

**If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the ICAV or the suitability for you of investment in the ICAV, you should consult a stock broker or other financial adviser. Prices of Shares in the ICAV may fall as well as rise.**

The Directors of the ICAV whose names appear under the heading “**Management and Administration**” in this Prospectus accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts in all material respects and does not omit anything likely to affect the import of such information. The Directors accept responsibility accordingly.

The Funds of the ICAV are listed in a Supplement to the Prospectus referred to as the “List of Funds Supplement” which forms part of and must be read in the context of and together with the Prospectus.

## **AMBIENTA X ICAV**

(an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds registered with and authorised by the Central Bank of Ireland to carry on business as an ICAV, pursuant to Part 2 of the Irish Collective Asset-management Vehicles Act, 2015 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011), as amended by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 (S.I. No. 230 of 2019).

### **P R O S P E C T U S**

**Manager**  
**Ambienta Sgr S.p.A.**

**The date of this Prospectus is 17 January, 2024**

## **IMPORTANT INFORMATION**

This Prospectus should be read in conjunction with the section entitled “**Definitions**”.

### **The Prospectus**

This Prospectus describes Ambienta X ICAV (the “**ICAV**”), an umbrella type Irish collective asset-management vehicle registered with and authorised by the Central Bank of Ireland to carry on business as an ICAV, pursuant to Part 2 of the Irish Collective Asset-management Vehicles Act, 2015 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations, 2019, with segregated liability between its Funds. The ICAV is structured as an umbrella fund and may comprise several Funds each representing a separate portfolio of assets. The share capital of the ICAV may be divided into different Classes of Shares to denote differing characteristics attributable to particular Classes of Shares.

This Prospectus may only be issued with one or more Supplements, each containing information relating to a separate Fund. Details relating to Classes may be dealt with in the relevant Fund Supplement or in separate Supplements for each Class. Each Supplement shall form part of, and should be read in conjunction with, this Prospectus. To the extent that there is any inconsistency between this Prospectus and any Supplement, the relevant Supplement shall prevail.

The latest published annual and half yearly reports of the ICAV will be supplied to Shareholders free of charge upon request and will be available to the public as further described in the section of the Prospectus headed “**Reports and Accounts**”.

### **Authorisation by the Central Bank**

**The ICAV is both authorised and supervised by the Central Bank. Authorisation of the ICAV by the Central Bank shall not constitute a warranty as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV. The authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus.**

### **Promoter**

**The promoter of the ICAV is Ambienta Sgr S.p.A, the Manager. The Manager’s biography can be found in this Prospectus under the heading “MANAGEMENT AND ADMINISTRATION”.**

### **Redemption Fee**

**Shares of each Fund may be liable for a Redemption Fee based on a percentage of the Net Asset Value per Share of each Share redeemed. Details of any such charge with respect to one or more**

**Funds will be set out in the relevant Supplement.**

**The difference at any one time between the sale price (the Net Asset Value per Share to which may be added a Subscription Fee or commission) and the redemption price of Shares (the Net Asset Value per Share from which may be deducted a Redemption Fee) means an investment should be viewed as medium to long term.**

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

The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in any jurisdiction in which such offer or solicitation is not authorised or the person receiving the offer or solicitation may not lawfully do so. It is the responsibility of any person in possession of this Prospectus and of any person wishing to apply for Shares to inform himself of and to observe all applicable laws and regulations of the countries of his nationality, residence, ordinary residence or domicile.

The Directors, in consultation with the Manager, may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or may affect the tax status of the ICAV or may in the opinion of the Directors, in consultation with the Manager, result in the ICAV incurring any liability to taxation or suffering any tax, legal, pecuniary or regulatory liability or disadvantage or material administrative disadvantage which the ICAV or its Members or any of them might not otherwise have incurred or suffered. Shares in the Fund will not be available directly or indirectly to any US Person as defined herein. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, is in breach of the laws and regulations of their competent jurisdiction shall indemnify the ICAV, the Directors, the Manager, the Investment Manager, the Depositary, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the ICAV.

The Directors have the power under the Instrument to compulsorily redeem and/or cancel any shares held or beneficially owned by a Member in contravention of the restrictions imposed by them as described herein.

### **United States of America**

There will be no public offering of Shares in the United States. The Shares will not generally be available to US Persons, unless they are, among other things, **“accredited investors”** (as defined in Rule 501(a) of Regulation D under the US Securities Act of 1933, as amended (the **“1933 Act”**)) and **“qualified purchasers”** (as defined in Section 2(a) (51) of the US Investment Company Act of 1940, as amended (the **“1940 Act”**)).

The Shares have not been and will not be registered under the 1933 Act or the securities laws of any of the states of the United States, nor is such registration contemplated. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any US Person except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of

the 1933 Act and any applicable state laws. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law.

There is no public market for the Shares in the United States and no such market is expected to develop in the future. The Shares offered hereby are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Instrument, the 1933 Act and applicable state securities law pursuant to registration or exemption therefrom. The Shares are being offered outside the United States pursuant to the exemption from registration under Regulation S under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(2) thereof.

The ICAV has not been and will not be registered under the 1940 Act pursuant to the provisions of Section 3(c)(7) of the 1940 Act. Under Section 3(c)(7), a privately offered fund is excepted from the definition of “**investment company**” if US Person security holders consist exclusively of “**qualified purchasers**” and the Shares are only offered in the US on a private placement basis.

### **Reliance on this Prospectus**

Statements made in this Prospectus and any Supplement are based on the law and practice in force in the Republic of Ireland at the date of the Prospectus or Supplement as the case may be, which may be subject to change. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares in the ICAV shall under any circumstances constitute a representation that the affairs of the ICAV have not changed since the date hereof. This Prospectus will be updated by the ICAV to take into account any material changes from time to time and any such amendments will be effected in accordance with the requirements of the Central Bank. Any information or representation not contained herein or given or made by any broker, salesperson or other person should be regarded as unauthorised and should accordingly not be relied upon.

Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or other matters. You should consult a stockbroker or other financial adviser.

### **Risk Factors**

Investors should read and consider the section entitled “**Risk Factors**” in this Prospectus and any Supplement before investing in the ICAV.

### **Financial Derivative Instruments**

The ICAV may engage in transactions in financial derivative instruments (“**FDI**”) on behalf of a Fund either for investment purposes (i.e. exposure and/ or hedging) and/or for the purposes of efficient portfolio management as more particularly disclosed in this Prospectus and the Supplement for the relevant Fund. The ICAV employs a risk management process which enables it to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The ICAV will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the

Central Bank. The ICAV will provide to Shareholders on request supplementary information relating to the risk management methods employed by the ICAV including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments. The expected effect of transactions in FDI is described in the Supplement for the relevant Fund.

### **Translations**

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

## **DIRECTORY**

### **AMBIENTA X ICAV**

#### **Directors**

Enda Allen  
Joel Bird  
Donard McClean  
Robert Moore

#### **Registered Office of the ICAV**

33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

#### **Manager**

Ambienta Sgr S.p.A  
Piazza Fontana  
6-20122 Milan  
Italy

#### **Investment Manager**

Ambienta Ltd.  
20 King Street  
London SW1Y 6QY  
United Kingdom

#### **Administrator**

Morgan Stanley Fund Services (Ireland) Limited  
The Observatory  
7-11 Sir John Rogerson's Quay  
Dublin 2  
Ireland.

#### **Depository**

Northern Trust Fiduciary Services (Ireland) Limited  
Georges Court  
54-62 Townsend Street  
Dublin 2  
Ireland

#### **Auditors**

Deloitte  
29 Earlsfort Terrace  
Dublin 2  
D02 AY28  
Ireland

#### **Legal Advisers**

Dillon Eustace  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

#### **Secretary**

Tudor Trust Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

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## DEFINITIONS

In this Prospectus the following words and phrases have the meanings set forth below:-

All references to a specific time of day are to Irish time.

<b>“Accounting Period”</b>	means, in respect of each Fund, a period ending on the Annual Accounting Date and commencing, in the case of the first Fund, on the date the ICAV’s registration and, in subsequent such periods, on the day following expiry of the last Accounting Period and, in the case of subsequent Funds, on the date of the Fund’s approval by the Central Bank.
<b>“Act”</b>	means the Irish Collective Asset-management Vehicles Act, 2015 and every amendment or re-enactment of the same.
<b>“Administration Agreement”</b>	means the Administration Agreement made between the Manager, the ICAV and the Administrator dated 21 April, 2020 as may be amended and / or supplemented from time to time.
<b>“Administrator”</b>	means Morgan Stanley Fund Services (Ireland) Limited or any successor(s) thereto appointed by the Manager and the ICAV in accordance with the requirements of the Central Bank to act as administrator of the ICAV.
<b>“AIF(s)”</b>	means Alternative Investment Fund(s) as defined in Directive 2011/61/EU.
<b>“Annual Accounting Date”</b>	means in the case of each Fund, as set out in the relevant Supplement or such other date as the Directors, in consultation with the Manager, may from time to time decide and notify in advance to the Central Bank.
<b>“Application Form”</b>	means any application form to be completed by subscribers for Shares as prescribed by the ICAV or its delegate from time to time and attached to the Supplement of the relevant Fund.
<b>“Auditors”</b>	means Deloitte.

<b>“Base Currency”</b>	means the currency of account of a Fund as specified in the relevant Supplement relating to that Fund.
<b>“Business Day”</b>	means in relation to a Fund such day or days as shall be so specified in the relevant Supplement for that Fund.
<b>“Central Bank”</b>	means the Central Bank of Ireland or any successor regulatory authority with responsibility for the authorisation and supervision of the ICAV.
<b>“Central Bank Regulations”</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2019 and every amendment or re-enactment of the same.
<b>“Class”</b>	means a particular division of Shares in a Fund.
<b>“Country Supplement”</b>	means a supplement to this Prospectus specifying certain information pertaining to the offer of Shares of the ICAV or a Fund or Class in a particular jurisdiction or jurisdictions.
<b>“Dealing Day”</b>	means in relation to a Fund such day or days as shall be specified in the relevant Supplement for that Fund provided that there shall be at least two Dealing Days in every month occurring at regular intervals.
<b>“Dealing Deadline”</b>	means in relation to a Fund, such time on any Dealing Day as shall be specified in the relevant Supplement for the Fund.
<b>“Depositary”</b>	means Northern Trust Fiduciary Services (Ireland) Limited or any successor(s) thereto appointed by the ICAV in accordance with the requirements of the Central Bank to act as depositary of the ICAV.
<b>“Depositary Agreement”</b>	means the Depositary Agreement made between the ICAV and the Depositary dated 21 April, 2020 as may be amended and/or supplemented from time to time.
<b>“Directors”</b>	means the directors of the ICAV or any duly authorised committee thereof or delegate thereof.
<b>“Duties and Charges”</b>	means in relation to Subscription Price and Redemption

Price, all stamp and other duties, taxes, governmental charges, valuation fees, agents fees, brokerage fees, bank charges, transfer fees, registration fees and other charges whether in respect of the constitution or increase of the assets or the creation, exchange, sale purchase or transfer of shares or the purchase or sale or proposed purchase or sale of investments or otherwise which may have become or will become payable in respect of, or prior to, or upon, the occasion of any transaction, dealing or valuation, but not including commission payable on the issue of Shares.

**“EEA”**

means the countries for the time being comprising the European Economic Area (being at the date of this Prospectus, European Union Member States, Norway, Iceland and Liechtenstein).

**“Eligible Assets”**

means assets eligible for inclusion in a UCITS portfolio as described in the UCITS Regulations.

**“Eligible CIS”**

means UCITS collective investment schemes (including money market schemes) and eligible AIFs as described in the UCITS Regulations and Central Bank guidance. These include:

- (a) (i) schemes established in Guernsey and authorised as Class A Schemes, (ii) schemes established in Jersey as Recognised Funds, (iii) schemes established in the Isle of Man as Authorised Schemes and (iv) retail investor AIFs authorised by the Central Bank provided such collective investment schemes comply in all material respects with the provisions of the UCITS Regulations and the Central Bank Regulations; and
- (b) AIFs authorised in any EEA member state, the United States, Jersey, Guernsey or the Isle of Man which comply in all material respects with the provisions of the UCITS Regulations and the Central Bank Regulations. The consideration of “all material respects” will include, inter alia, consideration of the following: the existence of an independent depositary with similar duties and responsibilities in relation to both safekeeping and

supervision, requirements for the spreading of investment risk including concentration limits, ownership restrictions, leverage and borrowing restrictions, availability of pricing information and reporting requirements, redemption facilities and frequency and restrictions in relation to dealings by related parties.

Other jurisdictions and types of AIF may be considered by the Central Bank on the basis of submissions made for that purpose.

To be an Eligible CIS, the scheme may not invest more than 10% of its net asset value in underlying collective investment schemes.

**“Eligible Counterparty”**

means (a) a credit institution authorised:

- (i) in the EEA;
- (ii) within a signatory state, other than a member state of the EEA, to the Basle Capital, Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
- (iii) in Jersey, Guernsey, the Isle of Man, Australia or New Zealand; or

(b) an investment firm, authorised in accordance with the Markets in Financial Instruments Directive in an EEA member state; or

(c) a group company of an entity issued with a bank holding company license from the Federal Reserve of the United States of America (the “**Federal Reserve**”) where that group company is subject to bank holding company consolidated supervision by the Federal Reserve.

**“euro” or “€”**

means the lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated March 25, 1957 (as amended by the Maastricht Treaty dated February 7, 1992).

<b>“Financial Instruments”</b>	means the transferable securities, financial derivative instruments ( <b>“FDIs”</b> ) and all other investments as outlined in the Appendix entitled <b>“Permitted Investments and Investment Restrictions”</b> , including any cash balances and liabilities of the relevant Fund.
<b>“Fund”</b>	means a sub-fund of the ICAV, the proceeds of the issue of Shares of which are pooled separately and invested in accordance with the investment objective and policies applicable to such sub-fund and which is established by the Directors from time to time with the prior approval of the Central Bank.
<b>“ICAV”</b>	means Ambienta X ICAV.
<b>“Ineligible Applicant”</b>	means an ineligible applicant as described in the section entitled <b>“The Shares”</b> .
<b>“Initial Offer Period” / “Subscription Period”</b>	means the period as specified in the relevant Supplement, during which Shares in a Fund or Class are initially offered.
<b>“Initial Offer Price”</b>	means the initial price payable for the initial subscription of a Share as specified in the relevant Supplement for each Fund.
<b>“Investment Manager”</b>	means Ambienta Ltd.
<b>“Investment Management Agreement”</b>	means the agreement made between the Investment Manager and the Manager dated 1 January, 2024 and effective as of 17 January, 2024, as may be amended from time to time.
<b>“Investment Management Fee”</b>	means the fee defined in the section entitled <b>“Investment Manager’s Fee”</b> in the relevant Supplement.
<b>“IFRS”</b>	means the International Financial Reporting Standards.
<b>“Instrument”</b>	means the Instrument of Incorporation of the ICAV as amended from time to time in accordance with the requirements of the Central Bank.

<b>“Management Fee”</b>	means the fee defined in the section entitled <b>“Management Fee”</b> in the relevant Supplement.
<b>“Ireland”</b>	means the Republic of Ireland.
<b>“Management Agreement”</b>	means the management agreement made between the ICAV and the Manager dated 21 April, 2020 as may be amended and/or supplemented from time to time.
<b>“Management Shares”</b>	means a management share in the capital of the ICAV which shall have the right to receive an amount not to exceed the consideration paid for such Management Share.
<b>“Manager”</b>	means Ambienta Sgr S.p.A.
<b>“Member”</b>	means a Shareholder or a person who is registered as the holder of one or more Management Shares in the ICAV, the prescribed particulars of which have been recorded in the register of the ICAV.
<b>“Member State”</b>	means a member state of the European Union.
<b>“Minimum Holding”</b>	means the minimum number or value of Shares which must be held by Shareholders as may be specified in the relevant Supplement.
<b>“Minimum Subscription”</b>	means the minimum initial subscription required for Shares as specified in the relevant Supplement.
<b>“Money Market Instruments”</b>	means instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time and which comply with the requirements of the Central Bank (including, but not limited to, certificates of deposit and commercial paper).
<b>“Net Asset Value”</b>	means the net asset value of the ICAV, a Fund or attributable to a Class (as appropriate) calculated as referred to herein.
<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 up to six decimal places.

**“OECD”**

means the Organisation for Economic Co-Operation and Development

**“OECD Governments”**

means governments of Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, South Korea, Latvia, Luxembourg, Mexico, Netherlands, New Zealand, Norway, Poland, Portugal, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States or other such other members as may be admitted to the OECD from time to time.

**“Ordinary Resolution”**

means a resolution of the Members of the ICAV or of the Shareholders of a particular Fund or Class passed by a simple majority of the votes cast in person or proxy at a general meeting of the ICAV, Fund or Class of Shares as the case may be.

**“OTC”**

means Over-the-Counter.

**“Paying Agent”**

means one or more paying agents / representatives / facilities agents, appointed by the Manager and/or the ICAV in certain jurisdictions as detailed in the relevant Country Supplement.

**“Performance Fee”**

means the fee, if any, defined in the relevant Supplement.

**“Prospectus”**

means the prospectus of the ICAV and any Supplements and addenda thereto issued by the ICAV in accordance with the requirements of the UCITS Regulations.

**“Redemption Fee”**

means unless specified otherwise in the relevant Supplement, a fee of up to 3% of the Net Asset Value of Shares being redeemed. The Redemption Fee is charged at the absolute discretion of the Directors, in consultation with the Manager. The party or parties entitled to such fee shall be described in the relevant Supplement.

<b>“Redemption Form”</b>	means any form to be completed by a Shareholder requesting redemption of any or all of their Shares, as prescribed by the ICAV or its delegate from time to time.
<b>“Redemption Price”</b>	means, in respect of each Share being redeemed, the value payable to the investor of each Share based on the Net Asset Value per Share, and any Duties and Charges, each calculated as at the Valuation Day related to the Dealing Day upon which such Share is to be redeemed.
<b>“Redemption Settlement Cut-Off”</b>	means the time by which payment for redemptions must be received in the bank account as specified on the Application Form and in the relevant Supplement for the Fund to permit processing as at the relevant Dealing Day.
<b>“Recognised Market”</b>	means the stock exchanges or markets set out in Appendix II.
<b>“Secretary”</b>	means Tudor Trust Limited.
<b>“Semi-Annual Accounting Date”</b>	means in respect of each Fund such date as shall be specified in the relevant Supplement.
<b>“Share”</b>	means a participating share or, save as otherwise provided in this Prospectus, a fraction of a participating share in the capital of the ICAV referable to a particular Fund.
<b>“Shareholder”</b>	means a person who is registered as the holder of Shares in the register of Shareholders for the time being kept by or on behalf of the ICAV.
<b>“Special Resolution”</b>	means a special resolution of the Members of the ICAV or the Shareholders of a particular Fund or Class in general meeting passed by 75% of votes cast in person or by proxy at a general meeting of the ICAV, a Fund or Class of Shares as the case may be.
<b>“Specified US Person”</b>	means (i) a US citizen or resident individual, (ii) a partnership or corporation organized in the United States or under the laws of the United States or any State thereof (iii) a trust if (a) a court within the United States

would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States; **excluding** (1) a corporation the stock of which is regularly traded on one or more established securities markets; (2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the US Internal Revenue Code, as a corporation described in clause (i); (3) the United States or any wholly owned agency or instrumentality thereof; (4) any State of the United States, any US Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (5) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the US Internal Revenue Code; (6) any bank as defined in section 581 of the US Internal Revenue Code; (7) any real estate investment trust as defined in section 856 of the US Internal Revenue Code; (8) any regulated investment company as defined in section 851 of the US Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (9) any common trust fund as defined in section 584(a) of the US Internal Revenue Code; (10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the US Internal Revenue Code; (11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (12) a broker as defined in section 6045(c) of the US Internal Revenue Code. This definition shall be interpreted in accordance with the US Internal Revenue Code.

