S. Data Privacy Framework) and Uruguay. Further countries may be added to this list by the European Commission at any time. If a third country does not provide an adequate level of data protection, then the ICAV and/or any of its delegates and service providers will ensure it puts in place appropriate safeguards such as the model clauses (which are standardised contractual clauses, approved by the European Commission) or binding corporate rules, or relies on one of the derogations provided for in Data Protection Legislation.

Where processing is carried out on behalf of the ICAV, the ICAV shall engage a data processor, within the meaning of Data Protection Legislation, which provides sufficient guarantees to implement appropriate technical and organisational security measures in a manner that such processing meets the requirements of Data Protection Legislation and ensures the protection of the rights of investors. The ICAV will enter into a written contract with the data processor which will set out the data processor's specific mandatory obligations laid down in Data Protection Legislation, including to process personal data only in accordance with the documented instructions from the ICAV.

As part of the ICAV's business and ongoing monitoring, the ICAV may from time to time carry out automated decision-making in relation to investors, including, for example, profiling of investors in the context of anti-money laundering reviews, and this may result in an investor being identified to the Revenue and law enforcement authorities, and the ICAV terminating its relationship with the investor.

Investors are required to provide their personal data for statutory and contractual purposes. Failure to provide the required personal data will result in the ICAV being unable to permit, process, or release the investor's investment in the Funds and this may result in the ICAV terminating its relationship with the investor. Investors have a right to lodge a complaint with the data protection authority if they are unhappy with how the ICAV is handling their data.

Any questions about the operation of the ICAV's data protection policy should be referred in the first instance to fundmanagementireland@tmf-group.com.

## 6.8 Limitations on Purchases

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

Shares may not be directly or indirectly offered or sold in the United States or purchased or held by or for the benefit of U.S. Persons (unless the ICAV determines (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Fund and ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares).

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

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

## 7 REDEMPTION OF SHARES

### 7.1 Redemption of Shares

Requests received on or prior to the relevant Dealing Deadline will, subject as mentioned in this section and in the relevant Supplement, normally be dealt with on the relevant Dealing Day. Redemption requests received after the Dealing Deadline shall be treated as having been received by the following Dealing Deadline, unless it is specified in the relevant Supplement that the Manager may, at its discretion and on an exceptional basis, accept redemption requests received after the Dealing Deadline provided they are received prior to the Valuation Point for the relevant Dealing Day.

Redemption requests Shares should be submitted in writing or sent by email, facsimile or other electronic platforms, in accordance with the requirements of the Administrator and the Central Bank, to the Administrator on or prior to the Dealing Deadline. The Administrator can take no responsibility for requests which are not appropriately transmitted or sent and in the case of trades instructed via SWIFT, appropriately acknowledged.

If requested, the Directors may, in their absolute discretion agree to designate additional Dealing Days and Valuation Points for the redemption of Shares relating to any Fund provided that all Shareholders in the relevant Fund shall be notified in advance.

The Minimum Redemption Amount (if any) of Shares of each Fund that may be redeemed by a Shareholder is set out in the Supplement for the relevant Fund. Where applicable, the Directors or the Administrator may decline to effect a redemption request which is below the Minimum Redemption Amount (if any) or which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding (if any) for that Class of Shares of that Fund. Any redemption request which would have the effect of reducing the value of any holding of Shares relating to any Fund below the Minimum Shareholding (if any) for that Class of Shares of that Fund may be treated by the ICAV as a request to redeem the Shareholder's entire holding of that Class of Shares.

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



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

Fractions of Shares will be redeemed (as necessary) to four decimal points or such other number of decimal places as the Directors or the Manager may determine from time to time.

## **7.2 Redemption Price**

The Redemption 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 less any duties and charges as set out in this Prospectus or the relevant Supplement.

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

The Directors may make an adjustment by way of a deduction from the Redemption Price when there are net redemptions to include a charge/Anti-Dilution Levy that the Investment Manager considers represents an appropriate figure to cover dealing costs and to preserve the value of the underlying assets of the relevant Fund. Any such charge/levy shall be retained for the benefit of the relevant Fund and the Directors reserve the right to waive such charge at any time.

## **7.3 Payment of Redemption Proceeds**

The Redemption Proceeds will be paid at the Shareholder's risk and expense by electronic transfer to an account in the name of the Shareholder in the currency of denomination of the relevant Share Class by the Settlement Date, unless a shorter period is agreed with the ICAV. In respect of redemption requests received in writing or by email, facsimile or other electronic platform, payment of such Redemption Proceeds will be made to the registered Shareholder's account of record.

Where the Administrator receives a request for the redemption of Shares from any Shareholder in respect of which the Administrator is required to account for, deduct or withhold taxation, the Administrator shall be entitled to deduct from the Redemption Proceeds such amount of taxation as the Administrator is required to account for, deduct or withhold and shall arrange to discharge the amount of tax due. Alternatively, the Administrator may, with prior notice to the relevant Applicant, arrange for the redemption and cancellation of such number of the Shares of such Shareholder as are sufficient after the deduction of any redemption charges to discharge any such tax liability.

On the redemption of Shares by reference to the relevant Valuation Point on the Dealing Day, such Shares shall be cancelled and withdrawn and the Shareholder shall cease to be a Shareholder with respect to such redeemed Shares. Thereafter and until payment of the Redemption Proceeds, such Redemption Proceeds will be held in the Redemptions Account. The payee of such Redemption Proceeds from the Redemptions Account will be an unsecured general creditor of the particular Fund and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights with respect to the redemption proceeds held in the Redemptions Account. Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or anti-fraud purposes, as described above, may result in a delay in the settlement of Redemption Proceeds. In such circumstances, the Administrator will process any redemption request received by a Shareholder, however the proceeds of that redemption shall remain an asset of the Fund and the Shareholder will rank as a general creditor of the ICAV until such time as the Administrator is satisfied that its anti-money-laundering and anti-fraud procedures have been fully complied with, following which Redemption Proceeds will be released.

#### 7.4 Limitations on Redemptions

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

The Directors may at their discretion limit the number of Shares of a Fund redeemed on any Dealing Day to Shares representing 10% or more of the total number of Shares in the Fund or Shares representing 10% or more of the Net Asset Value of that Fund on that Dealing Day. In this event, the limitation will apply *pro rata* so that all Shareholders wishing to have Shares of that Fund redeemed on that Dealing Day realise the same proportion of such Shares. Shares not redeemed, but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day subject always to the foregoing limit. If requests for redemptions are so carried forward, the Administrator will inform the Shareholders affected.