**“Sub-Fund Cash Account”**

means (a) a cash account designated in a particular currency opened in the name of the relevant Fund into which (i) subscription monies received from investors who have subscribed for Shares in the relevant Fund are

deposited and held until Shares in the relevant Fund are issued as of the relevant Dealing Day; or (ii) redemption monies due to investors who have redeemed Shares in the relevant Fund are deposited and held until paid to the relevant investors; or (iii) dividend payments owing to Shareholders in the relevant Fund are deposited and held until paid to such Shareholders.

**“Subscription Fee”**

means, unless otherwise specified in the relevant Supplement, a fee, of up to 5 per cent of the aggregate investment amount subscribed. The Subscription Fee is charged at the absolute discretion of the Directors, in consultation with the Manager. The party or parties entitled to such fee shall be described in the relevant Supplement.

**“Subscription Price”**

means, in respect of each Share applied for, the cost to the investor of each Share based on the Net Asset Value per Share adjusted for any Duties and Charges, each calculated as at the Valuation Day related to the Dealing Day upon which such Share is to be issued.

**“Subscription Settlement Cut-Off”**

means the time by which payment for subscriptions must be received in the bank account as specified on the Application Form and in the relevant Supplement for the Fund to permit processing as at the relevant Dealing Day.

**“Supplement”**

means a supplement to this Prospectus specifying certain information in respect of a Fund and/or one or more Classes.

**“Sterling” “GBP” or “£”**

means the lawful currency for the time being of the United Kingdom.

**“UCITS”**

means an Undertaking for Collective Investment in Transferable Securities established pursuant to the UCITS Directive.

**“UCITS Directive”**

means EC Council Directive 2009/65/EC of July 13, 2009 as amended by way of EC Council Directive 2014/91/EU, as may be amended, consolidated or substituted from time to time.

<b>"UCITS 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) (as amended, consolidated or substituted from time to time).
<b>"UK"</b>	means the United Kingdom of Great Britain and Northern Ireland.
<b>"United States" or "US"</b>	means the United States of America (including the States and the District of Colombia) its territories, possessions and all other areas subject to its jurisdiction.
<b>"US Dollar", "USD" or "US\$"</b>	means United States Dollars, the lawful currency for the time being of the United States of America.
<b>"US Person"</b>	<p>means a person described in one or more of the following:</p> <ul style="list-style-type: none"> <li>(a) with respect to any person, any individual or entity that would be a US Person under Regulation S of the 1933 Act;</li> <li>(b) with respect to individuals, any US citizen or <b>"resident alien"</b> within the meaning of US income tax laws as in effect from time to time; or</li> <li>(c) with respect to persons other than individuals: <ul style="list-style-type: none"> <li>(i) a corporation or partnership created or organised in the United States or under the laws of the United States or any state;</li> <li>(ii) a trust where (x) a US court is able to exercise primary supervision over the administration of the trust and (y) one or more US persons have the authority to control all substantial decisions of the trust; and</li> <li>(iii) an estate which is subject to US tax on its worldwide income from all sources.</li> </ul> </li> </ul>

**“Valuation Day”**

means in relation to a Fund such day or days as shall be specified in the relevant Supplement for that Fund.

**“Valuation Point”**

means such time as shall be specified in the relevant Supplement for each Fund.

**“1933 Act”**

means the United States Securities Act of 1933, as amended.

**“1940 Act”**

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

## 1. THE ICAV

### General

The ICAV is an open-ended umbrella type Irish collective asset-management vehicle with limited liability and segregated liability between Funds, registered by the Central Bank on 25 July 2019 to carry on business as an ICAV pursuant to the UCITS Regulations. The ICAV has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

The ICAV is structured as an umbrella type Irish collective asset-management vehicle which may consist of different Funds, each comprising one or more Classes. The full list of the Funds established by the ICAV is set out in the “List of Funds” Supplement to this Prospectus.

The Shares issued in each Fund will rank *pari passu* with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies, if any, applied to the currency of a particular Class, dividend policy, voting rights, return of capital, the level of fees and expenses to be charged, subscription or redemption procedures or the Minimum Subscription and Minimum Holding applicable. The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. A separate portfolio of assets is not maintained for each Class. The investment objective and policies and other details in relation to each Fund are set out in the relevant Supplement which forms part of and should be read in conjunction with this Prospectus.

The Base Currency of each Fund is specified in the relevant Supplement. Additional Funds, in respect of which a Supplement or Supplements will be issued, may be established by the Directors with the prior approval of the Central Bank. Additional Classes in respect of which a Supplement or Supplements will be issued may be established by the Directors and notified to and cleared in advance with the Central Bank or otherwise must be created in accordance with the requirements of the Central Bank.

### Investment Objectives and Policies

The specific investment objective and policy of each Fund will be set out in the relevant Supplement to this Prospectus and will be formulated by the Directors in consultation with the Manager and the Investment Manager at the time of creation of the relevant Fund.

A change to the investment objective, or any material change to the investment policy of a Fund, as disclosed in the relevant Supplement, may only be made in each case with either the prior written approval of all Shareholders of the relevant Fund or on the basis of a majority of votes cast at general meeting of the relevant Fund duly convened and held. In accordance with the requirements of the Central Bank, “**material**” shall be taken to mean, although not exclusively, changes which would significantly alter the asset type, credit quality, borrowing limits or risk profile of a Fund. In the event of a change to the investment objective and/or a material change to the investment policy of a Fund, Shareholders in the relevant Fund will be given reasonable notice of such change to enable them to redeem their Shares prior to implementation of such a change.

The list of Recognised Markets on which a Fund's investments in securities and financial derivative instruments, other than permitted investments in unlisted securities and OTC derivative instruments, will be listed or traded is set out in Appendix II.

### **Eligible Assets and Investment Restrictions**

Investment of the assets of each Fund must comply with the UCITS Regulations. The Directors may impose further restrictions in respect of any Fund (which will be disclosed in the relevant Fund Supplement). The investment and borrowing restrictions applying to the ICAV and each Fund imposed under the UCITS Regulations are set out in Appendix I. Each Fund may also hold ancillary liquid assets.

### **Borrowing Powers**

The ICAV may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of each Fund. Subject to this limit, the Directors may exercise all borrowing powers on behalf of the ICAV. In accordance with the provisions of the UCITS Regulations, the Directors may instruct the Depositary to give a charge over the assets of the ICAV as security for such borrowings. A Fund may acquire foreign currency by means of a "back-to-back" loan agreement. The Manager and the Investment Manager shall ensure that a Fund with foreign currency borrowings which exceed the value of a "**back-to-back**" deposit treats that excess as borrowings for the purposes of Regulation 103(1) of the UCITS Regulations.

### **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 UCITS 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 UCITS Regulations.

### **Efficient Portfolio Management**

The Investment Manager may, on behalf of a Fund, engage in techniques and instruments relating to transferable securities and Money Market Instruments for efficient portfolio management purposes within the conditions and limits laid down by the Central Bank from time to time.

Efficient portfolio management transactions relating to the assets of the Fund may be entered into by the Investment Manager with one or more of the following aims;

- (a) a reduction of risk (including currency exposure risk);
- (b) a reduction of cost; and
- (c) generation of additional capital or income for a Fund with a level of risk consistent with the risk profile of a Fund and the risk diversification requirements in accordance with the requirements of

the Central Bank set down in the Central Bank Regulations.

In relation to efficient portfolio management operations, the Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way.

Such transactions may include financial derivative instruments and/or stock-lending and repurchase and reverse repurchase agreements as described below and/or in the relevant Supplement.

*Repurchase / Reverse Repurchase and Stock-Lending Arrangements for the Purposes of Efficient Portfolio Management*

Subject to the conditions and limits set out in the Central Bank Regulations, a Fund may use repurchase agreements, reverse repurchase agreements and/or stock-lending agreements for efficient portfolio management purposes only. Repurchase agreements are transactions in which one party sells a security to the other party with a simultaneous agreement to repurchase the security at a fixed future date at a stipulated price reflecting a market rate of interest unrelated to the coupon rate of the securities. A reverse repurchase agreement is a transaction whereby a Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price. A stock-lending arrangement is an arrangement whereby title to the “**loaned**” securities is transferred by a “**lender**” to a “**borrower**” with the borrower contracting to deliver “**equivalent securities**” to the lender at a later date.

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

None of the Funds will engage in securities financing transactions (lending, repurchase and/or reverse repurchase agreements) within the meaning of EC Regulation 2015/2365 unless otherwise described in the relevant Supplement.

**Financial Derivative Instruments**

A Fund may invest in financial derivative instruments dealt in on a Recognised Market and/or in OTC derivative instruments in each case under and in accordance with conditions or requirements imposed by the Central Bank. A Fund may only enter into OTC derivative transactions with an Eligible Counterparty.

A Fund may use financial derivative instruments traded on a Recognised Market and/or on OTC markets for investment purposes and/or to attempt to hedge or reduce the overall risk of its investments, enhance performance and/or to manage risk. A Fund’s ability to invest in and use these instruments and strategies may be limited by market conditions, regulatory limits and tax considerations and these strategies may be used only in accordance with the investment objectives of the relevant Fund.

The financial derivative instruments in which the Investment Manager may invest on behalf of each Fund,

and the expected effect of investment in such financial derivative instruments on the risk profile of a Fund are set out in the relevant Supplement. The extent to which a Fund may be leveraged through the use of financial derivative instruments will also be disclosed in the relevant Supplement. In addition, the attention of investors is drawn to the section of the Prospectus headed “**Efficient Portfolio Management**” and the risks described in the Risk Factors section of the Prospectus and, if applicable to a particular Fund, the relevant Supplement.

Under the UCITS Regulations, “**uncovered**” positions in derivatives are not permitted. Across the range of FDIs that the ICAV may use, its policy is to satisfy cover requirements by holding the underlying assets, holding sufficient liquid assets, or by ensuring that the FDIs are such that the exposure can be adequately covered without holding the underlying assets.

The Central Bank requires that the ICAV employs a risk management process which enables it to accurately measure, monitor and manage various risks associated with the use of financial derivative instruments. The risk management methodology chosen for a specific Fund is set out in the relevant Supplement. Details of this process have been provided to the Central Bank. The ICAV will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to the Central Bank. The ICAV will provide, upon request by Shareholders, supplementary information relating to the risk management methods employed by the ICAV including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

For the purpose of providing margin or collateral in respect of transactions in financial derivative instruments, the ICAV may transfer, mortgage, charge or encumber any assets or cash forming part of the relevant Fund in accordance with normal market practice.

Investors should be aware that when the ICAV enters into derivative contracts operational costs and/or fees shall be deducted from the revenue delivered to the relevant Fund. One of the considerations taken into account by the Manager and/or the Investment Manager when selecting brokers and counterparties on behalf of a Fund is that any such costs and/or fees which are deducted from the revenue delivered to the Fund shall be at normal commercial rates. Such direct or indirect costs and fees will be paid to the relevant broker or counterparty which may include the Depositary or entities related to the Depositary. The identity of the entities to which such direct and indirect costs and fees are paid shall be disclosed in the annual financial statements of the ICAV. Counterparties will not be related to the Manager or Investment Manager. All revenues generated through the use of derivatives, net of direct and indirect operational costs and fees, will be returned to the Fund.

### **Investment in Financial Indices**

Where a Fund intends to gain exposure to one or more financial indices directly or through the use of financial derivative instruments, the relevant Supplement shall state this and shall provide sufficient disclosure to allow a prospective investor to understand the market that the index is representing, why the index is being used as part of the investment strategy of the Fund, whether the investment will be made directly, through investment in the constituents of the index, or indirectly, through a derivative and where

additional information on the index may be obtained. Such financial indices may or may not comprise of Eligible Assets. Where an index does not comprise of Eligible Assets, the index will be reviewed for compliance with the requirements of the Central Bank. The Supplement shall also disclose the rebalancing frequency of the financial index in which the relevant Fund invests and its effects on the costs within the index. When the weighting of any particular component exceeds the permitted investment restrictions the procedures to be followed are as set out in the two paragraphs that immediately follow. Where a Fund intends to measure its performance against a particular index, the Supplement shall disclose a description of the index. The Investment Manager shall only gain exposure to financial indices which comply with the requirements of the Central Bank as set out in the Central Bank Regulations and in any guidance issued by the Central Bank. It is not possible to comprehensively list the actual financial indices to which exposure may be taken as they may change from time to time. A list of the indices to which a Fund takes exposure will be set out in the annual financial statements of the relevant Fund. Details of any financial indices used by any Fund will also be provided to Shareholders of that Fund by the Manager on request.

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

However, where a financial index comprised of Eligible Assets does not fulfil the criteria set out in Article 9(1) of the Commission Directive 2007/16/EC (i.e. sufficiently diversified, representative of an adequate benchmark for the market to which it refers and published in an appropriate manner), investment in such an index by the ICAV on behalf of a Fund is not considered a derivative on a financial index but is regarded as a derivative on the combination of assets comprised in the index. A Fund may only gain exposure to such a financial index where on a “look through” basis, the Fund is in a position to comply with the risk spreading rules set down in the UCITS Regulations taking into account both direct and indirect exposure of the Fund to the constituents of the relevant index.

### **Hedged Classes**

The ICAV may (but is not obliged to) enter into certain currency related transactions in order to mitigate the exchange rate risk between the Base Currency of a Fund or a currency or currencies in which assets of a Fund are denominated and the currency in which Shares in a class of the relevant Fund is designated, where that designated currency is different to the Base Currency or currency of denomination of the assets.

Any Financial Instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of a Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant Financial Instruments will accrue solely to the relevant Class.

Where a Class of Shares is to be hedged this will be disclosed in the Supplement for the Fund in which such Class is issued. Transactions will be clearly attributable to a specific Class, therefore any currency exposure of a Class may not be combined with, or offset against, that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes.

Where there is more than one hedged Class in a Fund denominated in the same currency and it is intended

to hedge the foreign currency exposure of such Classes into another currency, the Fund may aggregate the foreign exchange transactions entered into on behalf of such hedged Classes and apportion the gains/loss on and the costs of the relevant Financial Instruments pro rata to each such hedged Class in the relevant Fund.

Where the ICAV seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the ICAV. However, over-hedged positions will not exceed 105% of the Net Asset Value of the Class taking into account net subscriptions and redemptions applicable to the relevant Dealing Day.

Hedged positions will be kept under review to ensure that over-hedged positions will not exceed 105% of the Net Asset Value attributable to the relevant hedged Class' exposure to currencies other than the Base Currency and that under-hedged positions do not fall short of 95% of the portion of the Net Asset Value of the Class which is to be hedged and to ensure that underhedged positions are not carried forward from month to month.

Hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level. This review will also incorporate a procedure to ensure that positions materially in excess of 100% of Net Asset Value of the Class will not be carried forward from month to month.

To the extent that hedging is successful for a particular Class, the performance of the Class is likely to move in line with the performance of the underlying assets with the result that investors in that Class will not gain if the Class currency falls against the Base Currency and/or the currency in which the assets of the particular Fund are denominated.

The currency hedging strategy will be monitored and adjusted in line with the valuation cycle at which investors are able to subscribe to and redeem from the relevant Fund. Investors' attention is drawn to the risk factor below entitled "**Share Currency Designation Risk**".

## **Dividend Policy**

The dividend policy and information on the declaration and payment of dividends for each Fund will be specified in the relevant Supplement. Any dividend unclaimed after six years from the date when it first became payable or on the winding up of the ICAV, if earlier, shall be forfeited automatically and shall revert to the relevant Fund, without the necessity for any declaration or other action by the ICAV.

Pending payment to the relevant Shareholder, distribution payments will be held in an account in the name of the relevant Fund (herein defined as a Sub-Fund Cash Account) and will be treated as an asset of the Fund until paid to that Shareholder and will not benefit from the application of any investor money protection rules (i.e. the distribution monies in such circumstance will not be held on trust for the relevant Shareholder). In such circumstance, the Shareholder will be an unsecured creditor of the relevant Fund with respect to the distribution amount held by the ICAV until paid to the Shareholder and the Shareholder entitled to such distribution amount will be an unsecured creditor of the Fund.

In the event of an insolvency of the relevant Fund or the ICAV, there is no guarantee that the relevant Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Shareholders due dividend monies which are held in a Sub-Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the Shareholder may not recover all monies originally paid into a Sub-Fund Cash Account for onward transmission to that Shareholder.

Your attention is drawn to the section of the Prospectus entitled “Risk Factors” –“Operation of Sub-Fund Cash Accounts” below.

In the event that distributions payable cannot be paid out to a Shareholder, for example where anti-money laundering documentation is not provided or a Shareholder cannot be contacted, it is the responsibility of the Shareholder to ensure all necessary documentation and information required to resolve the issue is provided promptly and is complete and accurate, so that the distributions payable may be released in a timely manner.

Dividends which remain unclaimed for six months following the expiry of early termination of the relevant Fund’s Term will be forfeited automatically. On forfeiture such dividends will become part of the assets of the Fund to which they relate. No dividend or other amount payable to any Shareholder shall bear interest against the ICAV.

## **Risk Factors**

### *General*

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the ICAV carries with it a degree of risk. Different risks may apply to different Funds and/or Classes.

Details of specific risks attaching to a particular Fund or Class which are additional to those described in this section will be disclosed in the relevant Supplement. Potential investors should also pay attention to the applicable fees, charges and expenses of a Fund.

Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their own financial, tax, accounting, legal and other appropriate advisers before making an application for Shares.

Prospective investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of the ICAV or any Fund should not be relied upon as an indicator of future performance.

The attention of potential investors is drawn to the taxation risks associated with investing in the ICAV. Please refer to the Section of the Prospectus entitled "Taxation". The Financial Instruments in which the ICAV invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

There can be no guarantee that the investment objective of a Fund will actually be achieved.

### *Regulatory Risk*

Legal, tax, and regulatory changes are likely to occur during the term of the ICAV and some of these changes may adversely affect the ICAV.

### *Operational Risk*

The ICAV is reliant upon the performance of third party service providers for their executive functions. In particular, the Manager, the Investment Manager, the Depositary and the Administrator will be performing services which are integral to the operation of the ICAV. Failure by any service provider to carry out its obligations to the ICAV in accordance with the terms of its appointment, including in circumstances where the service provider has breached the terms of its contract, could have a materially detrimental impact upon

the operations of the ICAV.

A Fund's investments may be adversely affected due to the operational process of the ICAV or its service providers. A Fund may be subject to losses arising from inadequate or failed internal controls, processes and systems, or from human or external events.

#### *Cross-Liability for Other Funds*

The ICAV is established as an umbrella type Irish collective asset-management vehicle with segregated liability between Funds. Pursuant to the Act, the assets of one Fund are not available to satisfy the liabilities of, or attributable to, another Fund. Any liability incurred or attributable to any one Fund may only be discharged solely out of the assets of that Fund. However, the ICAV may operate or have assets in countries other than Ireland which may not recognise segregation between Funds and there is no guarantee that creditors of one Fund will not seek to enforce one Fund's obligations against another Fund.

#### *Limitation on liability of Shareholders*

The liability of Shareholders is limited to any unpaid amount on their Shares and all Shares in the ICAV will only be issued on a fully paid basis. However, under the Application Form and the Instrument, investors will be required to indemnify the ICAV and other parties as stated therein for certain matters including inter alia losses incurred as a result of the holding or acquisition of Shares by an Ineligible Applicant, any liabilities arising due to any tax the ICAV is required to account for on an investor's behalf, including any penalties and interest thereon, any losses incurred as a result of a misrepresentation by an investor, etc.

### *Net Asset Value Considerations*

The Net Asset Value per Share in respect of each Class is expected to fluctuate over time with the performance of a Fund's investments. As a result, an investment should be viewed as long-term. A Shareholder may not fully recover their initial investment when their Shares are redeemed.

Separately, a Fund may invest some of its assets in unquoted Financial Instruments. Such Financial Instruments may be valued at their probable realisation value estimated by a third party selected by the Directors in consultation with the Manager and the Investment Manager. Such Financial Instruments are inherently difficult to value and may be the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or "**close-out**" prices of such Financial Instruments.

The Subscription Price or Redemption Price may be different from a Fund's Net Asset Value due to Duties and Charges and the application of a Subscription Fee, Redemption Fee or a Contingent Deferred Sales Charge. The Net Asset Value will reflect any anti-dilution levy or swing pricing applied, as further described in the section entitled "THE SHARES: Net Asset Value And Valuation of Assets".

### *Share Currency Designation Risk*

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund. Redemption proceeds and any distributions to Shareholders will normally be made in the currency of denomination of the relevant Class. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Investment Manager may try but is not obliged to mitigate this risk (see the section "**Hedged Classes**"). Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated 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 Class of Shares 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 assets. Assets 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 assets will accrue solely to the relevant Class of Shares of the Fund.

### *No Right to Control the Operation of the ICAV*

Shareholders will have no right to control the daily operations, including investment and redemption decisions, of the Funds.

### *Controlling Shareholder*

There is no restriction on the percentage of the ICAV's Shares that may be owned by one person or a number of connected persons. It is possible, therefore, that one person, including a person or entity related to the Manager, the Investment Manager, or, a collective investment scheme managed by the Manager or Investment Manager, may obtain control of the ICAV or of a Fund, subject to the limitations noted above

regarding control of the operation of the ICAV.

#### *Conflicts of Interest*

There may be conflicts of interests that could affect an investment in the ICAV; attention is drawn to the section “**Conflicts of Interest**” in “**Management and Administration**” below.

#### *Reliance on the Manager and Key Persons*

A Fund will rely upon the Investment Manager in formulating the investment strategies and its performance is largely dependent on the continuation of an agreement by the Manager with the Investment Manager and the services and skills of their respective officers and employees. In the case of loss of service of the Investment Manager or any of its key personnel, as well as any significant interruption of the Investment Manager’s business operations, or in the extreme case, the insolvency of the Investment Manager, a Fund may not find successor managers quickly and the new appointment may not be on equivalent terms or of similar quality. Therefore, the occurrence of those events could cause a deterioration in a Fund’s performance and investors may lose money in those circumstances.

#### *Profit Sharing*

In addition to receiving an Investment Management Fee, the Investment Manager may also receive a Performance Fee based on the appreciation in the Net Asset Value per Share of one or more Classes of a particular Fund. Information regarding any Performance Fee will be disclosed in the relevant Supplement.

The Performance Fee is based on net realised and net unrealised gains and losses as at the end of each calculation period and as a result, the Performance Fee may be paid on unrealised gains which may subsequently never be realised.

#### *Investment Objective Risk*

There can be no assurance that the investment strategy implemented for each Fund will be successful. It is possible that an investor may lose a substantial proportion or all of its investment in a Fund. As a result, each investor should carefully consider whether it can afford to bear the risks of investing in the Fund.

There is no guarantee that in any time period, particularly in the short term, a Fund’s portfolio will achieve any capital growth or even maintain its current value. Investors should be aware that the value of Shares may fall as well as rise.

#### *Active Investment Management*

Where disclosed in the relevant Supplement, a Fund’s Financial Instruments may be actively managed by the Investment Manager, based on the expertise of individual fund managers, who will have discretion (subject to the Fund’s investment restrictions, investment policies and strategies) to invest the Fund’s assets in Financial Instruments that it considers will enable the Fund to achieve its investment objective.

There is no guarantee that a Fund's investment objective will be achieved based on the Financial Instruments selected.

### *Taxation*

Any change in the taxation legislation in Ireland, or elsewhere, could affect the value of investments held by the ICAV and affect the ICAV's ability to provide a return to investors. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Potential investors and Shareholders should note that the statements on taxation, which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that a tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely. The attention of potential investors is drawn to the tax risks associated with investing in the ICAV, particularly the section headed "**TAXATION**".

### *Foreign Account Tax Compliance Act and Common Reporting Standard*

Please refer to "Foreign Account Tax Compliance Act" and "Common Reporting Standard" in the section headed "**THE SHARES**".

### *Cyber Security Risk*

The ICAV and its service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g., through "**hacking**" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e. efforts to make services unavailable to intended users). Cyber security incidents affecting the Manager, the Investment Manager, the Administrator or the Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with a Fund's ability to calculate its NAV; impediments to trading for a Fund's portfolio; the inability of Shareholders to transact business with the ICAV; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which the ICAV engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

## *Brexit*

The United Kingdom is no longer part of the European Union (“Brexit”). Brexit has set in train a sustained period of uncertainty both in the United Kingdom and the European Union. As a result, the ICAV may face a degree of ongoing uncertainty and potential risks regarding, inter alia, the United Kingdom and European economies, foreign exchange markets. While the full impact of Brexit continues to evolve, this prolonged uncertainty regarding aspects of the United Kingdom and European economy could damage customers’ and investors’ confidence which could result in an adverse effect on the financial condition, results of operations and prospects of the Funds. There can be no assurance that the foregoing developments will not have a negative effect on a Fund’s ability to achieve its investment objective or on its investments in the United Kingdom and Europe.

While Brexit may have an adverse effect on the ICAV and the Funds’ investments, the Manager, the Investment Manager and the ICAV will use their best efforts to ensure that any impact to the ICAV or a Fund is limited to the minimum possible. However, it remains difficult to predict the overall impact that Brexit will have on the ICAV or the Funds at this point. The Manager, the Investment Manager and the ICAV will take into account the stability of financial markets and the interests of Shareholders when considering any decisions in respect of Brexit.

## *Pandemic Risk*

In March 2020, the World Health Organisation declared Coronavirus disease 2019 (“COVID 19”) a pandemic. While the full impact of a pandemic, including for example COVID 19, is not always known, it may result in continued market volatility and a period of economic decline globally. A pandemic may also have a significant adverse impact on the value of a Fund’s investments and the ability of the Investment Manager to access markets or implement the Fund’s investment policy in the manner originally contemplated. Government interventions or other limitations or bans introduced by regulatory authorities or exchanges and trading venues as temporary measures in light of significant market volatility may also negatively impact on the Investment Manager’s ability to implement a Fund’s investment policy. Funds’ access to liquidity could also be impaired in circumstances where the need for liquidity to meet redemption requests may rise significantly. Services required for the operation of the ICAV may in certain circumstances be interrupted as a result of a pandemic.

## *Operation of Sub-Fund Cash Accounts*

The ICAV has established Sub-Fund Cash Accounts designated in different currencies at Fund level in the name of the relevant Fund into which subscription, redemption and dividend monies for each Fund will be paid into. Each of these cash accounts are defined herein as Sub-Fund Cash Accounts. All subscriptions, redemptions or dividends payable to or from the relevant Fund will be channelled and managed through such Sub-Fund Cash Accounts.

Certain risks associated with the operation of the Sub-Fund Cash Accounts are set out below in the section entitled (i) “The Shares - “Operation of Sub-Fund Cash Accounts”; and (ii) “The ICAV” - “Dividend Policy” respectively.

In circumstances where subscription monies are received from an investor in advance of a Dealing Day in respect of which an application for Shares has been, or expected to be, received and are held in a Sub-Fund Cash Account, any such investor shall rank as a general creditor of the relevant Fund until such time as Shares are issued as of the relevant Dealing Day. Therefore in the event that such monies are lost prior to the issue of Shares as of the relevant Dealing Day to the relevant investor, the ICAV on behalf of the Fund may be obliged to make good any losses which the Fund incurs in connection with the loss of such monies to the investor (in its capacity as a creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Fund.

Subscription monies delivered by an investor to the Fund prior to the relevant Dealing Day or prior to the end of the Initial Offer Period are required to be wired to the account details in the Application Form. Subscriptions will not be processed and Shares will not issue until all anti-money laundering documentation has been received.

Similarly in circumstances where redemption monies are payable to an investor subsequent to a Dealing Day of a Fund as of which Shares of that investor were redeemed or dividend monies are payable to an investor and such redemption / dividend monies are held in a Sub-Fund Cash Account, any such investor /Shareholder shall rank as an unsecured creditor of the relevant Fund until such time as such redemption/ dividend monies are paid to the investor/ Shareholder. Therefore in the event that such monies are lost prior to payment to the relevant investor/ Shareholder, the ICAV on behalf of the Fund may be obliged to make good any losses which the Fund incurs in connection with the loss of such monies to the investor/ Shareholder (in its capacity as a general creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Fund.

Accordingly in circumstances where subscription monies are received from an investor in advance of a Dealing Day or redemption monies are payable to an investor subsequent to a Dealing Day, the relevant investor shall not have the protection of the Investor Money Regulations 2005 or any equivalent client asset protection regime. The Depositary will monitor the Sub-Fund Cash Accounts in performing its cash monitoring obligations and ensuring effective and proper monitoring of the ICAV's cash flows in accordance with its obligations as prescribed under the UCITS Directive. There nonetheless remains a risk for investors to the extent that monies are held in a Sub-Fund Cash Account at a point where a Fund that they have subscribed for Shares in or are seeking to redeem from, (or another Fund of the ICAV) becomes insolvent.

In the event of the failure or a delay on the part of the investor in the settlement of subscription proceeds owed to the relevant Fund, the Directors reserve the right to charge the relevant Shareholder for any interest or other costs incurred by the Fund arising from such delay or failure to settle subscription monies on time including any costs associated with temporary borrowing. If the Shareholder fails to reimburse the Fund for those charges, the Directors will have the right to sell all or part of the investor's holdings of Shares in the Fund in order to meet those charges and/or to pursue that Shareholder for such charges. Further, the Directors reserve the right to reverse any allotment of Shares in the event of a failure by an applicant to settle the subscription monies on a timely basis. In such circumstances, the Directors shall compulsorily

redeem any Shares issued and the Shareholder shall be liable for any loss suffered by the Fund in the event of any shortfall arising from the redemption proceeds.

Any delay or failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or client identification purposes will result in a delay in the settlement of redemption proceeds, but will not remit payment of any redemption proceeds. In such circumstances, the Administrator will not process any redemption request received by a Shareholder. Upon redemption, the Shares of the redeemed Shareholder will be cancelled and the Shareholder will be treated as an unsecured creditor of the Fund. However the proceeds of that redemption shall remain an asset of the Fund and the redeeming investor will rank as an unsecured creditor 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 redemption proceeds will be released. In the event of the insolvency of the Fund before such monies are transferred from the relevant Sub-Fund Cash Account to the redeeming investor, there is no guarantee that the Fund will have sufficient funds to pay its unsecured creditors in full. Investors who are due redemption proceeds which are held in the-relevant Sub-Fund Cash Account will rank equally with other unsecured creditors of the relevant Fund and will be entitled to pro-rata share of any monies made available to all unsecured creditors by the insolvency practitioner. Accordingly, Shareholders and investors should ensure that all documentation required by the Fund or Administrator to comply with anti-money laundering and anti-fraud procedures are submitted promptly to the Fund/Administrator when subscribing for Shares.

Any failure to supply the ICAV or the Administrator with any documentation requested by them for anti-money laundering or client identification purposes, as described above, will result in a delay in the settlement of dividend payments (if any). In such circumstances, any sums payable by way of dividend to Shareholders shall remain an asset of the relevant Fund until such time as the ICAV or the Administrator, as applicable, is satisfied that its anti-money-laundering and client identification purposes have been fully complied with, following which such dividend will be paid. In the event of the insolvency of the Fund before such monies are transferred to the Shareholder there is no guarantee that the Fund will have sufficient funds to pay its unsecured creditors in full. Investors who are due dividend proceeds which are held in the relevant Sub-Fund Cash Account will rank equally with other unsecured creditors of the Fund and will be entitled to pro-rata share of any monies made available to all unsecured creditors by the insolvency practitioner.

### *Derivatives Risk*

Where specified in the relevant Supplement, a Fund may engage in derivatives transactions in order to hedge risks associated with its portfolio and/ or efficient portfolio management purposes and/or for investment purposes in order to achieve its investment objective. Such derivatives may be exchange traded derivatives or OTC derivatives including but not limited to futures, forward contracts, swaps and options. Prices of derivatives are highly volatile and may be subject to various types of risks, including but not limited to market risk, liquidity risk, credit risk, counterparty risk, legal risk and operations risks.

The proposed financial derivative instruments ("FDI") which may be used by a Fund and commercial purpose of same will be set out in the relevant Supplement.

Specific risks associated with the use of FDI are summarised below.

#### Substantial Risks are Involved in Trading Financial Derivative Instruments.

The prices of FDIs, including futures and options prices, may be highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, national and international political and economic events or changes in local laws and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, e.g. markets in currencies or interest rates. Such intervention often is intended directly to influence prices and may, together with other factors, cause markets to move rapidly in the same direction.

The use of FDIs for hedging purposes also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of investments being hedged, (2) imperfect correlation between the hedging instruments and the investments or market sectors being hedged which may result in an imperfect hedge of these risks and a potential loss of capital, (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's other investments, and (4) the possible absence of a liquid market for any particular instrument at any particular time.

In addition, the use of derivatives can involve significant economic leverage and may, in some cases, involve significant risks of loss. The low initial margin deposits normally required to establish a position in such instruments permits leverage. As a result, a relatively small movement in the price of the underlying contract may result in a profit or a loss that is high in proportion to the amount of assets actually placed as initial margin and may result in unlimited further loss exceeding any margin deposited. Should this occur, investors could, in certain circumstances, face minimal or no returns, or may even suffer a loss on their investment in that particular Fund. Also, the ability to use these strategies may be limited by market conditions and regulatory limits and there can be no guarantee that any of these strategies will meet their expected target.

#### OTC Markets Risk and Derivatives Counterparty Risk

Where any Fund acquires investments on OTC markets, there is no guarantee that the Fund will be able to realise the fair value of such investments as they may have limited liquidity and high price volatility as there is no exchange on which to close out an open position and it may be difficult to assess the value of a position and its exposure to risk.

The participants in OTC derivative markets are typically not subject to the same level of credit evaluation and regulatory oversight as that imposed on members of “exchange-based markets”. A Fund may have credit exposure to counterparties by virtue of positions in OTC derivative contracts. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions, because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and a Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Fund’s investment restrictions. Regardless of the measures a Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that a Fund will not sustain losses on the transactions as a result.

#### Settlement Risk

As some of the derivative instruments in which a Fund may invest may be traded on markets where the trading, settlement and custodial systems are not fully developed, the derivative instruments of a Fund which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to risk in circumstances in which the Depositary may not, under the Regulations, have any liability.

#### Legal Risk

Derivative transactions may also carry legal risk in that the use of standard contracts to effect derivative transactions may expose a Fund to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Furthermore contractual asymmetries and inefficiencies can also increase risk, such as break clauses, whereby a counterparty can terminate a transaction on the basis of a certain reduction in the Net Asset Value, incorrect collateral calls or delay in collateral recovery.

#### Position Risk

When a Fund purchases a security, the risk to the Fund is limited to the loss of its investment. In the case of a transaction involving FDI that Fund’s liability may be potentially unlimited until the position is closed.

#### Correlation Risk

The prices of derivative instruments may be imperfectly correlated to the prices of the underlying securities, for example, because of transaction costs and interest rate movements. The prices of derivative instruments may also be subject to change due to supply and demand factors.

#### Loss of favourable performance

The use of derivative instruments to hedge or protect against market risk may reduce the opportunity to benefit from favourable market movements.

#### Liquidity Risk

The Investment Manager will only enter into OTC transactions with counterparties which are contractually obliged to close out a position on request. However, this is subject to the ICAV being able to enforce the provisions of the relevant contract against the relevant counterparty effectively and promptly. In addition, should the ICAV enforce this contractual right to close out the relevant position, this may result in significant losses to the relevant Fund.

#### Margin Risk

A Fund may be obliged to pay margin deposits and option premia to brokers in relation to futures and option contracts entered into for the Fund. While exchange traded contracts are generally guaranteed by the relevant exchange, the relevant Fund may still be exposed to the fraud or insolvency of the broker through which the transaction is undertaken. The Fund will seek to minimise this risk by trading only through high quality names.

#### Short Selling

Where specified in the relevant Supplement, a Fund may, by using certain derivative instruments, hold both “long” and synthetically “short” positions in individual investments and markets. For the avoidance of doubt, the short positions of a Fund may only be achieved synthetically through derivatives. As a result, as well as holding assets that may rise or fall with markets (i.e. a “long” position); a Fund may also hold positions that will rise as the market value falls, and fall as the market value rises (i.e. a “short” position). Such derivatives involve trading on margin and accordingly can involve greater risk than investments based on a long position. Investors should also refer to the risk warning above entitled “Substantial Risks are Involved in Trading Financial Derivative Instruments”.

Due to regulatory or legislative action taken by regulators around the world as a result of recent volatility in the global financial markets, taking synthetically short positions on certain investments has been restricted. The levels of restriction vary across different jurisdictions and are subject to change in the short to medium term. These restrictions have made it difficult and in some cases impossible for numerous market participants either to continue to implement their investment strategies or to control the risk of their open positions. Accordingly, where relevant, the Investment Manager may not be in a position fully to express its negative views in relation to certain investments, companies, currencies, assets or sectors and the ability of the Investment Manager to fulfil the investment objective of a Fund may be constrained.

#### EMIR Risk

European Union Regulation No 648/2012 on OTC derivatives, central counterparties and trade repositories as amended (also known as the European Market Infrastructure Regulation, or “EMIR”), which applies to the ICAV and any Fund, applies uniform requirements in respect of OTC derivative contracts by requiring certain “eligible” OTC contracts to be submitted for clearing to regulated central clearing counterparties and by mandating the reporting of certain details of OTC contracts to trade repositories. In addition, EMIR imposes requirements for appropriate procedures and arrangements to measure, monitor and mitigate operational counterparty credit risk in respect of OTC contracts which are not subject to mandatory clearing. Those OTC contracts which are subject to the requirements of EMIR may subject to the relevant Fund to increased trading costs as a result of new or increased collateral requirements.

#### Forward Foreign Exchange Contracts

Where specified in the relevant Supplement, the ICAV may enter into forward foreign exchange contracts for investment and/or hedging purposes. A forward contract locks in the price at which an index or asset may be purchased or sold on a future date. In forward foreign exchange contracts, the contract holders are obligated to buy or sell from another a specified amount of one currency at a specified price (exchange rate) with another currency on a specified future date. Forward contracts cannot be transferred but they can be ‘closed out’ by entering into a reverse contract. Forward foreign exchange contracts are not uniform as to the quantity or time at which a currency is to be delivered and are not traded on exchanges. Rather, they are individually negotiated transactions. Forward foreign exchange contracts are generally effected through a trading system known as the interbank market. It is not a market with a specific location but rather a network of participants electronically linked. There may be no limitation as to daily price movements on this market and in exceptional circumstances there have been periods during which certain banks have refused to quote prices for forward foreign exchange contracts or have quoted prices with an unusually wide spread between the price at which the bank is prepared to buy and that at which it is prepared to sell. A Fund is subject to the risk of the inability or refusal of its counterparties to perform with respect to such contracts. Any such default would eliminate any profit potential and compel the relevant Fund to cover its commitments for resale or repurchase, if any, at the then current market price. These events could result in significant losses.