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

#### 7.5 Mandatory Redemptions

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

The ICAV reserves the right to impose restrictions on the holding or transfer of Shares directly or indirectly by or to (and consequently to redeem Shares held by):

- (i) a person or entity who, in the opinion of the Directors is a U.S. Person or has acquired such shares on behalf of a U.S. Person as defined herein or falling within the definition of **U.S. Person** under FATCA unless the Directors determine (i) the transaction is permitted under an exemption available under the Securities Act and (ii) the relevant Fund and the ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the U.S., including the Investment Company Act, 1940 as amended and (iii) does not cause the ICAV, Manager or the Investment Manager to incur any adverse U.S. taxation or regulatory or legal consequences;
- (ii) a person or entity who breached or falsified representations in the Application Form;
- (iii) a person or entity who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person or entity is not qualified to hold Shares or if the holding of the Shares is unlawful;
- (iv) a person or entity who has not provided the required tax documentation or supporting documentation for money laundering prevention checks;

- (v) a person or entity if the holding of the Shares by that person is less than the Minimum Shareholding (if any) for that Class of Shares;
- (vi) a person or entity 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 relevant 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 relevant Fund might not otherwise have incurred or suffered (including where the relevant Fund suspects market timing) or might result in the relevant Fund being required to comply with registration or filing requirements in any jurisdiction with which it would not otherwise be required to comply or is otherwise prohibited by the Instrument of Incorporation;
- (vii) any holding or transfer in respect of which the any payment of taxation remains outstanding or the ICAV, Manager (or the Administrator on its behalf) is required to deduct, withhold or account for tax;
- (viii) in any other circumstances set out in the Instrument of Incorporation.

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 beneficially by any person or persons in breach of any restrictions imposed by the Directors, the Directors shall be entitled to (i) give notice (in such form as the Directors deem appropriate) to such person requiring such person to transfer such Shares to a person who is qualified or entitled to own the same or to request in writing the redemption of such Shares in accordance with the Instrument of Incorporation and/or (ii) as appropriate, compulsorily redeem and/or cancel such number of Shares held by such person 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.

Any outstanding proceeds of such compulsory redemption will not be paid unless the Application Form signed by or on behalf of the Shareholder has been received by the Administrator and all documentation required by the Administrator, including any document in connection with the AML Acts or other requirements and/or any anti-money laundering procedures have been completed.

## 8 EXCHANGE AND TRANSFER OF SHARES

Shareholders will be able to apply to exchange on any Dealing Day all or part of their holding of Shares of any Class in any Fund (the **Original Class**) for Shares in another Class (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 Administrator on or prior to the Dealing Deadline for the relevant Dealing Day. The ICAV may however at its discretion agree to accept requests for exchange received after the relevant Dealing Deadline provided they are received prior to the relevant Valuation Point. The general provisions and procedures relating to the issue and redemption of Shares will apply equally to exchanges save in relation to charges payable details of which are set out below and in the relevant Supplement.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to or exceeds the Minimum Initial Investment Amount (if any) 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 (if any) for the Original Class.

Fractions of Shares will be issued (as necessary) on exchange to four decimal points or such other number of decimal places as the Directors or the Manager may determine from time to time.

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

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

**SP**

where:

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

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

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

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

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

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

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

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

The Directors may impose an Exchange Charge equal to the initial charge of the fund of the repurchase amount in respect of the Shares being exchanged which shall be payable as the Directors, in their discretion determine. Any such Exchange Charge will be disclosed in the Supplement for the relevant Fund.

## 8.1 Limitations on Exchanges

Shares may not be exchanged for Shares of a different Class during any period when the calculation of the Net Asset Value of the relevant Fund or Funds is suspended in the manner described under the section entitled **Suspension of Calculation of Net Asset Value** below. Applicants for the 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.

If on any Dealing Day a Fund receives aggregate requests for the redemption of Shares, including the redemption part of an exchange of Shares, the value of which amounts to 10% or more of the outstanding Shares in issue of that Fund or Shares representing 10% or more of the Net Asset Value of that Fund on that Dealing Day, the ICAV or the Manager may elect to restrict the total number of Shares redeemed to 10% of the outstanding Shares in issue of such Fund or Shares representing 10% or more of the Net Asset Value of that Fund on that Dealing Day, as applicable, in which case requests will be scaled down pro rata. The balance will be redeemed or exchanged, as applicable, on the next appropriate Dealing Day whereby redemptions will be processed at the Redemption Price prevailing on that subsequent Dealing Day and exchanges will be processed in accordance with the general rules for exchanges, in each case subject to the repeated application of the 10% restriction if necessary.

## 8.2 **Transfer of Shares**

Shares in each Fund will be transferable by instrument in writing via the completion of a stock transfer form, in common form or in any other written form approved by the Directors, or the Administrator on their behalf, and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor.

The transferee will be required to complete an Application Form and any other documentation required by the ICAV or the Administrator in addition to providing any documentation or information under the AML Acts or its anti-money laundering procedures.

No Share transfer will be permitted until the Application Form and transfer instruction of the transferor and all documentation required by the Administrator, including any document in connection with the AML Acts or other requirements and/or procedures have been received by the Administrator from the transferor.

The transferor shall be deemed to remain the holder of the Share until the name of the transferee is entered in the share register in respect thereof.

Shares may not be transferred to any person as described in the **Mandatory Redemptions** section of the Prospectus.

In the event that the Administrator is required to deduct, withhold or account for tax on a transfer of Shares by a Shareholder, the Administrator shall be entitled to arrange for the redemption and cancellation of such number of the Shares of such Shareholder as are sufficient to discharge any such tax liability and the Administrator may decline to register a transferee as a Shareholder until such time as they receive from the transferee such declarations as to residency or status as they may require. The Administrator shall arrange to discharge the amount of tax due.

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

The registration of transfers may be suspended at such times and for such periods as the ICAV from time to time may determine, provided always that such registration shall not be suspended for more than thirty (30) days in any year.

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

### 9.1 **Calculation of Net Asset Value /Valuation of Assets**

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

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

In the event the Shares of any Fund are further divided into Classes, the Net Asset Value per Share of the relevant Class shall be determined by notionally allocating the Net Asset Value of the Fund amongst the relevant Classes making such adjustments for subscriptions, redemptions, fees, dividends, accumulation or distribution of income and the expenses, liabilities or assets attributable to each such relevant Class (including the gains/losses on and costs of financial instruments employed for currency hedging between the

currencies in which the assets of the Fund are designated and the designated currency of the relevant Class, which gains/losses and costs shall accrue solely to that relevant class) and any other factor differentiating the relevant classes as appropriate. The Net Asset Value of the Fund, as allocated between each Class, shall be divided by the number of Shares of the relevant Class which are in issue or deemed to be in issue and rounding the result to four decimal places as determined by the Directors or such other number of decimal places as may be determined by the Directors from time to time.

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

In general, the Instrument of Incorporation provides that the value of any investments quoted, listed or dealt in on a Regulated Market shall be calculated using the last traded price as at the relevant Valuation Point, provided that the value of any investment listed or dealt in on a Regulated 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 provided that the Depositary must ensure that 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 Regulated Market, the price will be the last traded price on the exchange which constitutes the main Regulated Market for such security or the one which the Manager determines provides the fairest criteria in ascribing a value to such security.

The value of any investment which is not quoted, listed or dealt in on a Regulated Market or of any investment which is normally quoted, listed or dealt in on a Regulated Market but in respect of which no price is currently available or the current price of which does not in the opinion of the Manager reflect the fair market value thereof in the context of currency, marketability dealing costs and/or such other considerations as are deemed relevant, shall be the probable realisation value estimated with care and in good faith by (i) the Manager or (ii) by a competent person appointed by the Manager or its delegate and approved for such purpose by the Depositary. In determining the probable realisation value of any such investment, the Manager or its delegate 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. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined by reference to the valuation of other securities which are considered comparable in rating, yield, due date and other characteristics (matrix pricing). The matrix methodology will be compiled by the Manager or its delegate or a competent person, firm or corporation appointed by the Manager or its delegate and in each case approved for the purpose by the Depositary.

Shares or Units in open-ended CIS other than those valued in accordance with the foregoing paragraphs shall be valued at the latest available Net Asset Value per share or unit or class as published by the CIS as at the Valuation Point for the relevant Dealing Day.

The Instrument of Incorporation further provides that the value of any cash in hand or on deposit, pre-paid expenses, cash dividends and interest declared or accrued and not yet received or tax reclaims filed and not yet received as at the relevant Valuation Point shall be deemed to be the face value plus accrued interest unless in any case the Manager or its delegate are of the opinion that the same is unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Manager or its delegate with the approval of the Depositary may consider appropriate in such case to reflect the true value thereof as at the Valuation Point. Certificates of deposits, treasury bills, bank acceptances, trade bills and other negotiable investments shall be valued at each Valuation Point at the last-traded price on the market in which these Investments are traded or admitted for trading (being the market which is the sole market or in the opinion of the Manager or its delegate, the principal market on which the Investments in question are quoted or dealt in) plus any interest accrued thereon from the date on which same were acquired.

The value of any OTC derivative contracts shall be the quotation from the counterparty to such contracts at the Valuation Point and shall be valued daily. The valuation will be approved or verified weekly by a party independent of the counterparty who has been approved, for such purpose, by the Depositary. Alternatively, the value of any over-the-counter derivative contract may be the quotation from an independent pricing vendor or that calculated by the Manager and shall be valued daily. Where an alternative valuation is used by the ICAV, the Manager will follow international best practice and adhere to specific principles on such valuation by bodies such as IOSCO and AIMA. Any such alternative valuation must be provided by a competent person appointed by the Manager or its delegate and approved for the purpose by the Depositary. Any such alternative valuation must be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise they must be promptly investigated and explained.

The value of any exchange traded futures contracts, share price index, futures contracts and options and other derivative instruments shall be the settlement price as determined by the Regulated 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 and approved for such purpose by the Depositary.

Assets denominated in a currency other than in the Base Currency of the relevant Fund (whether of any investment or cash) and any non-base currency borrowing shall be converted into that Base Currency at the rate (whether official or otherwise) which the Manager or such competent person appointed by the Manager or its delegate and approved for such purpose by the Depositary deems appropriate in the circumstances.

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 foreign exchange contract of the same size and maturity could be undertaken, or if unavailable, at the settlement price provided by the counterparty. In the latter case, the settlement price shall be valued at least daily by the counterparty and shall be verified at least weekly by a party who is independent from the counterparty and approved for such purpose by the Depositary.

If in any case a particular value is not ascertainable as provided above or if the Manager or its delegate shall deem it necessary that an alternative 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 shall determine, such method of valuation to be approved by the Depositary and the rationale and methodologies used shall be clearly documented.

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

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

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

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the issue, redemption and exchange of Shares and the payment of Redemption Proceeds during:

- 9.2.1 any period when dealing in the units/shares of any collective investment scheme in which a Fund may be invested are restricted or suspended; or
- 9.2.2 any period when any of the 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

- 9.2.3 any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial portion of the investments of the relevant 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
- 9.2.4 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
- 9.2.5 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
- 9.2.6 any period when the ICAV is unable to repatriate funds required for the purpose of making payments due on the redemption of Shares in the relevant Fund; or
- 9.2.7 any period when the Directors consider it to be in the best interest of the relevant Fund; or
- 9.2.8 following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to merge, wind up or terminate the ICAV or the relevant Fund is to be considered; or
- 9.2.9 when any other reason makes it impracticable to determine the value of a meaningful portion of the Investments of the ICAV or any Fund; or
- 9.2.10 any period during which the Directors, in their discretion, consider suspension to be required for the purposes of effecting a merger, amalgamation or restructuring of a Fund or of the ICAV; or
- 9.2.11 it becomes where it is or becomes impossible or impractical to enter into, continue with or maintain FDIs relating to an index for the relevant Fund or to invest in stocks comprised within the particular index; or
- 9.2.12 where such suspension is required by the Central Bank in accordance with the Regulations.

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

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

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

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

## 10 NOTIFICATION OF PRICES

The Net Asset Value per Share of each Class of Shares in each Fund will be available from the office of the Administrator and on [www.marlboroughgroup.com](http://www.marlboroughgroup.com) and such other website as disclosed in the relevant



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

## 11 FEES AND EXPENSES

### 11.1 Establishment Expenses

The cost of establishing the ICAV, obtaining authorisation from any authority, filing fees, the preparation and printing of this Prospectus, marketing costs and the fees of all professionals relating to it, including tax and legal advice, incurred by the ICAV and its Funds were borne by the Investment Manager. The costs of establishing subsequent Funds may be borne by the relevant Fund and where appropriate details thereof will be set out in the relevant Supplement.