#### Risks Associated with Total Return Swaps

Where specified in the relevant Supplement, a Fund may enter into total return swap agreements i.e. a derivative whereby the total economic performance of a reference obligation is transferred from one counterparty to another counterparty. If there is a default by the counterparty to a swap contract, a Fund will be limited to contractual remedies pursuant to the agreement related to the transaction. There is no assurance that swap contract counterparties will be able to meet their obligations pursuant to swap contracts or that, in the event of default, the ICAV on behalf of the Fund will succeed in pursuing contractual remedies. A Fund thus assumes the risk that it may be delayed in or prevented from exercising its rights with respect to the investments in its portfolio and obtaining payments owed to it pursuant to the relevant contract and therefore may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Furthermore, in addition to being subject to the credit risk of the counterparty to the total return swap, the Fund is also subject to the credit risk of the issuer of the reference obligation. Costs incurred in relation to entering into a total return swap and differences in currency values

may result in the value of the index/reference value of the underlying of the total return swap differing from the value of the total return swap.

### *Investment in Russia*

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

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

### *Military Conflict Risks*

A Fund may incur significant losses in the event of a military conflict arising in any region in which it is either directly or indirectly invested. Such military conflicts may result in restricted or no access to certain markets, investments, service providers or counterparties, thus negatively impacting the performance of a Fund and restricting the ability of the Investment Manager to implement the investment strategy of a Fund and achieve its investment objective. Increased volatility, currency fluctuations, liquidity constraints, counterparty default, valuation and settlement difficulties and operational risk resulting from such conflicts may also negatively impact the performance of a Fund. Such events may result in otherwise historically “low-risk” strategies performing with unprecedented volatility and risk.

More generally, military conflict and any economic sanctions imposed in response to military aggression may lead to broader economic and political uncertainty and could cause significant volatility in financial

markets, currency markets and commodities markets worldwide. Depending on the nature of the military conflict, companies worldwide operating in many sectors, including energy, financial services and defence, amongst others may be impacted. As a result, the performance of a Fund which has no direct or indirect exposure to the region(s) involved in the military conflict may also be negatively impacted.

### *Emerging Markets Risk*

A Fund may invest in investments in emerging markets or may have investments, the price of which are referenced to investments of issuers located in such countries.

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. These risks include:

#### **Political Risk**

Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, failure to recognise private property rights and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to the relevant Fund.

#### **Currency Risk**

The assets of a Fund investing in emerging markets, as well as the income derived from the Fund, may be affected unfavourably by fluctuations in currency rates and exchange control and tax regulations and consequently the Net Asset Value per Share of such Fund may be subject to significant volatility.

#### **Liquidity Risk**

By comparison with more developed financial markets, most emerging countries' financial markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Share than would be the case in relation to funds invested in more developed markets. In addition, if a large number of investments have to be realised at short notice to meet substantial redemption requests in a Fund such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Share.

#### **Settlement, Accounting and Custody Risk**

The clearing, settlement and registration systems available to effect trades in emerging markets are significantly less developed than those in more mature world markets. This could impede the ability to effect transactions and may result in investments being settled through a more limited range of counterparties with an accompanying enhanced credit risk. It may also result in significant delays and other material difficulties in settling trades and in registering transfer of investments. Problems of settlement may affect the value and the liquidity of the relevant Fund. Furthermore the legal infrastructure and accounting, auditing

and reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply in more developed markets. There may be little financial or accounting information available with respect to local issuers and it may be difficult as a result for the Investment Manager to assess the value or prospects of an investment. Investments in certain emerging markets may require consents or be subject to restrictions which may limit the availability of attractive investment opportunities to a Fund. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the investment may not exist locally and so transactions may need to be made on a neighbouring exchange. Investment in certain markets may involve the risk that the custodial systems are not as well-developed as those in developed markets which may cause delays in settlement and possible failed settlements.

#### Increased Investment Costs and Taxation Risk

Emerging markets investments may incur brokerage or stock transfer taxes levied by foreign governments which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such investments at the time of same. In addition custodial expenses for emerging market investments are generally higher than for developed market investments. Dividend and interest payments from, and capital gains in respect of, emerging markets investments may be subject to foreign taxes that may or may not be reclaimable.

#### Legal and Regulatory Risk

Laws governing foreign investment and financial transactions in emerging markets may be less sophisticated than in developed countries. Accordingly, a Fund which invests in emerging markets may be subject to additional risks, including inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgement in certain emerging markets in which assets of the Fund are invested. The issuers of emerging markets investments, such as banks and other financial institutions, may also be subject to less stringent regulation than would be the case for issuers in developed countries, and therefore potentially carry greater risk.

#### Repatriation of Funds Risk

Some emerging markets may impose or introduce restrictions on repatriation of foreign funds or may require governmental consents to do so. Such restrictions may include prohibition on the repatriation of foreign funds for a fixed time horizon and limitation of the percentage of invested funds to be repatriated at each time. As a result, a Fund could be adversely affected by the delay in, or refusal to grant, any such approval for repatriation of funds or by any official intervention affecting the process of settlement of transactions.

#### *Impact of Fees and Expenses on Value of Shareholding*

A Fund will pay fees and expenses regardless of whether it experiences any profits. Therefore an investor 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. The Shares therefore should be viewed as medium to long-term investments.

#### *Anti-Dilution Levy*

Where disclosed in the relevant Supplement, the Directors may impose an anti-dilution levy in order to reduce the impact of dealing costs incurred as a result of the purchase or sale of investments in response to a request for the issue or redemption of Shares.

As dilution is directly related to the inflows and outflows in respect of the relevant Fund, it is not possible to predict accurately whether dilution will occur at any point in time and consequently it is also not possible to predict accurately how frequently the ICAV will need to apply an anti-dilution levy in order to mitigate the effects of dilution. Where applied, the anti-dilution levy may vary according to the prevailing market conditions and the implementation of the valuation policy with respect to the determination of the Net Asset Value on any given Valuation Day.

Where specified in the relevant Supplement, the Subscription Price or Redemption Price may be different from the Net Asset Value per Share due to an anti-dilution levy being applied.

#### *Legal, Tax and Regulatory Risk*

Legal, tax, and regulatory changes are likely to occur during the term of the ICAV and some of these changes may adversely affect the ICAV. Given the changing regulatory environment and projected changes to the Regulations and other future regulation to which the ICAV or any of its service providers may be subject, there can be no guarantee that the ICAV will continue to be able to operate in its present manner and such future regulatory changes may adversely affect the performance of the Funds and/or their ability to deliver their investment objectives.

The financial services industry generally, and investment managers in particular, have been subject to intense and increasing regulatory scrutiny. This scrutiny has resulted in changes to the regulatory environment in which the ICAV and any Investment Manager appointed to it operate and has imposed administrative burdens on investment managers, including, without limitation, the requirement to interact with various governmental and regulatory authorities and to consider and implement new policies and procedures in response to regulatory changes. Such changes and burdens may divert such Investment Managers' time, attention and resources from portfolio management activities. It is not possible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Investment Manager's ability to fulfil the Funds' investment objectives and/or any investment-related expenditure of the ICAV.

#### *Information Rights*

The ICAV may provide a Shareholder with historic information about a Fund. This information will be available to all Shareholders upon request but if not requested it may not be systematically obtained by all Shareholders in a Fund. As a result, a Shareholder that has received this information may be able to act

on such additional information requested (e.g., redeem their Shares) that other Shareholders may not systematically receive.

#### *Service Provider Risk*

The ICAV is reliant upon the performance of third party service providers for their executive functions. In particular, the Manager, the Investment Manager, the Depositary and the Administrator will be performing services which are integral to the operation of the ICAV. Failure by any service provider to carry out its obligations to the ICAV in accordance with the terms of its appointment, including in circumstances where the service provider has breached the terms of its contract, could have a materially detrimental impact upon the operations of the ICAV.

Absent a direct contractual relationship between a Shareholder and a service provider to the ICAV, a Shareholder will generally have no direct rights against the service provider, and there are only limited circumstances in which a Shareholder could potentially bring a claim against a service provider. Instead, the proper plaintiff in an action in respect of which a wrongdoing is alleged to have been committed against the ICAV by the relevant service provider is the ICAV.

#### *Litigation Risk*

With regard to certain investments of a Fund, it is possible that the ICAV or any of its service providers may be plaintiffs or defendants in civil proceedings. The expense of prosecuting claims, for which there is no guarantee of success, and/or the expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgements would generally be borne by the relevant Fund and would reduce net assets.

#### *Portfolio Turnover*

When circumstances warrant, investments may be sold or unwound without regard to the length of time held. Active trading increases a Fund's rate of turnover, which may increase brokerage commissions paid, bid and offer spreads and certain other transaction expenses. The costs related to increased portfolio turnover have the effect of reducing a Fund's investment return and the sale of securities by a Fund may result in the realisation of taxable capital gains, including short-term capital gains.

#### *Market Risk and Change in Market Conditions*

The investments of a Fund are subject to risks inherent in all investments. The value of holdings may fall as well as rise, sometimes rapidly and unpredictably. The price of investments will fluctuate and can decline in value due to factors affecting financial markets generally or particular industries, sectors, companies, countries or geographies represented in the portfolio, thus reducing the value of a portfolio. The value of an investment may decline due to general market conditions which are not specifically related to the particular investment, such as real or perceived adverse economic conditions, changes in the general outlook of macro-economic fundamentals, changes in interest or currency rates or adverse investor sentiment generally. It may also decline due to factors which affect a particular region, sector or industry,

such as labour shortages or increased production costs and competitive conditions. Some investments may be less liquid and/or more volatile than others and therefore may involve greater risk.

A Fund's performance may be adversely affected by unfavourable markets and unstable economic conditions or other events, which may result in unanticipated losses that are beyond the control of the Fund.

Various economic and political factors can impact the performance of a Fund and may lead to increased levels of volatility and instability in the Net Asset Value of that Fund. Please refer to the sub-section entitled "Political and Regulatory Risk" in this section for further details of such risk factors.

If there are any disruptions or failures in the financial markets or the failure of financial sector companies, a Fund's portfolio could decline sharply and severely in value or become valueless and the Investment Manager may not be able to avoid significant losses in that Fund. Investors may lose a substantial proportion or all of their investments.

#### *Concentration Risk*

Where specified in the relevant Supplement, a Fund may focus its investments from time to time on one or more geographic regions, countries, industries or economic sectors. To the extent that it does so, developments affecting investments in such regions or sectors will likely have a magnified effect on the Net Asset Value of the relevant Fund and total returns and may subject the Fund to greater risk of loss. Accordingly, the Fund could be considerably more volatile than a broad-based market index or other collective investment schemes that are diversified across a greater number of investments, regions, industries or economic sectors. A Fund's liquidity may also be affected by such concentration of investment. Further, investors may buy or sell substantial amounts of a Fund's Shares in response to factors affecting or expected to affect a particular country, industry, market or economic sector in which the Fund concentrates its investments, resulting in abnormal inflows or outflows into or out of the Fund. These abnormal inflows or outflows may cause the Fund's cash position or cash requirements to exceed normal levels and consequently, adversely affect the management of the Fund and the Fund's performance.

#### *Position Limits*

Limits imposed by the Regulations, other applicable law, certain exchanges and trading venues and/or counterparties may negatively impact on the Investment Manager's ability to implement a Fund's investment policy. Position limits are the maximum amounts that any one person or entity may own or control in a particular investment. If at any time the positions of the Fund were to exceed applicable position limits, the Investment Manager would be required to liquidate positions of the Fund to the extent necessary to observe those limits. Further, to avoid exceeding the position limits, the Investment Manager might have to forego or modify certain of its contemplated investments.

#### *Political and Regulatory Risk*

The value of the assets of a Fund may be affected by uncertainties such as domestic and international political developments, changes in social conditions, changes in government policies, taxation, restrictions

on foreign investments and currency repatriation, the level of interest rates, currency fluctuations, fluctuations in both debt and equity capital markets, sovereign defaults, inflation and money supply deflation, and other developments in the legal, regulatory and political climate in the countries in which investments may be made, which may or may not occur without prior notice. Any such changes or developments may affect the value and marketability of a Fund's investments.

### *Market Disruptions*

A Fund may incur major losses in the event of disrupted markets and other extraordinary events which may affect markets in a way that is not consistent with historical pricing relationships. The risk of loss from such a disconnection is compounded by the fact that in disrupted markets many positions become illiquid, making it difficult or impossible to close out positions against which the markets are moving.

Such a disruption may also result in substantial losses to a Fund because market disruptions and losses in one sector can cause effects in other sectors. For example, during the "credit crunch" of 2007-2009 many investment vehicles suffered heavy losses even though they were not necessarily heavily invested in credit-related investments.

In addition, market disruptions caused by unexpected political, military and terrorist events may from time to time cause dramatic losses for a Fund and such events can result in otherwise historically low-risk strategies performing with unprecedented volatility and risk. A financial exchange may from time to time suspend or limit trading. Such a suspension could render it difficult or impossible for a Fund to liquidate affected positions and thereby expose it to losses. There is also no assurance that investments that are not traded on an exchange will remain liquid enough for the Fund to close out positions.

### *Investments in Other Collective Investment Schemes*

A Fund may purchase shares or units of other collective investment schemes to the extent that such purchases are consistent with such Fund's investment objective and restrictions and constitute Eligible CIS. As a shareholder of another collective investment scheme, a Fund would bear, along with other shareholders, its pro rata portion of the other collective investment scheme's expenses, including management fees. These expenses would be in addition to the expenses that a Fund would bear in connection with its own operations.

A Fund which invests in other funds is indirectly exposed to all of the risks applicable to an investment in the other funds. Although intended to protect capital and enhance returns in varying market conditions, certain trading and hedging techniques which may be employed by the other funds such as leverage, short selling and investments in options or commodity or financial futures could increase the adverse impact to which the other funds may be subject. Furthermore the funds may take undesirable tax positions.

There can be no assurance that the Investment Manager can successfully select suitable collective investment schemes or that the managers of the other funds selected will be successful in their investment strategies or will manage the funds in the manner expected by the Investment Manager. The Fund and the Investment Manager will not typically have control over the activities of any funds invested in by a Fund.

### *Equity Risk*

Investing in equity securities (which include common stock and preferred stock) and derivatives on such equity securities including warrants may offer a higher rate of return than those investing in debt securities or other types of investments. However, the risks associated with investments in equity securities may also be higher, because the investment performance of equity securities depends upon factors which are difficult to predict. Such factors include the possibility of sudden or prolonged market declines which are not specifically related to the particular company or issuer owing to adverse economic conditions, changes in interest rates or currency rates or general outlook for corporate entities and risks associated with individual companies or issuers. The fundamental risk associated with any equity portfolio is the risk that the value of the investments it holds might suddenly and substantially decrease in value as a result in changes in a company's financial position and overall market and economic conditions. The value of convertible equity securities may also be affected by prevailing interest rates, the credit quality of the issuer and any call provisions.

### *Depository Receipts*

Where disclosed in the relevant Supplement, a Fund may hold or be exposed to depository receipts (ADRs and GDRs). These are instruments that represent shares in companies trading outside the markets in which the depository receipts are traded. Accordingly whilst the depository receipts are traded on Regulated Markets, there may be other risks associated with such instruments to consider, for example the shares underlying the instruments may be subject to political, inflationary, exchange rate or custody risks.

### *Investment in Fixed Income Securities*

Debt securities and other income-producing securities are obligations of their issuers to make payments of principal and/or interest on future dates. Where a Fund invests in debt securities (also referred to as "fixed income securities"), it will have a credit risk on the issuer of the debt securities in which it invests which will vary depending on the issuer's ability to make principal and interest payments on the obligation. Any failure by any such issuer to meet its obligations will have adverse consequences for a Fund and will adversely affect the Net Asset Value per Share in a Fund. Among the factors that affect the credit risk posed by an issuer are the ability (or perceived ability) and willingness of the issuers to pay principal and interest and general economic trends. The issuers of debt securities may default on their obligations, whether due to insolvency, bankruptcy, fraud or other causes and their failure to make the scheduled payments could cause a Fund to suffer significant losses. A Fund will therefore be subject to credit and interest rate risks where it invests in debt securities. In addition, evaluating credit risk for debt securities which have been rated involves uncertainty because credit rating agencies throughout the world have different standards, making comparison across countries difficult. The value of bonds and other debt instruments usually rise and fall in response to changes in interest rates. Declining interest rates usually increases the value of existing debt instruments and rising interest rates generally reduce the value of existing debt instruments. Interest rate risk is generally greater for investments with longer durations or maturities and may also be greater for certain type of debt securities such as zero coupons and deferred interest bonds. During periods of rising interest rates, the average life of certain types of securities may be extended because of slower-

than-expected principal payments. This may lock in a below-market interest rate, increase the security's duration, and reduce the value of the security. Extension risk may be heightened during periods of adverse economic conditions generally, as payment rates decline due to higher unemployment levels and other factors. Also, the market for debt securities may be inefficient and illiquid, making it difficult to accurately value such securities.

In addition to traditional fixed-rate securities, a Fund may invest in debt securities with variable or floating interest rates or dividend payments. Variable or floating rate securities bear rates of interest that are adjusted periodically according to formulae intended to reflect market rates of interest. These securities allow the Fund to participate in increases in interest rates through upward adjustments of the coupon rates on such securities. However, during periods of increasing interest rates, changes in the coupon rates may lag behind the change in market rates or may have limits on the maximum increase in coupon rates. Alternatively, during periods of declining interest rates, the coupon rates on such securities readjust downward and this may result in a lower yield.

Where specified in the relevant Supplement, a Fund may invest in both investment grade and sub-investment grade debt securities, as well as securities without rating, in the expectation that positive returns can be made, however this may not be achieved. Sub-investment grade debt securities or securities without rating may offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Such securities generally tend to reflect market developments to a greater extent than higher-rated securities. A Fund may invest in distressed debt securities (also referred to as "junk bonds") which are subject to a significant risk of the issuer's inability to meet principal and interest payments on the obligations and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity risk due to the fact that there may be fewer investors in lower rated securities or unrated securities and it may be harder to buy and sell such securities at an optimum time.

A Fund may invest in debt securities which rank junior to other outstanding securities and obligations of the issuer, all or a significant portion of which may be secured on substantially all of that issuer's assets. A Fund may also invest in debt securities that are not protected by financial covenants or limitations on additional indebtedness. Where specified in the relevant Supplement, it may invest in debt securities or obtain exposure to those debt securities synthetically, either long or short.

A Fund may invest in debt securities issued by governments or by agencies, instrumentalities and sponsored enterprises of governments. The value of these securities may be affected by the creditworthiness of the relevant government, including any default or potential default by the relevant government. In addition, issuer payment obligations relating to securities issued by government agencies, instrumentalities and sponsored enterprises of governments may have limited or no support of the relevant government.

### *Risks Associated with Securities Financing Transactions*

#### **General**

Entering into repurchase agreements, reverse repurchase agreements and securities lending agreements create several risks for the ICAV and its investors. The relevant Fund is exposed to the risk that a counterparty to an SFT may default on its obligation to return assets equivalent to the ones provided to it by the relevant Fund. It is also subject to liquidity risk if it is unable to liquidate collateral provided to it to cover a counterparty default. Such transactions may also carry legal risk in that the use of standard contracts to effect SFT may expose a Fund to legal risks such as the contract may not accurately reflect the intention of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation. Such transactions may involve operational risks in that the use of SFT and management of collateral are subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Risks may also arise with respect to any counterparty's right of re-use of any collateral as outlined below under "Risks Associated with Collateral Management".

#### Securities Lending

Where disclosed in the relevant Supplement, a Fund may engage in securities lending activities. 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. The value of the collateral will be maintained to a certain level to ensure that the exposure to a given counterparty does not breach any risk-spreading rules imposed under the Regulations. However, there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Fund may invest cash collateral received under a securities lending arrangement in accordance with the requirements set down in the CBI UCITS Regulations, any such Fund will be exposed to the risk associated with such investments, such as failure or default of the issuer or the relevant security.