### 11.2 Operating & Service Providers' Fees and Expenses

The expenses borne by the ICAV may include, but shall not be limited to the costs of: (i) registering and maintaining the ICAV and any Fund and the Shares with any governmental or regulatory authority or with any regulated market or stock exchange at normal commercial rates; (ii) management, investment management and advisory, administration, distribution, depositary, sub-custody, corporate secretarial and related services; (iii) preparation, printing, advertising and distributing of prospectuses, key investor information documents, sales literature, periodic reports and official announcements to Shareholders, the Central Bank and governmental agencies and circulating details of the Net Asset Value; (iv) marketing and promotional costs and expenses including a reasonable proportion of advertising costs and other costs arising directly in connection with the offer and the distribution of Shares; (v) purchase and sale of assets, including taxes, commissions and brokerage fees inclusive of any soft commissions; (vi) securities lending activities; (vii) auditing, tax and legal fees including the costs of providing tax information for domestic and foreign tax purposes; (viii) legal actions and any amount payable under indemnity provisions contained in the Instrument of Incorporation or any agreement with any appointee of the ICAV; (ix) assessing the standing of the Funds by nationally and internationally recognised rating agencies; (x) the use of index names and related licence fees; and (xi) insurance premia and other operating expenses including the disbursements of the Manager, the Administrator, the Investment Manager and the Depositary; (xii) the fees and expenses of the Directors and directors' and officers' liability insurance cover; (xiii) the distribution of income to Shareholders, pricing and book-keeping; (xiv) regulatory fees and the fees connected with registering the ICAV and any Fund for sale in other jurisdictions; (xv) compliance management and fund reports.

Where a Fund invests in other collective investment schemes, the Fund may be subject to its proportionate share of any fees and expenses payable by collective investment schemes in which it may invest, which will vary from scheme to scheme depending on the nature and investment strategy thereof, such as management, investment management, performance, administration and/or custody fees or charges as may be further outlined in the relevant Supplement. A Fund shall only invest in units of an investment fund managed by the Investment Manager, or by an associated or related company of the Investment Manager, where any subscription or redemption charges which would normally be charged have been waived.

Subject to the requirements of the Central Bank and this Prospectus, the ICAV may on behalf of a Fund (an **Investor Fund**) acquire Shares in another Fund (an **Investee Fund**). Where the ICAV intends to do so, this will be disclosed in the relevant Supplement of the Investor Fund. The Investment Manager may not charge its annual fee in respect of that portion of an Investor Fund's assets which are invested in an Investee Fund unless otherwise permitted by the Central Bank. Cross investment in a Fund may not be made if that Fund holds Shares in another Fund. Where a Fund (the **Investing Fund**) invests in the shares of other Funds (each a **Receiving Fund**), the rate of the annual management fee which investors in the Investing Fund are charged in respect of that portion of the Investing Fund's assets invested in Receiving Funds (whether such

fee is paid directly at Investing Fund level, indirectly at the level of the receiving Funds or a combination of both) shall not exceed the rate of the maximum annual management fee which investors in the Investing Fund may be charged in respect of the balance of the Investing Funds assets, such that there shall be no double charging of the annual management fee to the Investing Fund as a result of its investments in the Receiving Fund. This provision is also applicable to the annual fee charged by the relevant Investment Manager where the fee is paid directly out of the assets of the relevant Fund.

### 11.3 **Manager Fees**

The Manager shall be paid such fees and in such manner as set out in the relevant Supplement.

### 11.4 **Investment Manager Fees**

The Investment Manager shall be paid such fees and in such manner as set out in the relevant Supplement.

### 11.5 **Administrator Fees**

The Administrator shall be paid such fees and in such manner as set out in the relevant Supplement.

### 11.6 **Depositary Fees**

The Depositary shall be paid such fees and in such manner as set out in the relevant Supplement.

### 11.7 **Distributor Fees**

Fees and expenses of any Distributor will be borne by the Investment Manager.

### 11.8 **Facility Agent/Paying Agents Fees**

Fees and expenses of any paying, facility or representative agents appointed by the ICAV which will be at normal commercial rates together with VAT, if any, thereon.

### 11.9 **Directors Fees**

The Directors, other than such persons who are executives of the Investment Manager, may be entitled to remuneration for their services as directors. The Directors may also be reimbursed for reasonable out of pocket expenses properly incurred by them in attending board meetings or in connection with the business of the ICAV. This remuneration and any such expenses shall be payable by the Marlborough Group.

### 11.10 **Subscription Charge**

Any Subscription Charge payable in respect of a Class of Shares will be set out in the Supplement for the relevant Fund.

### 11.11 **Redemption Charge**

Any Redemption Charge payable in respect of a Class of Shares will be set out in the Supplement for the relevant Fund.

### 11.12 **Exchange Charge**

Any Exchange Charge payable in respect of a Class of Shares will be set out in the Supplement for the relevant Fund.

### 11.13 Anti-Dilution Levy/ Duties & Charges

The Directors reserve the right to impose an Anti-Dilution Levy to cover dealing costs and to preserve the value of underlying assets of a Fund in the event of receipt for processing of net subscription or redemption requests of a Fund, including as a result of requests for exchange from one Fund into another Fund which shall for this purpose be treated as a redemption request into another Fund (which shall for this purpose be treated as a subscription request). Any such provision will be determined by the Investment Manager as representing an appropriate figure for such purposes and will be agreed by the Directors and will be added to the price at which Shares will be issued in the case of net subscription requests of the Fund and deducted from the price at which Shares will be redeemed in the case of net redemption requests of the Fund. Any such sum will be paid into the account of the relevant Fund.

### 11.14 Allocation of Fees

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

## 12 TAX

### 12.1 General

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

**Shareholders and potential investors should note that the following statements on taxation are based on advice received by the Directors regarding the law and practice in force in the relevant jurisdiction at the date of this document and proposed regulations and legislation in draft form. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely.**

### 12.2 Irish Taxation

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

A chargeable event occurs on:

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

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

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

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

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

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

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

### 12.3 Shareholders

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

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

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

#### 12.4 Stamp Duty

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

#### 12.5 Capital Acquisitions Tax

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

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

#### 12.6 Other Tax Matters

The income and/or gains of a company from its securities and assets may suffer withholding tax in the countries where such income and/or gains arise. A Fund may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in repayment to that company, the Net Asset Value of the Fund will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

#### 12.7 Certain Tax Definitions

##### *Residence – ICAV*

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

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

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

##### *Residence – Individual*

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

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

Presence in a tax year by an individual of not more than thirty (30) days in the State will not be reckoned for the purpose of applying the two year test. Presence in the State for a day means the personal presence of an individual at any time during the day.

### *Ordinary Residence – Individual*

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

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

An individual who has been ordinarily resident in the State ceases to be ordinarily resident at the end of the third consecutive tax year in which s/he is not resident. Thus, an individual who is resident and ordinarily resident in the State in 2015 and departs from the State in that tax year will remain ordinarily resident up to the end of the tax year in 2018.