#### Repurchase Agreements

Under a repurchase agreement, a Fund retains the economic risks and rewards of the securities which it has sold to the counterparty and therefore is exposed to market risk in the event that it must repurchase such securities from the counterparty at the pre-determined price which is higher than the value of the securities. If it chooses to reinvest the cash collateral received under the repurchase agreement, it is also subject to market risk arising in respect of such investment.

#### Reverse Repurchase Agreements

Where disclosed in the relevant Supplement, a Fund may enter into a reverse repurchase agreement. If the seller of securities to a Fund under a reverse repurchase agreement defaults on its obligation to repurchase the underlying securities, as a result of its bankruptcy or otherwise, that Fund will seek to dispose of such securities, which action could involve costs or delays. If the seller becomes insolvent and subject to liquidation or reorganisation under applicable bankruptcy or other laws, a Fund's ability to dispose of the underlying securities may be restricted. It is possible, in a bankruptcy or liquidation scenario, that the Fund may not be able to substantiate its interest in the underlying securities. Finally, if a seller defaults on its obligation to repurchase securities under a reverse repurchase agreement, a Fund may suffer a loss to the extent that it is forced to liquidate its position in the market, and proceeds from the sale of the underlying securities are less than the repurchase price agreed to by the defaulting seller.

## *Risks Associated with Collateral Management*

### Custody Risk

Where a Fund enters into an OTC derivative contract or an SFT, it may be required to pass collateral to the relevant counterparty or broker. Collateral that a Fund posts to a counterparty or a broker by way of a title transfer arrangement that is not segregated with a third-party custodian may not have the benefit of customer-protected “segregation” of such assets. Therefore in the event of the insolvency of a counterparty or a broker, the Fund may become subject to the risk that it may not receive the return of its collateral or that the collateral may take some time to return if the collateral becomes available to the creditors of the relevant counterparty or broker.

### Credit Risk

Where a Fund delivers collateral to a counterparty under the terms of its trading agreement with such party, the counterparty may be over-collateralised and a Fund will be exposed to the creditworthiness of that counterparty to the extent of the over-collateralisation. In addition, a Fund may from time to time have uncollateralised exposure to its counterparties in relation to its rights to receive securities and cash under contracts governing its arrangements with the relevant counterparties. In the event of the insolvency of a counterparty, a Fund will rank as an unsecured creditor in relation to amounts equivalent to both any uncollateralised exposure to such trading counterparties and any such over collateralisation, and in such circumstances it is likely that a Fund may not be able to recover any debt in full, or at all. A Fund is also subject to the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events.

### Counterparty Risk

Where collateral is posted to a counterparty or broker by way of a title transfer collateral arrangement or where the ICAV on behalf of a Fund grants a right of re-use under a security collateral arrangement which is subsequently exercised by the counterparty, the ICAV on behalf of a Fund will only have an unsecured contractual claim for the return of equivalent assets. In the event of the insolvency of a counterparty, the Fund shall rank as an unsecured creditor and may not receive equivalent assets or recover the full value of the assets. Investors should assume that the insolvency of any counterparty would result in a loss to the relevant Fund, which could be material. In addition, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the ICAV or its delegates will not have any visibility or control.

### Liquidity Risk

In addition, notwithstanding that a Fund may only accept non-cash collateral which is highly liquid, a Fund is subject to the risk that it will be unable to liquidate collateral provided to it to cover a counterparty default. Where cash collateral received by a Fund is re-invested in accordance with the conditions imposed by the Central Bank, a Fund will be exposed to the risk of a failure or default of the issuer of the relevant security

in which the cash collateral has been invested. The risk relating to the re-investment of cash collateral may be mitigated by investing cash collateral in highly liquid and diversified money market funds or reverse repurchase transactions.

### Legal Risk

Because the passing of collateral is effected through the use of standard contracts, a Fund may be exposed to legal risks such as the contract may not accurately reflect the intentions of the parties or the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

### *Counterparty Risk*

A Fund will also have a credit risk on the counterparties with which it trades. In the event of the insolvency, bankruptcy or default of any such counterparty the Fund bears the risk that the counterparty may not settle a transaction in accordance with market practice due to credit or liquidity problems of the counterparty, or due to the insolvency, fraud or regulatory sanction of the counterparty, thus causing the Fund to suffer a loss.

A Fund may have exposure to trading counterparties other than the Depositary. The Investment Manager on account of a Fund may enter into transactions with financial institutions, such as brokerage firms, broker-dealers and banks. These financial institutions, being counterparty to the transactions, may also be issuers of other investments in which a Fund invests.

A Fund's transactions involve counterparty credit risk and will expose the Fund to unanticipated losses to the extent that counterparties are unable or unwilling to fulfil their contractual obligations. With respect to exchange traded derivatives and centrally cleared OTC derivatives, there is a risk of a potential default of the exchange, clearing house or the clearing broker. In certain circumstances, a Fund may encounter delays and difficulties with respect to court procedures in seeking recovery of the Fund's assets.

While the Investment Manager may have contractual remedies upon any default pursuant to the agreements related to the transactions, such remedies could be inadequate, however, to the extent that the collateral or other assets available are insufficient.

Deposits of securities or cash with a depositary, bank or financial institution ("depositary") will also carry counterparty risk as the depositary may be unable to perform their obligations due to credit-related and other events like insolvency or default by them. In these circumstances, a Fund may be required to exit certain transactions, may encounter delays of some years, and may encounter difficulties with respect to court procedures in seeking recovery of the Fund's assets.

### *Leverage Risk*

A Fund's possible use of leverage may result in additional risks. Leveraged investments, by their nature, increase the potential loss to investors resulting from any depreciation in the value of such investments and

therefore create the likelihood of greater volatility in the portfolio. Consequently, a relatively small price movement in the underlying of a leveraged instrument may result in a substantial loss to the Fund. Further information relating to leverage risk arising from the use of FDI is set out below under the heading “Substantial Risks are Involved in Trading Financial Derivative Instruments”.

#### *Application of the Benchmarks Regulation*

A Fund’s use of a benchmark may fall within the scope of the Benchmarks Regulation. Subject to the relevant transitional and grandfathering arrangements, a Fund can no longer “use” a benchmark (within the meaning of the Benchmarks Regulation) which is provided by an EU index provider which is not registered or authorised pursuant to Article 34 of the Benchmarks Regulation or which is provided by a non-EU index provider which has not been recognised, deemed equivalent or endorsed under the Benchmarks Regulation. Furthermore circumstances may arise where a benchmark used by a Fund materially changes or ceases to exist. In such circumstances, a Fund may therefore be required to identify a suitable alternative benchmark if available which may prove difficult or impossible. Failure to identify a suitable replacement benchmark may have an adverse impact on the relevant Fund, including in certain circumstances, the ability of the Investment Manager to implement the investment strategy of the relevant Fund. Compliance with the Benchmarks Regulation may also result in additional costs being borne by the relevant Fund.

#### *Liquidity Risk*

During volatile markets or when trading in an investment or market is otherwise impaired, the liquidity of a Fund’s investments may be reduced. During such times, a Fund may be unable to dispose of certain investments, which would adversely affect a Fund’s ability to rebalance its portfolio or to meet redemption requests. In addition, such circumstances may force a Fund to dispose of investments at reduced prices, thereby adversely affecting that Fund’s performance. If other market participants are seeking to dispose of similar investments at the same time, a Fund may be unable to sell or exit such investments or prevent losses relating to such investments. Furthermore, if a Fund incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In addition, in conjunction with a market downturn, a Fund’s counterparties could incur losses of their own, thereby weakening their financial condition and increasing that Fund’s credit risk with respect to them. Furthermore it may be difficult for a Fund to value illiquid securities accurately.

#### *Redemption Risk*

In certain circumstances an investor’s right to redeem Shares may be suspended as set out in more detail in the section entitled “Suspension of Dealing/Valuation of Assets”. In addition, the ICAV may limit the number of Shares which may be redeemed on any Dealing Day as described in the section entitled “Redemption Limits”.

#### *Substantial Redemptions*

Subject and without prejudice to the Directors’ authority to suspend redemptions and/or to limit the number of Shares which may be redeemed on any Dealing Day in certain circumstances as outlined above under

“Redemption Limits”, substantial redemption requests by Shareholders in a concentrated period of time could require a Fund to liquidate certain of its investments more rapidly than might otherwise be desirable in order to raise cash to fund the redemptions and achieve a portfolio appropriately reflecting a smaller asset base. This may limit the ability of the Investment Manager to successfully implement the investment programme of a Fund and could negatively impact the value of the Shares being redeemed and the value of Shares that remain in issue. In addition, following receipt of a redemption request, a Fund may be required to liquidate assets in advance of the applicable Dealing Day, which may result in a Fund holding cash or highly liquid investments pending such Dealing Day. During any such period, the ability of the Investment Manager to successfully implement the investment programme of a Fund may be impaired and the Fund’s returns may be adversely affected as a result. Moreover, regardless of the time period over which substantial redemption requests are made, the resulting reduction in the Net Asset Value of a Fund could make it more difficult for the Fund to generate profits or recover losses. Any redemption of a “seed” or “founder” shareholding by the Investment Manager or any affiliate could have an adverse impact on the relevant Fund and remaining investors as their proportionate share of fees and expenses could increase. Shareholders will not receive notification of substantial redemption requests in respect of any particular Dealing Day from a Fund and, therefore, may not have the opportunity to redeem their Shares or portions thereof prior to or at the same time as the redeeming Shareholders.

#### *Net Asset Value Considerations*

The Net Asset Value per Share in respect of each Class is expected to fluctuate over time with the performance of a Fund’s investments. As a result an investment should be viewed as long-term. A Shareholder may not fully recover their initial investment when their Shares are redeemed.

Certain investments may be valued at the probable realisation value as determined in accordance with the provisions set out in the section entitled “Net Asset Value and Valuation of Assets” above. Estimates of the probable realisation value of such investments are inherently difficult to establish and are the subject of substantial uncertainty. The ICAV may consult the Manager or Investment Manager with respect to the valuation of unquoted investments. There is an inherent conflict of interest between the involvement of the Manager or Investment Manager in determining the valuation price of a Fund’s investments and their other responsibilities and fee entitlement.

Separately, where an investment is valued by the ICAV using a probable realisation value, there is no guarantee that such prices will accurately reflect the price which the relevant Fund will receive upon the sale of the investment and to the extent that a Fund sells a security at a price lower than the price it has been using to value the security, its Net Asset Value (and as a result Shareholders in the relevant Fund) will be adversely affected.

#### *Valuation of other collective investment schemes in which a Fund may invest*

Where a latest available net asset value per unit or bid price of a collective investment scheme in which a Fund has invested is not available, an estimated net asset value per share received from the administrator or investment manager of the relevant collective investment scheme may be used. Where estimated values are used, these shall be final and conclusive notwithstanding any subsequent variation in the finalised net

asset value per share of the collective investment scheme.

#### *Cash Position Risk*

A Fund may hold a significant portion of its assets in cash or cash equivalents at the Investment Manager's discretion. If a Fund holds a significant cash position for an extended period of time, its investment returns may be adversely affected and it may not achieve its investment objective.

#### *Operational Risk*

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

The ICAV depends on the Manager and Investment Manager(s) to develop and implement appropriate systems for the activities of the relevant Fund. The ICAV relies extensively on computer programmes and systems to trade, clear and settle securities transactions, to evaluate certain securities based on real-time trading information, to monitor its portfolios and net capital and to generate risk management and other reports that are critical to the oversight of the ICAV's activities. In addition, certain of the ICAV's, the Manager's and its Investment Managers' operations interface with or depend on systems operated by third parties, market counterparties and their sub-custodians and other service providers and the Manager and/or Investment Manager may not be in a position to verify the risks or reliability of such third-party systems. Those programmes or systems may be subject to certain defects, failures or interruptions, including, without limitation, those caused by computer "worms", viruses and power failures. Any such defect or failure could have a material adverse effect on the ICAV and its Funds. For example, such failures could cause settlement of trades to fail, lead to inaccurate accounting, recording or processing of trades, and cause inaccurate reports, which may affect the Investment Managers' and/or the Manager's ability to monitor their investment portfolios and their risks.

#### *GDPR*

Under the GDPR, data controllers such as the ICAV are subject to obligations including, amongst others, accountability and transparency requirements whereby the data controller is responsible for, and must be able to demonstrate compliance with, the rules relating to the processing of personal data and must provide data subjects with more detailed information regarding the processing of their personal data. Other obligations imposed on data controllers include more enhanced data consent requirements and the obligation to report any material personal data breach to the relevant supervisory authority without undue delay. Under the GDPR, data subjects are afforded additional rights, including the right to rectify inaccurate personal information, the right to have personal data held by a data controller erased in certain circumstances and the right to restrict or object to processing in a number of circumstances.

Compliance with the GDPR may result in increased operational and compliance costs being borne directly

or indirectly by the ICAV. Further there is a risk that the measures will not be implemented correctly by the ICAV or its service providers. If there are breaches of these measures by the ICAV or its service providers, the ICAV or its service providers could face significant administrative fines and/or be required to compensate any data subject who has suffered material or non-material damage as a result as well as the ICAV suffering reputational damage which may have a material adverse effect on its operations and financial conditions. In the event that the ICAV was subject to an administrative fine and/or required to compensate any data subject (due to a breach by the ICAV of its requirements under GDPR), any administrative fine/compensation would be payable out of the assets of the Fund(s) in circumstances in which the relevant service provider may have no liability.

#### *Nominee Arrangements*

Where an investor chooses to invest in a Fund via a nominee arrangement, they should note that Shares acquired via such nominee will be registered in the name of that nominee and all rights in respect of those Shares will be exercisable against the ICAV only through that nominee. The ICAV will deal with the nominee as the registered Shareholder and the investor will need to ensure that it enters into an arrangement with the nominee under which the nominee agrees to forward all relevant information to the investor and to seek their instructions in relation to any matters affecting the Shares held by them. Neither the ICAV, the Manager, the Investment Manager nor the Administrator will have any liability for any failure by the nominee to exercise any rights attached to Shares in accordance with instructions issued by the underlying investors.

#### *Settlement Risk*

Markets in different countries will have different clearance and settlement procedures and in certain markets there have been times when settlements have been unable to keep pace with the volume of transactions, thereby making it difficult to conduct such transactions. Delays in settlement could result in temporary periods when assets of a Fund remain uninvested and no return is earned thereon. The inability of a Fund to make intended purchases due to settlement problems could cause it to miss attractive investment opportunities or, in the case of an index-tracking fund, affect its ability to track the relevant index. Inability to dispose of portfolio securities due to settlement problems could result either in losses to a Fund due to subsequent declines in value of the portfolio security or, if it has entered into a contract to sell the security, it could result in the possible liability of the Fund to the purchaser.

#### *Legal Risk*

Transactions in general and the use of OTC derivatives and SFT in particular will expose a Fund to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties or the parties to the agreement may disagree as to the proper interpretation of its terms. If such a dispute occurs, the cost and unpredictability of the legal proceedings required for the ICAV to enforce its contractual rights may lead the ICAV to decide not to pursue its claim under the relevant contract.

The ICAV, the Directors, the Manager, the Investment Manager, the Depositary, the Administrator and other related entities, may be subject to lawsuits or proceedings by government entities or private persons. Besides the risk of interfering with the service provider's ability to perform its duties to the ICAV, such

litigation or proceedings could require the ICAV to assume the costs incurred by the service provider in its defence.

#### *Paying Agent Risk*

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 or from the Subscriptions/Redemptions Account (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 Subscriptions/Redemptions Account and (b) redemption monies or dividends payments payable by such intermediate entity to the relevant Shareholder.

#### *Taxation*

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

#### *Settlement Risk Relating To Receipt of Subscription Monies*

Where disclosed in the relevant Supplement, payment in respect of subscriptions may be accepted after the relevant Dealing Day.

In the event of a failure on the part of an investor to pay subscription monies within the required timeframe, the ICAV may cancel any allotment of Shares made and the ICAV reserves the right to compulsorily redeem the Shares issued with respect to such transaction in accordance with the provisions of the Prospectus entitled "Compulsory Redemption of Shares/ Deduction of Tax" save that no redemption proceeds shall be paid to the relevant Shareholder and shall be retained by the Fund. In such circumstances, losses and/or expenses may be incurred by the relevant Fund. Although the ICAV may pursue any such investor to recover any loss, cost, expense or fees incurred by it or the relevant Fund arising out of such non-receipt or non-clearance of subscription monies, there can be no assurances that the ICAV will be able to recover such losses successfully.

#### *Risk Factors Not Exhaustive*

The investment risks set out in this Prospectus do not purport to be exhaustive and potential investors should be aware that an investment in the ICAV and any Fund may be exposed to risks of an exceptional nature from time to time.

Details of specific risks attaching to a particular Fund or Class which are additional to those described in this section will be disclosed in the relevant Supplement.

## 2. MANAGEMENT AND ADMINISTRATION

The powers of management of the ICAV are vested in the Directors pursuant to the Instrument. The Directors control the affairs of the ICAV and are responsible for the formulation of investment policy. The Directors have delegated the day to day management of the ICAV and custody of the assets of each Fund to the Manager and Depositary respectively. The Manager has also been appointed to act as distributor of the Shares. The Manager has appointed the Investment Manager as discretionary investment manager of the ICAV. The Manager and the ICAV have appointed the Administrator to act as administrator of the ICAV.

### Directors

The Directors of the ICAV are:

*Mr. Enda Allen (Irish)*

Enda Allen has over 30 year's professional experience in the international financial services industry across a broad range of sectors and financial products in the debt and equity capital markets. He began his career in ABN AMRO Bank before moving to ING Barings and ING Bank where he held senior roles as Deputy Head of Global Lending Risk Management, Global Head of Structured Credit Risk Management and Global Head of Securitisation. In 2006 Mr Allen set up his own consultancy practice where he coached senior leaders in the financial services industry and professional services practices. From 2006 Mr Allen also took on a number of Independent Non-Executive Director roles in the capital markets, funds and reinsurance sectors. In 2010 Mr Allen was engaged in an executive capacity by DEPFA Bank Plc as Head of Infrastructure and Asset Finance until 2014. In 2014 he joined Bank of Montreal Ireland as an Independent Non-Executive Director prior to being appointed in an executive capacity as the Managing Director and country head until the end of 2018. Mr Allen's directorships in the regulated space include Banks, Reinsurers and Funds. He is currently an Independent Non-Executive Director and Chair of a number of funds and a leading e-money institution.

*Dr. Joel Bird (British)*

Dr. Bird has worked in the financial Services industry since 2002 in both the alternative asset management industry and investment banking industry. Between 2007 and 2009 he was a Risk Manager for Centaurus Capital, an event driven asset manager with €4billion in assets under management ("AUM"). From 2009 until 2011 Dr. Bird was a Risk Manager at Nomura where his main responsibilities focussed on market, credit and liquidity risk management across Nomura's alternative investment funds. In 2011 he joined Man Group as Head of Investment and Counterparty Risk where he was head of a global team responsible for regulatory and contractual risk management across Man Group, covering in excess of 200 funds across the GLG, AHL, Numeric and Man Solutions business. In 2019, he joined the Manager as one of the founding members of the Public Markets Division where he is responsible for Analytics, Trading and Risk Management for the public markets funds. In January 2024, Dr. Bird transferred to the Investment Manager, Ambianta Ltd.

Dr. Bird holds both a BSc in Mathematics and an MSc in Operational Research, both from Southampton University and in 2003 received his PhD in Quantitative Finance from Imperial College, University of London.

*Mr. Donard McClean (Irish)*

Mr. McClean has worked in the Financial Services Industry since 1989 and is an independent director for funds and fund management companies. From 2006 to 2018 he was CEO and Ireland Location Head for MUFG Investor Services (formerly UBS). During this time, Mr. McClean organized and managed all aspects of the UBS and MUFG business in Ireland and was a member of global Compliance, Operations and Client Services committees. Mr. McClean was a Board Director of Fund Services entities in Ireland (IIA and MiFID licensed), Isle of Man, Cayman and Jersey. He was also a non-executive Director on several UCITS and non-UCITS umbrella funds as well as a fund management company. Mr. McClean has expert knowledge of the funds industry in Ireland and internationally especially in relation to risk, compliance and governance across fund administration, custody, management company, asset management and associated banking services.