### *Intermediary*

This means a person who:

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

## 12.8 **Automatic exchange of information**

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

## 12.9 **FATCA in Ireland**

With effect from 1 July 2014, Irish reporting financial institutions are obliged to report certain information in respect of U.S. investors in the Fund to the Revenue. The Revenue will share that information with the U.S. tax authorities. FATCA imposes a 30% U.S. withholding tax on certain withholdable payments made on or after 1 July 2014 unless the payee enters into and complies with an agreement with the IRS to collect and provide to the IRS substantial information regarding direct and indirect owners and accountholders.

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

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

If a Shareholder causes the Fund to suffer a withholding for or on account of FATCA (a **FATCA Deduction**) or other financial penalty, cost, expense or liability, the Directors may compulsorily redeem any Shares of such Shareholder and/or take any actions required to ensure that such FATCA Deduction or other financial penalty, cost, expense or liability is economically born by such shareholder. While the IGA and the Irish

Regulations should serve to reduce the burden of compliance with FATCA, and accordingly the risk of a FATCA withholding on payments to the Fund in respect of its assets, no assurance can be given in this regard. As such, Shareholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

## 12.10 CRS

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

Ireland is a signatory jurisdiction to a Multilateral Competent Authority Agreement on the automatic exchange of financial account information in respect of CRS while sections 891F and 891G of the TCA contain measures necessary to implement the CRS internationally and across the European Union, respectively. Regulations, the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the **CRS Regulations**), giving effect to the CRS from 1 January 2016 came into operation on 31 December 2015.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation (**DAC II**) implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis. Section 891G of the TCA contained measures necessary to implement the DAC II. Regulations, the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations 2015 (together with the CRS Regulations, the **Regulations**), giving effect to DAC II from 1 January 2016, came into operation on 31 December 2015.

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

By signing the Application Form to subscribe for Shares in the ICAV, such Shareholder is agreeing to provide such information upon request from the ICAV or its delegate. The non-provision of such information may result in the mandatory redemptions of Shares or after appropriate action taken by the ICAV. Shareholders refusing to provide the requisite information to the ICAV may also be reported to the Revenue.

## 12.11 Reporting Status

The ICAV received from HM Revenue and Customs reporting fund status on certain GBP Classes of Shares. The reporting status obtained from HM Revenue and Customs for the relevant Classes of Shares will remain in place permanently so long as the annual requirements are undertaken. A list of the Classes of Shares which currently have reporting status is available at: <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>.

## 13 GENERAL INFORMATION

### 13.1 Reports and Accounts

The ICAV's accounting year end is 31 March in each year commencing on the incorporation of the ICAV. Audited accounts prepared in accordance with International Financial Reporting Standards and a report in relation to each Fund will be made available to Shareholders within 4 months after the conclusion of each Accounting Period. The first audited accounts were for the period ended 31 March 2020. The ICAV will also prepare semi-annual reports and unaudited accounts which will be made available to Shareholders within two months after the six month period ending on 30 September in each year. The first semi-annual report was for the period ended 30 September 2020. 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 end of the period and such other information as is required by the Regulations. The audited information required to be available to Shareholders will be sent, on request, to any Shareholder or prospective Shareholder.

### 13.2 Share Capital

The share capital of the ICAV is 1,000,000,000,000 unclassified participating shares of no par value. The minimum issued share capital of the ICAV is 2 shares of no par value. The maximum share capital of the ICAV is 1,000,000,000,000 unclassified shares of no par value.

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

### 13.3 Annual General Meetings

In accordance with section 89 of the ICAV Act, the Directors have elected to dispense with the holding of annual general meetings of the ICAV.

### 13.4 Instrument of Incorporation

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

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

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

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

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



The ICAV may also by ordinary resolution:

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

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

The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested;

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

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

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

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

**Borrowing Powers.** Subject to the Regulations and the ICAV Act, the Directors may exercise all of the powers of the ICAV to borrow or raise money and to mortgage, pledge, charge or transfer its undertaking,

property and assets (both present and future) and uncalled capital or any part thereof provided that all such borrowings and any such transfer of assets shall be within the limits laid down by the Central Bank;

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

**Directors' Remuneration.** Unless and until otherwise determined from time to time by the ICAV in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or general meetings or separate meetings of the holders of any Class of Shares of the ICAV or otherwise in connection with the discharge of their duties. (Directors' remuneration is described under the section entitled **Fees and Expenses** above);

**Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve. The Directors in their absolute discretion and without assigning any reason therefor may decline to register any transfer of a Share directly or indirectly to any person or entity who, in the opinion of the Directors is or holds such Shares for the benefit of a U.S. Person (unless the Directors determine (i) the transaction is permitted under an exemption from registration available under the securities laws of the United States and (ii) that the relevant Fund and ICAV continue to be entitled to an exemption from registration as an investment company under the securities laws of the United States if such person holds Shares), an individual under the age of 18 (or such other age as the Directors may think fit), a person or entity who breached or falsified representations on subscription documents (including as to its status under ERISA), who appears to be in breach of any law or requirement of any country or government authority or by virtue of which such person is not qualified to hold Shares, or if the holding of the Shares by any person is unlawful or is less than the Minimum Shareholding (if any) set for that Class of Shares by the Directors, or 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 relevant Fund of the ICAV incurring any liability to taxation or suffering any other pecuniary liability to taxation or suffering other pecuniary legal or material administrative disadvantage (including endeavouring to ensure that the relevant Fund's assets are not considered "plan assets" for the purpose of ERISA and the related code) or being in breach of any law or regulation which the Fund might not otherwise have incurred, suffered or breached 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 or is otherwise prohibited by the Instrument of Incorporation.

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

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

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

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

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

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

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

- (i) If the ICAV shall be wound up the liquidator shall, subject to the provisions of the ICAV Act, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund;
- (ii) The assets available for distribution amongst the Shareholders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Class of Share shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Class of Shares in issue as at the date of commencement to wind up; and secondly, any balance then remaining and not attributable to any of the Classes of Shares shall be apportioned pro-rata as between the classes of Shares based on the

Net Asset Value attributable to each Class of Shares as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Class of Shares held by them;

- (iii) A Fund may be wound up pursuant to section 37 of the ICAV Act and in such event the provisions reflected in this paragraph shall apply mutatis mutandis in respect of that Fund;
- (iv) If the ICAV shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant holders and any other sanction required by the ICAV Act, divide among the holders of Shares of any Class or Classes of a Fund in kind the whole or any part of the assets of the ICAV relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the holders of Shares or the holders of different Classes of Shares as the case may be. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of holders as the liquidator, with the like authority, shall think fit, and the liquidation of the ICAV may be closed and the ICAV dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may require the liquidator instead of transferring any asset in kind to him/her, to arrange for a sale of the assets and for payment to the holder of the net proceeds of same.

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

### 13.5 **Litigation and Arbitration**

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

### 13.6 **Directors' Interests**

There are no service contracts in existence between the ICAV and any of its Directors, nor are any such contracts proposed.

There are letters of appointment between the ICAV and each of the Directors.

Dom Clarke, Danny Knight and Martin Ratcliffe are executives of the Marlborough Group and are not entitled to a fee for their services as directors. Their biographical details are set out under the section entitled **Directors of the ICAV** above.

## 14 **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:

The Management Agreement between the ICAV and the Manager, entered into with effect from 11:59 pm on 7 October 2023, provides that the appointment of the Manager as manager will continue in force unless and until terminated pursuant to Clause 11.2 of the Management Agreement by either party giving to the other six calendar months' notice in writing, although in certain circumstances the Management Agreement may be terminated forthwith by notice in writing by either party to the other. On termination of the appointment of the Manager by the ICAV under Clause 11.2, during an initial period of three years from the date of the Management Agreement, the Manager shall be entitled to receive compensation in respect of such termination under Clause 11.2 in the amount of €40,000. Under the Management Agreement, the Manager shall not be liable to the ICAV or any Shareholders or otherwise for any error of judgement or loss suffered by the ICAV or any such Shareholder in connection with the Management Agreement unless such loss arises from the negligence, fraud, or wilful default in the performance or non-performance by the Manager or

persons designated by it of its obligations or duties under the agreement or breach of contract on the part of the Manager or any of its agents or delegates or their agents.

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

The Depositary Agreement dated 16 December 2022, as novated with effect from 11:59 pm on 7 October 2023, between the ICAV, the Manager and the Depositary under which the Depositary has been appointed as depositary of the ICAV's assets subject to the overall supervision of the Directors. This agreement provides that the appointment of the Depositary will continue unless and until terminated by the ICAV, the Manager or the Depositary giving to the other parties not less than 90 days' written notice although in certain circumstances the Agreement may be terminated immediately by the ICAV, the Manager or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved by the Central Bank has been appointed and provided further that if, no replacement Depositary shall have been appointed in accordance with Regulation 32 of Central Bank (Supervision And Enforcement) Act 2013 (Section 48(1)) (Undertakings For Collective Investment In Transferable Securities) Regulations 2015 and the Depositary is unwilling or unable to act as such then, a general meeting will be convened at which an ordinary resolution to wind up or otherwise dissolve the ICAV is proposed and the appointment of the Depositary may be terminated only upon the revocation of the authorisation of the ICAV. This Agreement contains certain indemnities in favour of the Depositary (and each of its officers, agents, employees and delegates) which are restricted to exclude matters arising by reason of the negligence, fraud or wilful default of the indemnified person in the performance of its duties.

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

The Administration Agreement dated 16 December 2022, as novated with effect from 11:59 pm on 7 October 2023, between the ICAV, the Manager and the Administrator; under which the latter was appointed as Administrator to administer the affairs of the ICAV, subject to the terms and conditions of the Administration Agreement and subject to the overall supervision of the Manager. The Administration Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Administration Agreement provides that the Manager shall, out of the ICAV's assets, indemnify the Administrator and its delegated affiliates, directors and employees against and hold it harmless from any liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, legal costs, expenses or disbursements of any kind or nature whatsoever (other than those resulting from the fraud, negligence or wilful misconduct on the part of the Administrator, its delegated affiliates, directors, officers, employees as a result of the performance of the functions and services provided for under the Administration Agreement.

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

The Investment Management Agreement between the Manager and the relevant Investment Manager will be set out in the relevant Supplement, where applicable.

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

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

## 15 MISCELLANEOUS

### 15.1 Documents available for Inspection

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

- (i) the Prospectus (as amended and supplemented to) and the Supplements;
- (ii) the Instrument of Incorporation of the ICAV;
- (iii) the periodic reports and accounts most recently prepared and published by the ICAV; and
- (iv) the material contracts referred to above.

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

### 15.2 Dealing Restrictions

#### *Market Timing*

The ICAV, at its discretion, reserves the right to refuse to accept any application for initial or subsequent subscription or to compulsorily redeem Shares held by any Shareholder, without giving any reason, where the ICAV suspects market timing. Without limiting the foregoing, and as further described below, the ICAV may not be used as a vehicle for frequent trading in response to short term market fluctuations (so called **market timing**). Accordingly, the ICAV may reject any application for initial or subsequent subscriptions or compulsorily redeem Shares from any investor that it suspects or determines is engaged in market timing or other activity which it believes is harmful to the ICAV or any Fund. If a subscription is rejected, subscription proceeds will be returned without interest to the Applicant, as soon as practicable. Where the ICAV compulsorily redeems the Shares of a Shareholder in such circumstances in accordance with section 7.5 above, the Shareholder will receive the Redemption Proceeds for the relevant Dealing Day which could be less than the amount originally subscribed for.

#### *Excessive Trading Policies*

Excessive trading into and out of a Fund can disrupt portfolio investment strategies and increase the Fund's operating expenses. The Funds are not designed to accommodate excessive trading practices. The Directors reserve the right to restrict, reject or cancel purchase, redemption and exchange orders as described above, which represent, in their sole judgment, excessive trading.

To the extent that the ICAV or its agents are unable to curtail excessive trading practices in a Fund, these practices may interfere with the efficient management of the Fund's portfolio, and may result in the Fund engaging in certain activities to a greater extent than it otherwise would, such as maintaining higher cash balances, using a line of credit and engaging in portfolio transactions. Increased portfolio transactions and the use of a line of credit would correspondingly increase a Fund's operating costs and decrease the Fund's investment performance, and maintenance of a higher level of cash balances would likewise result in lower Fund investment performance during periods of rising markets.

## 16 DIRECTORY

### **ICAV**

Marlborough ICAV  
88 Harcourt Street  
Dublin 2  
Ireland

**DIRECTORS**

Dom Clarke  
Brian Farrell  
Danny Knight  
Raymond O'Neill  
Martin Ratcliffe

**MANAGER**

TMF Fund Management (Ireland) Limited  
Two Dockland Central  
Guild Street, North Dock  
Dublin 1  
Ireland

**INVESTMENT MANAGER**

Marlborough Investment Management Limited  
PO Box 1852  
Croxall, Lichfield  
Staffordshire WS13 8XU  
United Kingdom

**DISTRIBUTOR**

As disclosed in the relevant Supplement.