Prior to Mr. McClean's role with UBS, he spent nine years with Fortis Prime Fund Solutions where he was Director of Operations with responsibility for administration, custody and back-office banking operations. Prior to Fortis he started his career as an auditor with Coopers and Lybrand Channel Islands.

Mr. McClean is a Fellow of the Association of Chartered Certified Accountants, holds a BA in Economics and Politics from UCD as well as a Post Graduate Diploma in Business Studies from the Michael Smurfit School of Business UCD.

*Mr. Robert Moore (British)*

Robert Moore has over 20 years' experience within the financial services industry and alternatives space where he has worked across a broad product base in the debt and equity markets. Mr. Moore's alternative investments fund career began in 1997 when he joined GLG Partners in their Operations department. During the next 14 years, Mr. Moore was involved in risk management, fund accounting and managed the middle office, equity finance, treasury and foreign exchange functions. In 2012, Mr. Moore joined OVS Capital as the head of finance and treasury becoming the Head of Operations in 2013 where he was responsible for day to day risk and compliance monitoring and reporting. In 2015, Mr. Moore joined Widecast Capital, the UK regulated asset management arm of a Spanish Broker Dealer, as Chief Operating Officer, Chief Compliance Officer and Chief Risk Officer. In his role, Mr Moore set up and ran the UK asset manager, acting as investment manager for a Luxembourg SICAV. His responsibilities included ensuring all UK, Luxembourg and Spanish regulatory and compliance requirements were met, reporting regularly to the UK management committee, the Luxembourg Fund Board and the Spanish Board of Directors as well as the local regulatory bodies of each country. More recently Mr. Moore was Chief Operating Officer of Sator Square acting as the investment manager to a Cayman Island Master/Feeder Fund which closed in June 2019. Mr. Moore joined Ambianta in July 2019. In January 2024, Mr. Moore transferred to the Investment Manager, Ambianta Ltd.

Mr. Moore holds a BA with Honours in Financial Services from Bournemouth University.

The ICAV shall be managed and its affairs supervised by the Directors all of whom are non-executive directors of the ICAV and whose details are set out above.

The address of the Directors is the registered address of the ICAV.

### **The Manager**

The ICAV has appointed Ambianta Sgr S.p.A. as its manager pursuant to the Management Agreement and Ambianta Sgr S.p.A. is responsible on a day-to-day basis, under the supervision of the Directors, for the management of the ICAV's affairs and distribution of the Shares. The Manager is an asset management company duly registered in the Asset Management Company Register held by the Bank of Italy (registration no. 106 with the special register of "Società di Gestione del Risparmio" ("SGR")– Section "Gestori di FIA"). Ambianta SGR S.p.A is a limited company (joint stock company) incorporated under the laws of Italy with registration number 05786770965. Ambianta SGR S.p.A was authorised by the Bank of Italy on 5 November 2007. The Manager is authorized by CONSOB in Italy to act as a fund management company pursuant to Directive 2009/65/EC and pursuant to Directive 2011/61/EU, as amended. Its principal business is acting as manager of investment funds. The Manager has been appointed to act as distributor of the Shares and appointed the Investment Manager as discretionary investment manager of the ICAV. The Manager has appointed the Administrator to perform the day-to-day administration of the ICAV, including the calculation of the Net Asset Value of the Funds and of the Shares, and related fund accounting services.

The Directors of the Manager are as follows:

#### *Carla Patrizia Ferrari*

Ms. Ferrari has been the Chairman of the Board of Directors of the Manager since August 2020 and is Chief Financial Officer of Compagnia di San Paolo, a foundation of banking origin based in Turin.

Ms. Ferrari graduated in Economics and Commerce from the University of Genoa, and in 1988 began her professional career at Istituto Bancario Sanpaolo, as Head of the Economic Studies Office in Frankfurt. Between 2002 and 2013, Ms Ferrari was Chief Executive Officer of EQUITER S.p.A. (2002-2013), specialising in infrastructure investment, public-private partnership projects and the renewable energy sector. Her Directorships as of the date of this Prospectus include; Board member of IREN (and previously of Aem Torino and Iride); Board member of TRANSDEV S.A., a company managing local public transport services controlled by Caisse des Dépôts et Consignations, and of the regional finance companies Finpiemonte, Filse and Finaosta; Member of the Board of Directors of Cassa Depositi e Prestiti, where he is Chairman of the Remuneration Committee and Member of the Risk Committee until July 2018; Member of the Board of Directors of the Ambianta fund until 2015; Member of the Management Board of Intesa Sanpaolo S.p.A. (2013-2015); Board member of Prima Industrie S.p.A. from 2017 to May 2020 and member of the Audit and Risk Committee.

In 2015 Ms. Ferrari was appointed CFO of Compagnia di San Paolo and in 2016 Chairman of Compagnia

di San Paolo Sistema Torino S.c.r.l. Since February 2015 she has been Chairman of Equiter S.p.A., a financial company owned by Fondazione Compagnia di San Paolo, Intesa Sanpaolo, Fondazione CRT and Fondazione Cassa di Risparmio di Cuneo.

Since November 2018 Ms. Ferrari has been Deputy Chairman and Director of Fondazione Links - Leading Innovation & Knowledge for Society - an instrumental entity of Fondazione Compagnia di San Paolo, created from the union between Istituto Superiore Mario Boella (ISMB) and Istituto Superiore sui Sistemi Territoriali per l'Innovazione (SiTI).

Since January 2019 Ms. Ferrari has been a Director of LIFTT, which came about from the public-private alliance between Politecnico di Torino and Fondazione Compagnia di San Paolo to combine innovation, business and finance.

#### *Giuseppe Tronchetti Provera*

Mr. Tronchetti Provera is the Founder and Managing Partner of Ambienta and the Managing Director (CEO) of the Manager. Earlier in his career, Mr. Tronchetti Provera was a consultant at McKinsey & Co where he established the environmental practice. In 1997, Mr. Tronchetti Provera founded Cam Tecnologie to develop clean technologies and products. From 2002 to 2007, Mr. Tronchetti Provera worked within the Telecom Italia group, first as CEO of Finsiel, and subsequently as General Manager of Olivetti. Mr. Tronchetti Provera is a Board Member of AIFI and part of the Mid-Market Council within the EVCA. Mr. Tronchetti Provera holds a degree (cum laude) in Business Administration from Luiss University, Rome, and an MBA from INSEAD.

#### *Alfredo Altavilla*

Mr. Altavilla joined the Board of Directors of the Manager in August 2020. He is a Senior Advisor to CVC Capital Partners on Industrias across Europe and is also Chairman of Recordati SpA.

Mr. Altavilla holds a degree in Economics from Università Cattolica, Milan where he began his career as an assistant. He was Chief Operating Officer Europe, Africa and Middle East ("EMEA") from November 12, 2012 to August 2018. He has also been a member of the Group Executive Council ("GEC") and Head of Business Development since September 1, 2011. In 1990, he joined Fiat Auto, where he initially focused on international ventures in the area of strategic planning and product development. In 1995, he was appointed head of Fiat Auto's Beijing office and in 1999 head of Asian Operations. He has been involved in business development since 2001, becoming responsible for coordination of the alliance with General Motors in 2002 and, in 2004, being assigned responsibility for management of all alliances. In September 2004, Mr. Altavilla was appointed Chairman of FGP (Fiat/GM Powertrain JV) and Senior Vice President of Business Development of Fiat Auto. In July 2005, he became CEO of Türk Otomobil Fabrikası A.S. (TOFAS) – a 50-50 joint venture between Fiat Auto and Koç Holding listed on the Istanbul stock exchange – while retaining his role as Head of Business Development. In November 2006, he was named Chief Executive Officer of FPT – Fiat Powertrain Technologies. In July 2009, he became a member of the Board of Directors of Chrysler Group LLC and in October 2009 was named Executive Vice President of Business Development for Fiat Group. From November 2010 to November 2012 he was President and Chief Executive Officer of Iveco. He was also a member of the Fiat Industrial Executive Council (FIEC) from January 2011 to November 2012.

Mr. Altavilla is Board Member of Enerpac Tool, Tim S.p.A. and Conceria Pasubio S.p.A.

#### *Stefano Michele Bacci*

Mr. Bacci is a Partner and Ambienta's ESG Manager and a director of the Manager. Mr. Bacci is based in London. Mr. Bacci joined Ambienta in 2012 and has been involved in a number of transactions including Tower Light, Calucem, Oskar Nolte and IP Cleaning. Prior to joining Ambienta, Mr. Bacci was a Partner at Palamon Capital Partners (London) for nine years and spent eight years at the Boston Consulting Group (Milan, Stockholm, Helsinki), focusing on European industrial companies. Mr. Bacci started his career at BASF in Basle, first in the R&D division and eventually in the stabilisation of recycled plastics.

Mr. Bacci graduated from Politecnico University of Milan with a degree in Chemical Engineering and holds an MBA from the Helsinki School of Economics and MIT in Boston. He also completed Postgraduate studies in Physical Chemistry at the Technische Universität Darmstadt.

#### *Mauro Roversi*

Mr. Roversi is a Partner and the Chief Investment Officer at Ambienta and a director of the Manager. Mr. Roversi is based in Milan. Mr. Roversi is among the promoters of Ambienta, the largest private equity European fund investing in sustainability. At Ambienta he has been involved in a number of transactions including Lakesight Technologies, IPC, Aromata Group, Pibiplast, Tower Light, Envirogen, AICO and Restiani. Prior to this, Mr. Roversi spent seven years in SG Capital Europe, a pan-European mid-market buyout fund and five years at Groupe Zodiac. Mr. Roversi holds a degree in Business Administration from Verona University and an MBA from SDA Bocconi School of Management.

### **Investment Manager**

Ambienta Ltd was set up in October 2022 and was authorised in the United Kingdom by the Financial Conduct Authority (FCA) in November 2023. Ambienta Ltd is regulated in the UK by the FCA with the Firm Reference Number (FRN) 986324 and is authorised to carry out asset management activities. On 1 January 2024, 27 employees of Ambienta SGR working in the United Kingdom were transferred to Ambienta Ltd to continue investment management, distribution and marketing activities in the London office. Ambienta Ltd is wholly owned by the Manager.

### **Depository**

The ICAV has appointed Northern Trust Fiduciary Services (Ireland) Limited to act as the depository to the ICAV. The Depository is a private limited liability company incorporated in Ireland on 5 July 1990. Its main activity is the provision of custodial services to collective investment schemes. The Depository is an indirect wholly-owned subsidiary of Northern Trust Corporation. Northern Trust Corporation and its subsidiaries comprise the Northern Trust Group, one of the world's leading providers of global custody and administration services to institutional and personal investors. As at 31 December, 2021, the Northern Trust Group's assets under custody totalled in excess of US\$12.6 trillion.

Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (ii) the Depositary can demonstrate that there is an objective reason for the delegation and (iii) Northern Trust has exercised all due, skill, care and diligence in the selection and appointment of any third party to whom it wants to delegate parts of the Services, and keeps exercising all due skill, care and diligence in the periodic review and ongoing monitoring of any third party to whom it has delegated parts of its safekeeping services and of the arrangements of the third party in respect of the matters delegated to it. The liability of the Depositary will not be affected by virtue of any such delegation. The Depositary has delegated to its global sub-custodian, The Northern Trust Company, London branch, responsibility for the safekeeping of the ICAV's financial instruments and cash. The global sub-custodian proposes to further delegate these responsibilities to sub-delegates, the identities of which are set forth in Appendix IV hereto.

The Depositary Agreement provides that the Depositary shall be liable, (i) in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable measures to the contrary, and (ii) in respect of all other losses as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the UCITS Regulations.

The Depositary may act as the depositary of other open-ended investment companies and as trustee or custodian of other collective investment schemes. The Depositary has delegated custody services and asset verification services to The Northern Trust Company, London Branch. The Northern Trust Company has sub-delegated custody services and asset verification services to sub-custodians in certain eligible markets in which the ICAV may invest.

It is therefore possible that the Depositary and/or its delegates and sub-delegates may in the course of its or their business be involved in other financial and professional activities which may on occasion have potential conflicts of interest with the ICAV or a particular Fund and/or other funds managed by the Manager or Investment Manager or other funds for which the Depositary acts as the depositary, trustee or custodian. The Depositary will, however, have regard in such event to its obligations under the Depositary Agreement and the UCITS Regulations and, in particular, will use reasonable endeavours to ensure that the performance of its duties will not be impaired by any such involvement it may have and that any conflicts which may arise will be resolved fairly and in the best interests of Shareholders collectively so far as practicable, having regard to its obligations to other clients.

Up-to-date information in relation to the identity of the Depositary, the Depositary's duties, conflicts of interest, safekeeping functions delegated by the Depositary, list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation will be made available to Shareholders on request.

The Depositary's duties include the following:-

- (a) safekeeping the assets of each Fund which includes (i) holding in custody all financial instruments that may be held in custody; and (ii) verifying the ownership of other assets and maintaining records accordingly;

- (b) ensuring that each Fund's cash flows are properly monitored and that all payments made by or on behalf of applicants upon the subscription to Shares of the relevant Fund have been received;
- (c) carrying out its oversight functions and ensuring that issues, redemptions and cancellations and the valuation of the Shares of the Funds are carried out in accordance with the Regulations and the Instrument of Incorporation;
- (d) carrying out the instructions of the ICAV, unless they conflict with the UCITS Regulations;
- (e) ensuring that in transactions involving the assets of a Fund any consideration is remitted to the relevant Fund within the usual time limits; and
- (f) ensuring that each Fund's income is applied in accordance with the Instrument of Incorporation.

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

### **Administrator**

The Manager and the ICAV have appointed Morgan Stanley Fund Services (Ireland) Limited as the Administrator pursuant to the Administration Agreement.

The Administrator was incorporated on 23 January 2006 with registered number 410936 and has its registered office at the Observatory, 7-11 Sir John Rogerson's Quay, Dublin 2, Ireland. The Administrator is authorised under the Investment Intermediaries Act 1995 and is subject to the supervision of the Central Bank. The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes.

Pursuant to the Administration Agreement the Administrator provides the ICAV with certain transfer agency and accounting services including, without limitation, computation of the ICAV's net asset value, in exchange for a fee. The Administrator bases its computations on the assets and liabilities reported to the Administrator by the ICAV, its prime brokers, custodians and Manager. The Administrator will assume that these assets and liabilities represent a complete record of the ICAV's investments as of the date of the ICAV's accounting statements as prepared by the Administrator.

The Administrator in computing the net asset value of a Fund will use prices that are determined in accordance with the Manager's valuation policy for the ICAV, and described in the Administration Agreement. In particular, but without limitation, the ICAV may specify pricing methodologies that the Administrator shall rely upon (such as the prices of listed, liquid securities reported on exchanges and quoted by third-party vendors) or, alternatively, the ICAV may direct the Administrator to accept valuations of securities and other assets from the Manager. Prices of assets and liabilities used by the Administrator in computing the net asset value of a Fund may vary from prices that the Administrator uses in providing comparable services to other clients and from prices that affiliates of the Administrator use in connection with their customer or proprietary business. The Administrator accepts no responsibility for the accuracy of

any information supplied to it by the ICAV or any of its authorised representatives (including, without limitation, the Manager) and is under no obligation to verify this information.

Although the Administrator may process certain expenses of the Funds, the Administrator has no duty to evaluate or independently verify the payee's bank account details or the amount of any expense to determine whether such expense is reasonable or otherwise appropriate, or whether or not it is a non-trading third party expense.

Subject to the terms of the Administration Agreement and the requirements of the Central Bank, the Administrator may employ agents, delegate or sub-contract any duties or functions it deems necessary in order to perform the fund administration services to otherwise support its business to any third parties on such terms and conditions as the Administrator reasonably deems appropriate. Administrator is an indirect subsidiary of Morgan Stanley, a global financial services firm providing services in securities, investment management and credit services with more than 1,200 offices in 36 countries. The Administrator conducts its fund administration business independently from the other financial services provided by Morgan Stanley and its affiliates. The Administrator is a service provider of the ICAV and, as such, bears no responsibility for the content of this Prospectus, the investments of the ICAV, the performance of the ICAV nor any matter other than as specified in the Administration Agreement. The Directors and the Manager, and not the Administrator, are responsible for determining that the Shares are marketed and sold in compliance with all applicable securities and other laws. The Administrator will not be responsible for ensuring that the investment transactions comply with the investment objectives and policies of the ICAV as set forth in this Prospectus. Additionally, the Directors and not the Administrator are responsible for monitoring of the ICAV's investment restrictions.

In the case of investors that have subscribed to the ICAV through a third party placement agent or platform, the Administrator will not review subscription documents of such investors and will exclusively rely upon the electronic feed provided by such placement agent or platform. In addition, some of the Administrator's tasks listed under the Anti-Money Laundering and Countering Terrorist Financing Measures section of this Prospectus may be performed by the placement agent or platform and not the Administrator.

## **Secretary**

The ICAV has appointed Tudor Trust Limited as its secretary. Tudor Trust Limited is a private company, limited by shares, incorporated in Ireland and is affiliated with Dillon Eustace, the Irish legal advisors of the ICAV.

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

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

- (a) subscription monies prior to the transmission of such monies to the Depositary for the account of the ICAV or the relevant Fund; and
- (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

Fees and expenses of Paying Agents appointed by the ICAV and/or the Manager which will be at normal commercial rates will be borne by the ICAV or the Fund in respect of which a Paying Agent has been appointed.

Country Supplements dealing with matters pertaining to Shareholders in jurisdictions in which Paying Agents are appointed may be prepared for circulation to such Shareholders and, if so, where required, a summary of the material provisions of the agreements appointing the Paying Agents will be included in the relevant Country Supplements.

All Shareholders of the ICAV or the Fund on whose behalf a Paying Agent is appointed may avail of the services provided by Paying Agents appointed by or on behalf of the ICAV.

Details of the Paying Agents appointed will be set out in the relevant Country Supplement and will be updated upon the appointment or termination of appointment of Paying Agents.

### **Conflicts of Interest**

The Directors, the Manager, the Investment Manager, the Depositary, the Administrator and their respective affiliates, officers, directors and shareholders, partners, employees and agents (collectively the “**Parties**”) are 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 Financial Instruments, banking and investment management services, brokerage services, currency hedging services, valuation of unlisted Financial Instruments (in circumstances in which fees payable to the entity valuing such Financial Instruments may increase as the value of the Financial Instruments 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 advise or manage other funds and other collective investment schemes in which a Fund may invest or which have similar or overlapping investment objectives to or with the ICAV or its Funds.

It is anticipated that the Depositary one of its group companies may provide a currency hedging service to the ICAV in respect of one or more Funds and will have a financial or business interest in such service and will receive remuneration for such services. The Depositary maintains a conflict of interest policy to address this and the Manager monitors such service.

The management of the collateral policy of the ICAV in respect of stock lending and repurchase agreements transactions, is consistent with the one described above.

Neither the Manager nor the Investment nor, nor any of their affiliates are under any obligation to offer investment opportunities of which any of them becomes aware to the ICAV or to account to the ICAV in respect of (or share with the ICAV or inform the ICAV of) any such transaction or any benefit received by any of them from any such transaction, but will allocate such opportunities in its absolute discretion between the ICAV and other clients.