**DEPOSITARY**

HSBC Continental Europe, acting through its branch in Ireland  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

**ADMINISTRATOR**

HSBC Securities Services (Ireland) DAC  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

**AUDITORS**

Forvis Mazars  
Block 3, Harcourt Centre  
Harcourt Road  
Dublin 2  
Ireland

**LEGAL ADVISERS**

Byrne Wallace Shields LLP  
88 Harcourt Street  
Dublin 2  
Ireland

**SECRETARY**

Maple Secretaries Limited  
88 Harcourt Street  
Dublin 2  
Ireland

## APPENDIX 1 – REGULATED MARKETS

### The Regulated Markets

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

(i) any stock exchange which is:-

located in any Member State of the European Union; or

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

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

any of the following stock exchanges or markets:-

Argentina	-	Bolsa de Comercio de Buenos Aires
Argentina	-	Bolsa de Comercio de Cordoba
Argentina	-	Bolsa de Comercio de Rosario
Bahrain	-	Bahrain Stock Exchange
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	Bolsa de Valores do Rio de Janeiro
Brazil	-	Bolsa de Valores de Sao Paulo
Chile	-	Bolsa de Comercio de Santiago
Chile	-	Bolsa Electronica de Chile
Chile	-	Bolsa de Valparaiso



Peoples' Rep. of China	-	Shanghai Securities Exchange
	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Bogota
Colombia	-	Bolsa de Medellin
Colombia	-	Bolsa de Occidente
Egypt	-	Alexandria Stock Exchange
Egypt	-	Cairo Stock Exchange
Ghana	-	Ghana Stock Exchange
India	-	Delhi Stock Exchange
India	-	BSE Limited(erstwhile Bombay Stock Exchange)
India	-	National Dealing System
India	-	National Stock Exchange of India
Indonesia	-	Jakarta Stock Exchange
Indonesia	-	Surabaya Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Jordan	-	Amman Financial Market
Kazakhstan (Rep. Of)	-	Central Asian Stock Exchange
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Stock Exchange
Kuwait	-	Kuwait Stock Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Kuala Lumpur Stock Exchange
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Mexico	-	Mercado Mexicano de Derivados
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
New Zealand	-	New Zealand Stock Exchange
Nigeria	-	Nigerian Stock Exchange
Pakistan	-	Islamabad Stock Exchange

Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Russia	-	Moscow Exchange MICEX-RTS
Singapore	-	Singapore Stock Exchange
South Africa	-	Johannesburg Stock Exchange
South Africa	-	South African Futures Exchange
South Africa	-	Bond Exchange of South Africa
South Korea	-	Korea Stock Exchange/KOSDAQ Market
Sri Lanka	-	Colombo Stock Exchange
Taiwan		
(Republic of China)	-	Taiwan Stock Exchange Corporation
Taiwan		
(Republic of China)	-	Gre Tai Securities Market
Taiwan		
(Republic of China)	-	Taiwan Futures Exchange
Thailand	-	Stock Exchange of Thailand
Thailand	-	Market for Alternative Investments
Thailand	-	Bond Electronic Exchange
Thailand	-	Thailand Futures Exchange
Tunisia	-	Bourse des Valeurs Mobilieres de Tunis
Turkey	-	Istanbul Stock Exchange
Turkey	-	Turkish Derivatives Exchange
UAE	-	Abu Dhabi Securities Exchange
UAE	-	Dubai Financial market
UAE	-	NASDAQ Dubai
Vietnam	-	Hanoi Stock Exchange
Vietnam	-	Ho Chi Minh Stock Exchange

Zambia - Lusaka Stock Exchange

(ii) any of the following markets:

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

the market organised by the International Capital Market Association;

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

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

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

NASDAQ in the United States;

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

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

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

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

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

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

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

in a Member State;

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

in the United Kingdom;

in the United States of America, on the

- Chicago Board of Trade;
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex US;

- New York Futures Exchange;
- New York Board of Trade;
- New York Mercantile Exchange;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the Hong Kong Futures Exchange;

in Japan, on the

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

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

in Singapore, on the

- Singapore International Monetary Exchange;
- Singapore Commodity Exchange.

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

## APPENDIX 2– INVESTMENT RESTRICTIONS

### 1 Permitted Investments

Investments of a Fund must be confined to:

- 1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State and is listed in Appendix 1;
- 1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year;
- 1.3 Money market instruments other than those dealt in on a Regulated Market;
- 1.4 Shares or units of UCITS;
- 1.5 Shares or units of AIFs;
- 1.6 Deposits with credit institutions; and
- 1.7 Financial derivative instruments.

### 2 Investment Restrictions

- 2.1 A Fund may invest no more than 10% of its Net Asset Value in transferable securities and money market instruments other than those referred to in paragraph 1 above.
- 2.2 Recently Issued Transferable Securities

Subject to the below paragraph a Fund may not invest any more than 10% its assets in securities of the type to which Regulation 68(1)(d) of the Regulations apply.

The above paragraph does not apply to an investment by a Fund in U.S. Securities known as "Rule 144 A securities" provided that:

- (a) the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and
  - (b) the securities are not illiquid securities i.e. they may be realised by the Fund within 7 days at the price, or approximately at the price, which they are valued by the Fund.
- 2.3 A Fund may invest no more than 10% of its Net Asset Value in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4 Subject to the prior approval of the Central Bank as shall be provided for in the supplement of the relevant Fund, the limit of 10% (as described in paragraph 2.3 above) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its Net Asset Value in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the Net Asset Value of the Fund.
- 2.5 The limit of 10% (as described in paragraph 2.3 above) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a Non-Member State or public international body of which one or more Member States are members.

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

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

The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of its Net Asset Value.

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

2.8 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 a Fund's Net Asset Value: investments in transferable securities or money market instruments; deposits; and/or counterparty risk exposures arising from OTC derivatives transactions.

2.9 The limits referred to in paragraphs 2.3, 2.4, 2.6, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of a Fund's Net Asset Value.

2.10 Group companies are regarded as a single issuer for the purposes of paragraphs 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above. However, a limit of 20% of a Fund's Net Asset Value may be applied to investment in transferable securities and money market instruments within the same group.

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

The individual issuers may be drawn from the following list:

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

The Fund must hold securities from at least six 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% of its Net Asset Value in any one CIS.

3.2 Investment in AIFs may not, in aggregate, exceed 30% of the Fund's Net Asset Value.

3.3 A Fund may not invest in another single structure CIS or a sub-fund of an umbrella CIS, which itself invests more than 10% of its 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, an investment manager or an investment advisor receives a commission on behalf of a Fund (including a rebated commission), the Manager shall ensure that the relevant commission is paid into the property of the Fund.

3.6 Investment by a Fund in another Fund of the ICAV is subject to the following additional provisions:

- (i) investment must not be made in a Fund which itself holds Shares in another Fund within the ICAV; and
- (ii) the investing Fund may not charge an annual management fee in respect of that portion of its assets invested in other Funds within the ICAV. This provision is also applicable to the annual fee charged by the Investment Manager where such fee is paid directly out of the assets of the Fund.

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

4.1 A Fund may invest up to 20% of its Net Asset Value in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate an index which satisfies the criteria set out in the Central Bank UCITS Regulations and is recognised by the Central Bank.

4.2 The limit in paragraph 4.1 above may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

#### **5 General Provisions**

5.1 The ICAV or 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:

- (i) 10% of the non-voting shares of any single issuing body;
- (ii) 10% of the debt securities of any single issuing body;
- (iii) 25% of the shares or units of any single CIS;
- (iv) 10% of the money market instruments of any single issuing body.

NOTE: The limits laid down in sub-paragraphs (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.

5.3 Paragraphs 5.1 and 5.2 above shall not be applicable to:

- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
- (ii) transferable securities and money market instruments issued or guaranteed by a Non-Member State;
- (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
- (iv) shares held by a 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 strategies 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;

- (v) shares held by an investment company, investment companies, 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 The ICAV may not carry out uncovered sales of transferable securities; money market instruments; shares or units of CIS; or financial derivative instruments.
- 5.8 A Fund may hold ancillary liquid assets.

## 6 **Financial Derivative Instruments (FDI)**

- 6.1 A Fund's 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 and 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 Regulation 71(1) of the Central Bank UCITS Regulations).
- 6.3 A Fund may invest in FDI dealt in over-the-counter (OTC) provided that the counterparties to the OTC transactions are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDI is subject to the conditions and limits laid down by the Central Bank.



**APPENDIX 3– LIST OF SUB-CUSTODIAL AGENTS OF DEPOSITARY**

<b>Country</b>	<b>Sub-custodian/Agent</b>
Australia	HSBC Bank Australia Ltd
Austria	HSBC Continental Europe S.A., Germany
Bahrain	HSBC Bank Middle East Ltd (Bahrain)
Bangladesh	The Hongkong and Shanghai Banking Corporation Ltd (Bangladesh)
Belgium	BNP Paribas Securities Services (Belgium)
Belgium	Euroclear Bank S.A./N.V.
Botswana	Standard Chartered Bank Botswana Ltd
Brazil	BNP Paribas Brasil S.A.
Bulgaria	UniCredit Bulbank AD
Canada	Royal Bank of Canada
Chile	Banco Santander Chile
China	HSBC Bank (China) Ltd
Colombia	Santander CACEIS Colombia S.A., Sociedad Fiduciaria
Croatia	Privredna Banka Zagreb
Costa Rica	Banco Nacional De Costa Rica
Cyprus	BNP Paribas S.A., Athens branch
Czech Republic	Ceskoslovenska obchodni banka, a. s.
Denmark	Skandinaviska Enskilda Banken AB (Denmark)
Egypt	HSBC Bank Egypt Ltd
Estonia	SEB Pank
Finland	Skandinaviska Enskilda Banken AB (Finland)
France	CACEIS Bank
Germany	HSBC Continental Europe S.A., Germany
Ghana	Stanbic Bank Ghana Ltd
Greece	BNP Paribas S.A., Athens branch
Hong Kong	The Hongkong & Shanghai Banking Corporation Ltd (CNC) (HK)

Hungary	Unicredit Bank Hungary Zrt
India	The Hongkong and Shanghai Banking Corporation Ltd (India)
Indonesia	PT Bank HSBC Indonesia
Ireland	HSBC Bank plc (Ireland)
Israel	Bank Leumi Le-Israel BM
Italy	BNP Paribas Securities Services, Milan Branch
Japan	The Hongkong and Shanghai Banking Corporation Ltd (Japan)
Jordan	Bank of Jordan
Kenya	CFC Stanbic Bank Ltd
Kuwait	HSBC Bank Middle East Ltd (Kuwait)
Latvia	AS SEB Banka
Lithuania	AS SEB bankas
Luxembourg	Clearstream Banking SA
Malaysia	HSBC Bank Malaysia Berhad
Mauritius	The Hongkong and Shanghai Banking Corporation Ltd (Mauritius)
Mexico	Banco S3 CACEIS Mexico, S.A., Institución de Banca Múltiple
Morocco	Citibank Maghreb
Netherlands	BNP Paribas Securities Services (Netherlands)
New Zealand	The Hongkong and Shanghai Banking Corporation Ltd (New Zealand)
Nigeria	Stanbic IBTC Bank plc
Norway	Skandinaviska Enskilda Banken AB
Oman	HSBC Bank Oman S.A.O.G.
Pakistan	Citibank NA (Pakistan)
Palestine	Bank of Jordan Plc (Palestine)
Peru	Citibank del Peru
Philippines	The Hongkong and Shanghai Banking Corporation Ltd (Philippines)
Poland	Bank Polska Kasa Opieki SA
Poland	Societe General SA

Portugal	BNP Paribas Securities Services (Portugal)
Qatar	HSBC Bank Middle East Ltd
Romania	Citibank Europe plc Dublin - Romania Branch
Saudi Arabia	HSBC Saudi Arabia Ltd
Serbia	Unicredit Bank Serbia JSC
Singapore	The Hongkong and Shanghai Banking Corporation Ltd (Singapore)
Slovakia	Ceskoslovenska Obchodna Banka AS
Slovenia	Unicredit Banka Slovenija DD
South Africa	Standard Bank of South Africa Ltd
South Korea	The Hongkong and Shanghai Banking Corporation Ltd (South Korea)
Spain	BNP Paribas Securities Services (Spain)
Sri Lanka	The Hongkong and Shanghai Banking Corporation Ltd (Sri Lanka)
Sweden	Skandinaviska Enskilda Banken AB (publ.)
Switzerland	Credit Suisse (Switzerland) Ltd
Taiwan	HSBC Bank (Taiwan) Ltd
Tanzania	Standard Chartered Bank (Mauritius) Ltd, Tanzania
Thailand	The Hongkong and Shanghai Banking Corporation Ltd (Thailand)
Tunisia	Union Internationale de Banques
Turkey	Turk Ekonomi Bankasi A.S.
Uganda	Stanbic Bank Uganda Ltd
United Arab Emirates	HSBC Bank Middle East Ltd (UAE)
United Kingdom	HSBC Bank Plc (UK)
United States	HSBC Bank (USA) NA
Vietnam	HSBC (Vietnam) Ltd
Zambia	Stanbic Bank Zambia Ltd