The Manager, the Investment Manager and their respective officers, partners and employees will devote as much of their time to the activities of the ICAV as they deem necessary and appropriate. The Manager, the Investment Manager and their respective delegates and affiliates are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities may be in competition with the ICAV and/or may involve substantial time and resources. These activities could be viewed as creating a conflict of interest in that the time and effort of the Manager and/or Investment Manager, their respective delegates and officers and employees will not be devoted exclusively to the business of the ICAV but will be allocated between the business of the ICAV and such other activities. Future activities by the Manager, the Investment Manager and their respective delegates and affiliates, including the establishment of other investment funds, may give rise to additional conflicts of interest.

The Manager is responsible for the valuation of investments. There is a conflict of interest between the Manager in this valuation process and with the Manager's entitlement to any proportion of a Management Fee which are calculated on the basis of the Net Asset Value.

Each of the Parties 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.

There is no prohibition on transactions with the ICAV by the Manager, the Investment Manager, the Depositary, the Administrator or entities related to any of them including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the ICAV (each a "**Transaction**" together the "**Transactions**") and none of them shall have any obligation to account to the ICAV for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are conducted at arm's length and are in the best interests of Shareholders and

- (a) the value of the Transaction is certified by a person who has been approved by the Depositary as being independent and competent (or a person who has been approved by the Manager in consultation with the Directors as being independent and competent in the case of transactions involving the Depositary); or
- (b) execution on best terms on organised investment exchanges under their rules; or
- (c) where (a) and (b) are not practical, execution on terms which the Depositary is (or, in the case of a transaction entered into by the Depositary, the Manager, in consultation with the Directors, is) satisfied conform with the principle that such transactions are conducted at arm's length and are in the best interests of Shareholders.

The Depositary (or the Manager, in consultation with the Directors, in the case of transactions involving the Depositary) must document how it has complied with the provisions of paragraph (a), (b) or (c) above. Where transactions are conducted in accordance with (c) above, the Depositary (or the Manager, in consultation with the Directors, in the case of transactions involving the Depositary) must document their rationale for being satisfied that the transaction conformed to the principles outlined above.

The Manager, the Investment Manager or an associated company of the Manager or Investment Manager may invest in Shares so that a Fund or Class may have a viable minimum size or is able to operate more efficiently. In such circumstances the Manager, the Investment Manager or an associated company of the Manager or Investment Manager may hold a high proportion of the Shares of a Fund or Class in issue. Details of the proportion of Shares held by the Manager, the Investment Manager or an associated company of the Manager or Investment Manager will be made available to investors and prospective investors upon request.

**“Knowledgeable Persons”** means

- (i) the Manager, the Investment Manager and any affiliate of either of them;
- (ii) any other company appointed to provide investment management or advisory services to the ICAV;
- (iii) a Director or executive of the Manager, the Investment Manager or the ICAV or of another company appointed to provide investment management or advisory services to the ICAV;
- (iv) an employee, executive or partner of the Manager, the Investment Manager or of a company appointed to provide investment management or advisory services to the ICAV, where such person:
  - is directly involved in the investment activities of the ICAV; or
  - is of senior rank and has experience in the provision of investment management services;

Knowledgeable Persons will be permitted to invest in the ICAV. Due to the nature of a Knowledgeable Person, and subject to legislation relating to market abuse, market timing and disclosure rules, in certain market situations a Knowledgeable Person may have access to market information in advance of other Shareholders, thereby affording them certain advantages in respect of an investment in the ICAV.

Details of interests of the Directors are set out in the Section of the Prospectus entitled **“General Information - Directors' Interests”**.

### **Soft Commissions**

The Directors do not anticipate that the Manager, the Investment Manager, or their delegates or connected persons of the Manager or Investment Manager will engage in soft commission arrangements with any

brokers. Should the Manager or Investment Manager receive research products and services from brokers and other persons through whom investment transactions are carried out, the Manager and Investment Manager must ensure that such arrangements are made on best execution terms and the services provided must be of a type which assist in the provision of investment services to the ICAV.

#### **Cash/Commission Rebates and Fee Sharing**

Where the Manager or any of their respective delegates successfully negotiates the recapture of a portion of the commissions charged by brokers or dealers in connection with the purchase and/or sale of securities, permitted derivative instruments or techniques and instruments for the ICAV or a Fund, the rebated commission shall be paid to the ICAV or the relevant Fund as the case may be. Full details of any such arrangements including fees payable to the Manager or any of their respective delegates will be disclosed in the Supplement for the relevant Fund. The Manager or their respective delegates may be reimbursed out of the assets of the ICAV or the relevant Fund for reasonable properly vouched costs and expenses directly incurred by them in this regard.

### **3. FEES AND EXPENSES**

#### **Establishment Expenses**

All fees and expenses relating to the establishment and organization of the ICAV including the fees of the ICAV's professional advisers and registering the Funds for marketing in various markets will be borne by the Funds in existence. Such fees and expenses are estimated not to exceed €150,000 (excluding VAT) and may be amortized over the first five Accounting Periods of the ICAV or such shorter period as the Directors may determine.

The fees and expenses relating to the establishment of any additional Funds will be set out in the relevant Supplement.

#### **Operating Expenses and Fees**

The ICAV will pay all its operating expenses and the fees hereinafter described as being payable by the ICAV. Expenses paid by the ICAV throughout the duration of the ICAV, in addition to fees and expenses payable to the Directors, the Manager, the Investment Manager, the Depositary, the Administrator, the Secretary and any Paying Agent appointed by or on behalf of the ICAV include but are not limited to brokerage and banking commissions and charges, legal and other professional advisory fees, regulatory fees, auditing fees, distribution fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the ICAV, costs and expenses of preparing, translating, printing, updating and distributing the ICAV's Prospectus and Supplements, annual and semi-annual reports and other documents furnished to current and prospective Shareholders, stock exchange listing fees, all expenses in connection with registration, listing and distribution of the ICAV and Shares issued or to be issued, all expenses in connection with obtaining and maintaining a credit rating for any Funds or Classes or Shares, expenses of Shareholders meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of Shares, postage, telephone, facsimile and telex expenses and any other expenses in each case together with any applicable value added tax, reimbursement of supplementary, extraneous fees charged to the Manager in the course of their duties, including but not limited to; fees relating to live pricing feeds into the Manager's position management system; research costs (including the sourcing of external research and analyst access, usage of expert networks, research travel), and properly vouched out of pocket marketing and associated costs (all extraneous fees will be pro-rated across Funds based on their respective assets under management if the Manager is acting as investment manager of more than one Fund).

New rules under the settlement discipline regime introduced under Regulation (EU) No 909/2014 ("CSDR") which are intended to reduce the number of settlement fails within EU central securities depositories (such as Euroclear and Clearstream) entered into force on 1 February, 2022. These measures include the introduction of a new cash penalties regime under which the participant within the relevant central securities depository ("CSD") responsible for a settlement fail will be required to pay a cash penalty which is in turn distributed to the other participant. This is intended to serve as an effective deterrent for participants that cause settlement fails. In certain circumstances, such penalties and related expenses may be borne (either directly or indirectly) out of the assets of the Fund on whose behalf the in-scope transaction was entered

into, thus resulting in increased operational and compliance costs being borne by the relevant Fund.

An estimated accrual for operating expenses of the ICAV will be provided for in the calculation of the Net Asset Value of each Fund. Operating expenses and the fees and expenses of service providers which are payable by the ICAV shall be borne by all Funds in proportion to the Net Asset Value of the relevant Fund or using other methods that will be fair and equitable to investors, provided that fees and expenses attributable solely to a particular Fund or Class shall be borne solely by the relevant Fund or Class.

### **Administrator's Fees**

The fees of the Administrator will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Depository's Fees**

The fees of the Depository will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Manager's Fees**

The ICAV shall pay the Manager out of the assets of the relevant Fund a fee as disclosed in the relevant Supplement.

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

The Manager has designed and implements a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile or the Instrument of the ICAV nor impair compliance with the Manager's duty to act in the best interests of the ICAV. The Manager's remuneration policy is consistent with the the business strategy, objectives, values and interests of the Manager, the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest.

The Manager's remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profiles of the Manager or the ICAV.

In line with the provisions of the UCITS Directive as may be amended from time to time, the Manager applies its remuneration policy and practices in a way and to the extent that is proportionate to its size, its internal organisation and the nature, scope and complexity of its activities.

Details of the remuneration policy of the Manager including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such a committee exists, will

be available free of charge upon request from the Manager and on [www.ambientasgr.com](http://www.ambientasgr.com).

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

The fees of the Investment Manager will be paid out of the assets of the relevant Fund, details of which will be set out in the relevant Fund Supplement.

### **Performance Fee**

Details of the Performance Fee to be charged (if any) can be found in the relevant Supplement.

### **Sub-Distributors' Fees**

The fees of any sub-distributors may be paid out of the assets of the relevant Fund or as may otherwise be disclosed in the relevant Supplement.

### **Paying Agents' Fees**

Reasonable fees and expenses of any Paying Agent appointed by the ICAV which will be at normal commercial rates together with VAT, if any, thereon will be borne by the ICAV or the relevant Fund in respect of which a Paying Agent has been appointed.

All Shareholders of the ICAV or the Fund on whose behalf a Paying Agent is appointed may avail of the services provided by Paying Agents appointed by or on behalf of the ICAV.

### **Subscription Fee**

The Directors in consultation with the Manager are empowered to levy a subscription fee not exceeding 5% of the value of the Shares being acquired. Details of the subscription fee, if any, will be set out in the relevant Supplement.

### **Redemption Fee**

The Directors in consultation with the Manager are empowered to levy a redemption fee based not exceeding 3% of the Net Asset Value of the Shares being redeemed. Details of the redemption fee, if any, will be set out in the relevant Supplement.

### **Conversion Fee**

The Directors in consultation with the Manager may charge a fee on the conversion of Shares in any Fund to Shares in another Fund up to a maximum of 1% of Net Asset Value of Shares in the original Fund. Details of the conversion fee to be charged (if any) can be found in the relevant Supplement.

### **Anti-Dilution Levy**

Where disclosed in the relevant Supplement, the Directors, in consultation with the Manager, are entitled to implement an anti-dilution levy in respect of a Fund or Class as described in this Prospectus in the section entitled “Net Asset Value and Valuation of Assets”.

### **Swing Pricing**

Where disclosed in the relevant Supplement, the Directors, in consultation with the Manager, are entitled to implement swing pricing in respect of a Fund or Class as described in this Prospectus in the section entitled “Net Asset Value and Valuation of Assets”.

### **Directors' Fees**

The Instrument authorises the Directors to charge a fee for their services at a rate determined by the Directors. The Directors shall receive a fee for their services which shall in aggregate be up to a maximum of €100,000 per annum. The Directors' fees may vary over time depending on such factors as the number of Funds in the ICAV and the Net Asset Value of the Funds. The actual fee charged by the Directors to the ICAV will be disclosed in the annual reports of the Funds. Each Director may be entitled to special remuneration if called upon to perform any special or extra services to the ICAV, details of which will be set out in the financial statements of the ICAV. All Directors will be entitled to reimbursement by the ICAV of expenses properly incurred in connection with the business of the ICAV or the discharge of their duties. Such out of pocket expenses will be charged at normal commercial rates. Mr. Moore and Dr. Bird have both agreed to waive their fees for acting as Directors.

### **Secretary's Fees**

The ICAV shall pay the Secretary an annual fee for acting as corporate secretary to the ICAV of up to €12,000 per annum plus VAT which shall be payable semi-annually in arrears. The Secretary shall also be entitled to charge the ICAV for its reasonable out-of-pocket expenses.

### **Allocation of Fees and Expenses**

All fees, expenses, duties and charges will be charged to the relevant Fund and within such Fund to the Classes in respect of which they were incurred. Where an expense is not considered by the Directors in consultation with the Manager to be attributable to any one Fund, the expense will normally be allocated to all Funds in proportion to the Net Asset Value of the Funds or using other methods which will be fair and equitable to investors. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors in consultation with the Manager may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions between all Funds over any period.

## 4. THE SHARES

### General

Shares may be issued as at any Dealing Day. Shares issued in a Fund or Class will be in registered form and denominated in the Base Currency specified in the relevant Supplement for the relevant Fund or a currency attributable to the particular Class.

Where a Class of Shares is denominated in a currency other than the Base Currency of a Fund, that Class may be hedged or unhedged as disclosed in the relevant Supplement for the relevant Class.

Where a Class is to be unhedged, a currency conversion will take place by the Investment Manager on subscriptions, redemptions, conversions and distributions at prevailing exchange rates normally obtained from Bloomberg, Reuters or such other data provider as the Investment Manager deems fit. In such circumstances, the value of the Share expressed in the Class currency will be subject to exchange rate risk in relation to the Base Currency. Where a Class of Shares is to be hedged, the ICAV shall employ the hedging policy as more particularly set out herein.

Shares will have no par value and will first be issued in relation to the Subscription Period for each Fund or Class as specified in the relevant Supplement. Thereafter, Shares shall be issued at the Net Asset Value per Share. Please see the section entitled “**Application for Shares**” for more information regarding the cost of Shares.

Title to Shares will be evidenced by the entering of the investor's name on the ICAV's register of Members and no certificates will be issued. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt by the Manager or the Administrator of appropriately authorised written instructions from the relevant Shareholder to the ICAV.

The Directors in consultation with the Manager may decline to accept any application for Shares without giving any reason and may restrict the ownership of Shares by any person, firm or corporation in certain circumstances including where such ownership would be in breach of any regulatory or legal requirement or might affect the tax status of the ICAV or might result in the ICAV suffering certain disadvantages which it might not otherwise suffer. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who holds Shares in contravention of restrictions imposed by the Directors or, by virtue of his holding, is in breach of the laws and regulations of their competent jurisdiction or whose holding could, in the opinion of the Directors, cause the ICAV to incur any liability to taxation or to suffer any pecuniary disadvantage relating to the Shareholder's relevant jurisdiction which it or the Shareholders or any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the ICAV, the Manager, the Investment Manager, the Depositary, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the ICAV.

The Directors in consultation with the Manager have the power under the Instrument to compulsorily

redeem and/or cancel any Shares held or beneficially owned in contravention of any restrictions imposed by them or in breach of this Prospectus or any law or regulation.

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

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

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

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

- (i) to the extent that there is a delay between a change in the value of a Fund’s portfolio holdings and the time when that change is reflected in the Net Asset Value per Share, a Fund is exposed to the risk that investors may seek to exploit this delay by purchasing or redeeming Shares at a Net Asset Value which does not reflect appropriate fair value prices. The Directors seek to deter and prevent this activity, sometimes referred to as “**stale price arbitrage**”, by the appropriate use of its power to adjust the value of any Financial Instrument having regard to relevant considerations in order to reflect the fair value of such Financial Instrument.
- (ii) the Directors may monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices and reserves the right to exercise its discretion to reject any subscription or conversion transaction without assigning any reason therefore and without payment of compensation if, in its judgment, the transaction may adversely affect the interest of a Fund or its Shareholders. The Directors may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as it deems appropriate to restrict such activities including, if it so determines, the compulsory redemption of Shares held in that Fund by the respective Shareholder or, where disclosed in the relevant Supplement, the Directors may impose a redemption fee for the benefit of the relevant Fund where the holding period is less than that time period specified in the relevant Supplement.

There can be no assurances that abusive trading practices can be mitigated or eliminated.

For example nominee accounts in which purchases and sales of Shares by multiple investors may be

aggregated for dealing with the Fund on a net basis, conceal the identity of underlying investors in a Fund which makes it more difficult for the Directors and their delegates to identify abusive trading practices.

### **Application for Shares**

Applications for Shares in the relevant Fund may be made through the Administrator. Initial subscriptions should be made by all investors using an Application Form obtained from the Administrator which can be submitted to the Administrator by secure document upload, email or by post. Once submitted the Application Form shall, subject to applicable law and regulation, be irrevocable and binding on the Investor.

The Directors in consultation with the Manager on behalf of the ICAV may reject any application in whole or in part without giving any reason for such rejection in which event the subscription monies or any balance thereof will be returned without interest, expenses or compensation to the applicant by transfer to the applicant's designated account or by post at the applicant's risk.

Completed and executed applications including adequate anti-money laundering documentation as required, received by the Administrator prior to the relevant Dealing Deadline for any Dealing Day will normally be processed as at that Dealing Day. Any applications received after the relevant Dealing Deadline for the Fund for a particular Dealing Day will be processed as at the following Dealing Day unless the Directors in their absolute discretion in consultation with the Manager otherwise determine to accept one or more applications received after the relevant Dealing Deadline for processing as at that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

The Administrator will use its reasonable efforts to acknowledge in writing all subscription requests which are received in good order. An applicant failing to receive such written acknowledgement from the Administrator within two (2) Business Days should contact the Administrator to obtain the same. Failure to obtain such a written acknowledgement from the Administrator may delay or render the request void, unless otherwise permitted by the Directors.

Applications for Shares in the Fund received after the relevant Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors in consultation with the Manager.

No redemption proceeds will be paid to a Shareholder in respect of a redemption request (although subsequent subscriptions may be processed) prior to the acceptance of the original initial Application Form by the Administrator which is subject to prompt transmission to the Administrator of such papers and supporting documentation (such as documentation relating to money laundering prevention checks) as may be required by the Administrator and completion by the Administrator of all anti-money laundering procedures.

Shares will not be allotted until such time as the Administrator has received and is satisfied with all the information and documentation required to verify the identity, address and source of funds of the applicant. This may result in Shares being issued on a Dealing Day subsequent to the Dealing Day on which an

applicant initially wished to have Shares issued to him/her. It is further acknowledged that the Administrator shall be held harmless by the applicant against any loss arising as a result of the failure to process a subscription or redemption if information that has been requested by the Administrator has not been provided by the applicant.

Subsequent applications to purchase Shares in the Fund following the initial subscription may be made to the Administrator by email, secure document upload or post as may be permitted by the Directors in consultation with the Manager and agreed with the Administrator in accordance with the requirements of the Central Bank. Applications by email, secure document upload, or other electronic transmission or such other means as agreed with the Administrator, will be treated as definite orders and no application will be capable of withdrawal after acceptance by the Administrator (save in the event of suspension of calculation of the Net Asset Value of the Fund).

The Directors may, in their absolute discretion, in consultation with the Manager reject any application for Shares in full or in part. Amounts paid to the ICAV in respect of subscription applications which are rejected (or, in the case of applications which are not accepted in full, the balance of the amount paid) will be returned to the applicant, subject to applicable law, at his/her own risk and expense without interest.

The Directors in consultation with the Manager may at any time determine to temporarily or permanently close any Class of Shares or all Classes of Shares in the ICAV to new subscriptions in their sole discretion and may not give advance notice of such closure to Shareholders though the Directors will endeavour to notify Shareholders as soon as possible.

#### *Withdrawal of Subscription Requests*

Requests for subscription of Shares may not be withdrawn save with the written consent of the ICAV or in the event of suspension of calculation of the Net Asset Value of the Fund.

#### *Issue of Shares*

Shares will be issued at the Net Asset Value per Share calculated as at the Valuation Point for the relevant Dealing Day, except in respect of Shares issued during the Initial Offer Period (or Shares of a Class issued for the first time) which will be issued at the Initial Offer Price. This price could be less than the Subscription Price per Share for that Dealing Day due to the effect of Duties and Charges and other fees and levies. Potential Shareholders should note therefore that the cost paid for Shares issued could exceed their value on the day of issue.

#### *Fractions*

Subscription monies representing less than the subscription price for a Share will not be returned to the investor. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than 0.000001 of a Share.

Subscription monies, representing less than 0.000001 of a Share will not be returned to the investor but will be retained by the ICAV in order to defray administration costs.

#### *Method of Payment*

Subscription payments net of all bank charges should be paid by electronic transfer to the bank account specified in the Application Form. No interest will be paid in respect of payments received in circumstances where the receipt of payment is in advance of the relevant Subscription Settlement Cut-Off or the application is held over until a subsequent Dealing Day. Subscription monies received by the ICAV in respect of a Fund or the Administrator on the ICAV's behalf are deposited directly into an account in the name of the relevant Fund. Prior to the relevant Dealing Day, the subscriber's subscription may, for administrative efficiency, be moved into the relevant Fund's prime brokerage or other accounts, provided, however, that such amount shall not be invested until the relevant Dealing Day.

#### *Currency of Payment*

Subscription monies are payable in the currency of denomination of the relevant Class.

#### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Administrator prior to the Subscription Settlement Cut-Off. The ICAV reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the Fund. The Directors may waive these requirements by accepting a subscription and the funds with respect thereto after such date. If payment in cleared funds in respect of a subscription has not been received by the Subscription Settlement Cut-Off, any allotment of Shares made in respect of such application may be cancelled and subject to the requirements of the Act, make any alteration in the register of Members. In the event of the non-clearance of subscription monies, any allotment in respect of an application may be cancelled. In either event and notwithstanding cancellation of the application, the ICAV may charge the applicant for any expense incurred by it or the Fund or for any loss to the Fund arising out of such non-receipt or non-clearance. In addition, the ICAV will have the right to sell all or part of the applicant's holding of Shares in the relevant Class in order to meet those charges and may be required to liquidate assets to repay any shortfall between the redemption proceeds and any amounts borrowed. Whilst the defaulting Shareholder will be liable for any costs incurred by the Fund in so doing, there is a risk that the Fund may not be able to recover such costs from such Shareholder.

#### *Confirmation of Ownership*

Written confirmation of each purchase of Shares in the Fund will normally be sent by the Administrator to Shareholders within 10 Business Days of the Net Asset Value being published (or such other period of time as may be set out in the Supplement). Title to Shares will be evidenced by the entering of the investor's name on the ICAV's register of Members and no certificates will be issued.

### *Subscriptions in Specie*

In accordance with the provisions of the Instrument, the ICAV may at the discretion of the Directors in consultation with the Manager accept in specie applications for Shares provided that the nature of the assets to be transferred into the Fund qualify as investments of the Fund in accordance with its investment objectives, policies and restrictions. Assets so transferred shall be vested with the Depositary or arrangements shall be made to vest the assets with the Depositary. The Depositary and the Directors shall be satisfied that the terms of any exchange will not be such as are likely to result in any material prejudice to the existing Shareholders of the Fund.

The cost of such subscription in specie shall be borne by the relevant Shareholder.

The value of assets being transferred, (the “**In Specie Net Asset Value**”) shall be calculated by the Administrator, having consulted with the Manager, in accordance with the valuation principles governing the ICAV and applicable law.

The Directors will also ensure that the number of Shares issued in respect of any such in specie transfer will be the same amount which would have fallen to be allotted for settlement of the In Specie Net Asset Value in cash.

Any prospective investor wishing to subscribe for Shares by a transfer in specie of assets will be required to comply with any administrative and other arrangements (including any warranties to the ICAV in relation to the title of such assets being passed to the Depositary, if applicable) for the transfer specified by the Directors, the Depositary and the Administrator. In addition, the Directors must ensure that any assets transferred will be vested with the Depositary on behalf of the ICAV.

### **Operation of Sub-Fund Cash Accounts**

The ICAV has established Sub-Fund Cash Accounts designated in different currencies at Fund level into which subscription, redemption and dividend monies in respect of each relevant Fund shall be lodged. Each of these cash accounts are defined herein as Sub-Fund Cash Accounts. All subscriptions, redemptions or dividends payable to or from the relevant Fund will be channelled and managed through such Sub-Fund Cash Account and no such account shall be operated at the level of the ICAV.

Subscription monies received from an investor in advance of a Dealing Day in respect of which an application for Shares in the relevant Fund has been, or is expected to be, received will be held in Sub-Fund Cash Account and will be treated as an asset of the relevant Fund upon receipt and will not benefit from the application of any investor money protection rules (i.e. the subscription monies in such circumstance will not be held on trust as investor monies for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the amount subscribed and held by the ICAV until such Shares are issued as of the relevant Dealing Day.

In the event of an insolvency of the Fund or the ICAV, there is no guarantee that the relevant Fund or the

ICAV will have sufficient funds to pay unsecured creditors in full. Investors who have forwarded subscription monies in advance of a Dealing Day as detailed above and which are held in a Sub-Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor may not recover all monies originally paid into a Sub-Fund Cash Account in relation to the application for Shares.

Redemption monies payable to an investor subsequent to a Dealing Day of a Fund as of which Shares of that investor were redeemed (and consequently the investor is no longer a Shareholder of the relevant Fund as of the relevant Dealing Day) will be held in a Sub-Fund Cash Account and will be treated as an asset of the relevant Fund until paid to that investor and will not benefit from the application of any investor money protection rules (i.e. the redemption monies in such circumstance will not be held on trust for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the redemption amount held by the ICAV until paid to the investor.

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. Investors due redemption monies which are held in a Sub-Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor may not recover all monies originally paid into a Sub-Fund Cash Account for onward transmission to that investor.

Further information relating to such accounts is set out in the sections below entitled “Risk Factors” – “Operation of Sub-Fund Cash Accounts” above.

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

Measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and the Criminal Justice Act 2013 (as amended) which are aimed towards the prevention of money laundering, require detailed verification of each applicant's identity, address, source of wealth and the supporting documentation for the source of wealth. For example, an individual will be required to produce a copy of his/her passport or identification card that bears evidence of the individuals' identity and date of birth together with evidence of the individual's address such as a utility bill or bank statement which are not older than six months old. The source of wealth and the supporting documentation is required for all investors. The documentation required in respect of corporate applicants will be dependent on the country of incorporation or creation. Certified constituting, constitutional and verification documentation in respect of the beneficial owners may be required in certain cases.

Depending on the circumstances of each application, a detailed verification may not be required where (a) the investor is a regulated credit or financial institution, or (b) the application is made through a regulated financial intermediary and where appropriate representations have been made by the investor. 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 are able to meet the above exceptions.

The Administrator reserves the right to request such information and documentation as is necessary to identity, verify the source of wealth and supporting documentation for the source of wealth of an applicant. In the event of delay or failure by the applicant to produce any information and documentation required for verification purposes, the Administrator may not process the application and return all subscription monies and/or payment of redemption proceeds may be delayed and none of the ICAV, the Fund, the Directors, the Depositary, the Manager, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed in such circumstances. In such circumstances, the proceeds of that redemption will be held in a Sub-Fund Cash Account and therefore shall remain an asset of the relevant Fund. The redeeming Shareholder will rank as a general creditor of the relevant Fund until such time as the ICAV or its delegate are satisfied that its anti-money laundering and terrorist financing procedures have been fully complied with, following which redemption proceeds will be released.

If an application is rejected, the Administrator may return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay redemption proceeds where the requisite information and documentation for verification purposes has not been produced by a Shareholder.

In the event of an insolvency of a Fund or the ICAV, there is no guarantee that the relevant Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Investors / Shareholders due redemption / dividend monies which are held in a Sub-Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor/ Shareholder may not recover all monies originally paid into a Sub-Fund Cash Account for onward transmission to that investor / Shareholder.

Therefore a Shareholder is advised to ensure that all relevant documentation requested by the ICAV in order to comply with anti-money laundering and terrorist financing procedures is submitted to the ICAV promptly on subscribing for Shares in the ICAV.

Each subscriber and Shareholder will be required to make such representations as may be required by the ICAV in connection with applicable anti-money laundering programmes, including representations that such subscriber or Shareholder is not a prohibited country, territory, individual or entity listed on the United States Department of Treasury's Office of Foreign Assets Control ("**OFAC**") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes. Such subscriber or Shareholder shall also represent that amounts contributed by it to the Fund were not directly or indirectly derived from activities that may contravene US Federal, State or international laws and regulations, including any applicable anti-money laundering laws and regulations. Each applicant will also be required to represent that it is not listed or directly or indirectly affiliated with any person, group or entity listed on the European Union consolidated list of persons, groups and entities that are subject to Common Foreign and Security Policy ("**CFSP**") related financial sanctions, which can be found on the European Commission's website, and that it is not subject to any CFSP sanctions

programmes. Each applicant will be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States Federal or State, or international, or European Union laws and regulations including, in each case, anti-money laundering laws and regulations.

The Administrator may, subject to compliance with GDPR, use the information provided by an investor in support of anti-money laundering or similar reviews, including sharing the information with other funds in which the investor may invest as part of such reviews. The Administrator may disclose information regarding investors to such parties (e.g., affiliates, attorneys, auditors, administrators or regulators) as it deems necessary or advisable to facilitate the transfer of the Shares, including but not limited to being in connection with anti-money laundering and similar laws. The Administrator or other service providers may also release information if directed to do so by the investors in the Shares, if compelled to do so by law or in connection with any government or self-regulatory organisation request or investigation. In connection with the establishment of anti-money laundering procedures, the Directors may implement additional restrictions on the transfer of Shares.

If a person (the ICAV or its delegates or agents) has a suspicion that a payment to the ICAV (by way of subscription or otherwise) contains the proceeds of criminal conduct, that person is required to report such suspicion pursuant to The Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (as amended) of Ireland, or any other such law, and such report shall not be treated as a breach of any restriction upon the disclosure of information imposed by any enactment or otherwise.

The Directors and the Administrator may impose additional requirements from time to time to comply with all applicable anti-money laundering laws and regulations, including the USA Patriot Act.

## **Data Protection**

Prospective investors should note that by completing the Application Form they are providing information to the ICAV, which may constitute “personal data” within the meaning of Regulation (EU) 2016/679 of the European Parliament and of the Council as may be amended, consolidated or substituted from time to time (“GDPR”).

This data will be used for the specific purposes set out in the Application Form which include but are not limited to client identification, the management and administration of investors holding in the ICAV, in order to comply with any applicable legal, taxation or regulatory requirements. Personal data provided to the ICAV (which may include where relevant personal data of persons connected with a corporate Shareholder such as directors, beneficial owners, representatives etc.) may be disclosed to such third parties as identified in the Application Form including regulatory bodies, tax authorities, service providers of the ICAV such as the Administrator, the Investment Manager, the Depositary etc., delegates and advisors of the ICAV and their or the ICAV’s duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including to countries outside the EEA which may not have the same data protection laws as in Ireland) for the purposes specified.

Investors have a right to obtain a copy of their personal data kept by the ICAV, the right to rectify any inaccuracies in personal data held by the ICAV and in a number of circumstances a right to be forgotten

and a right to restrict or object to processing. In certain limited circumstances, a right to data portability may apply. Where a Shareholder is required to give his/her consent to the processing of personal data for certain specific purposes, that Shareholder may withdraw this consent at any time.

The ICAV and its appointed service providers will retain all documentation provided by a Shareholder in relation to its investment in the ICAV for such period of time as may be required by Irish legal and regulatory requirements, but for at least six years after the period of investment has ended or the date on which a Shareholder has had its last transaction with the ICAV.

A copy of the data privacy statement of the ICAV is available from the Manager upon request.

It should also be noted that service providers of the ICAV may act as data controllers of the personal data provided to the ICAV in certain circumstances. In such instances, all rights afforded to Shareholders as data subjects under the GDPR shall be exercisable by a Shareholder against that service provider as the data controller of his/her personal data.

### **Ineligible Applicants**

The ICAV requires each prospective applicant for Shares to represent and warrant to the ICAV that, among other things, it is able to acquire and hold Shares without violating applicable laws.

In particular, the Shares may not be offered, issued or transferred to any person in circumstances which, in the opinion of the Directors, in consultation with the Manager, might result in the ICAV, the Shareholders as a whole or the Fund incurring any liability to taxation or suffering any other pecuniary disadvantage which the ICAV might not otherwise incur or suffer, or would result in the ICAV, the Shareholders as a whole or the Fund being required to register under any applicable US securities laws.

Unless otherwise disclosed in the Supplement, Shares may generally not be issued or transferred to any US Person, except that the Directors may authorise the issue or transfer of Shares to or for the account of a US Person provided that:

- (a) such US Person certifies that it is an “**accredited investor**” and a “**qualified purchaser**”, in each case as defined under applicable US federal securities laws;
- (b) such issue or transfer does not result in a violation of the 1933 Act or the securities laws of any of the states of the United States;
- (c) such issue or transfer will not require the ICAV to register under the 1940 Act or to file a prospectus with the US Commodity Futures Trading Commission or the US National Futures Association pursuant to regulations under the US Commodity Exchange Act;
- (d) such issue or transfer will not cause any assets of the Fund to be “plan assets” for the purposes of ERISA; and

- (e) such issue or transfer will not result in any adverse regulatory or tax consequences to the Fund or its Shareholders as a whole.

Each applicant for, and transferee of, Shares who is a US Person will be required to provide such representations, warranties or documentation as may be required by the Directors to ensure that these requirements are met prior to the issue or the registration of any transfer of Shares. If the transferee is not already a Shareholder, it will be required to complete the Application Form.

### **Foreign Account Tax Compliance Act**

The foreign account tax compliance provisions (“**FATCA**”) of the Hiring Incentives to Restore Employment Act 2010 which apply to certain payments are essentially designed to require reporting of Specified US Person’s direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service, with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard the Irish and US Governments signed an intergovernmental agreement (“**Irish IGA**”) with respect to the implementation of FATCA (see section entitled “Compliance with US reporting and withholding requirements” for further detail) on December 21, 2012.

Under the Irish IGA (and the relevant Irish regulations and legislation implementing same), foreign financial institutions (such as the ICAV) should generally not be required to apply 30% withholding tax. To the extent the ICAV however suffers US withholding tax on its investments as a result of FATCA, or is not in a position to comply with any requirement of FATCA, the Administrator acting on behalf of the ICAV may take any action in relation to a Shareholder’s investment in the ICAV to redress such non-compliance and/or to ensure that such withholding is economically borne by the relevant Shareholder whose failure to provide the necessary information or to become a participating foreign financial institution or other action or inaction gave rise to the withholding or non-compliance, including compulsory redemption of some or all of such Shareholder’s holding of shares in the ICAV.

Prospective investors and Shareholders should consult their own tax advisor with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the ICAV.

### **Common Reporting Standard**

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard (“**CRS**”) to address the issue of offshore tax evasion on a global basis. Additionally, on 9 December 2014, the European Union adopted EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (“**DAC2**”). The CRS and DAC2 provide a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS and DAC2, participating jurisdictions and EU member states will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified

by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges began in 2017. Ireland has legislated to implement the CRS and DAC2. As a result the ICAV will be required to comply with the CRS and DAC2 due diligence and reporting requirements, as adopted by Ireland. Shareholders may be required to provide additional information to the ICAV to enable the ICAV to satisfy its obligations under the CRS and DAC2. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of their Shares in the ICAV.

Shareholders and prospective investors should consult their own tax advisor with regard to with respect to their own certification requirements associated with an investment in the relevant Fund.

### **Joint Shareholders**

In the case of joint holdings, and unless specifically stated in writing at the time of the application and unless authorisation to the contrary has been received from the other joint Shareholders, all registered joint Shareholders must sign any and all documents or give instructions in connection with that holding.

### **Redemption of Shares**

Requests for the redemption of Shares should be made to the Administrator and may be submitted by email, secure document upload, post or such other means as agreed with the Administrator in accordance with the Central Bank's requirements. Redemption requests should be made by submitting a completed Redemption Form to the ICAV care of the Administrator. Redemption Forms received prior to the Fund's Dealing Deadline for any Dealing Day will be processed as at that Dealing Day. Any Redemption Forms received after the Fund's Dealing Deadline for a Dealing Day will normally be processed on the next Dealing Day. Redemption Forms received after the Fund's Dealing Deadline but prior to the Valuation Point will only be accepted in exceptional circumstances, as determined and agreed by the Directors in consultation with the Manager.

The Administrator will use reasonable efforts to acknowledge in writing all redemption requests which are received in good order. An investor failing to receive such written acknowledgement from the Administrator within five (5) Business Days should contact the Administrator to obtain the same. Failure to obtain such a written acknowledgement from the Administrator may render the request void, unless otherwise permitted by the Directors.

Please note the restrictions on payment of redemption proceeds as described in the section "**Application for Shares**" in relation to receipt of documentation and completion of all AML procedures.

### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator appropriately authorised in writing. Redemption payments will only be made to the account of record of a Shareholder.

### *Currency of Payment*

Shareholders will normally be repaid in the currency of denomination of the relevant Class from which the Shareholder has redeemed Shares.

### *Redemptions in Specie*

The ICAV may, at the discretion of the Directors in consultation with the Manager and with the consent of the relevant Shareholders, satisfy any request for redemption of Shares by the transfer in specie to those Shareholders of assets of the Fund having a value equal to the value of the Shares redeemed as if the redemption proceeds were paid in cash less any Redemption Fee and other expenses of the transfer as the Directors may determine.

A determination to provide redemption in specie is solely at the discretion of the ICAV where the redeeming Shareholder requests a redemption that represents 5% or more of the Net Asset Value of the Fund.

If the ICAV determines to satisfy a redemption request with an in specie transfer of assets, the Shareholder requesting redemption shall be entitled to request, in lieu of the transfer, the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale, less the costs of such sale which shall be borne by the relevant Shareholder.

The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors or their delegate (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors or their delegate in their discretion shall deem equitable. The redemption of Shares on an in specie basis may only be accepted if the Depositary is satisfied that the terms of the exchange will not be such as are likely to result in any material prejudice to the Shareholders in the Fund.

### *Redemption Limit*

Unless otherwise disclosed in the Supplement, the limitations on redemptions set out below shall be applicable to the relevant Fund.

Where in respect of any Fund to which these redemption limits apply, the total requests for redemption on any Dealing Day exceed at least 10% of the total number of Shares in the Fund or at least 10% of the Net Asset Value of the Fund and the Directors, in consultation with the Manager, decide to refuse to redeem any Shares in excess of 10% of the total number of Shares in the Fund or 10% of the Net Asset Value of the Fund or such higher percentage that the Directors may determine, the ICAV shall reduce pro rata any request for redemption on that Dealing Day and shall treat the redemption requests as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

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

Shareholders are required to notify the Administrator immediately if they become an Ineligible Applicant (as

described above) or persons who are otherwise subject to restrictions on ownership as set out herein in which Shareholders may be required to redeem or transfer their Shares.

The Directors in consultation with the Manager may compulsorily redeem any Shares which are or become owned, directly or indirectly, by or for the benefit of any person in breach of any restrictions on ownership from time to time as set out herein or if the holding of Shares in the following circumstances:

- (i) any person in breach of the law or requirements of any country or governmental authority by virtue of which such person is not qualified to hold Shares including without limitation any exchange control regulations;
- (ii) a person who is, or any person who has acquired such Shares on behalf of, or for the benefit of US Person in contravention of applicable laws and regulations;
- (iii) any person, whose holding would cause or be likely to cause the ICAV to be required to register as an “investment company” under the United States Investment Company Act of 1940 or to register any class of its securities under the Securities Act or similar statute;
- (iv) any person or persons in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons connected or not, or any other circumstances appearing to the Directors to be relevant) which in the opinion of the Directors might result in the ICAV or any Fund or Shareholders of the ICAV or Fund as a whole incurring any liability to taxation or suffering any tax, legal, pecuniary, regulatory liability or material administrative disadvantage which the ICAV, the Fund or the Shareholders or any of them might not otherwise have incurred or suffered;
- (v) any person who does not supply any information or declarations required by the Directors within seven days of a request to do so by the Directors;
- (vi) any person who, otherwise than as a result of depreciation in the value of his holding, holds less than the Minimum Holding for a particular Fund or Class of Participating Shares; or
- (vii) any person who is an Ineligible Applicant.

In all cases of compulsory redemption, the Directors retain the right to determine the Dealing Day for the redemption.

The ICAV may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising to the ICAV as a result of the holding or beneficial ownership of Shares by a Shareholder who has become an Ineligible Applicant including any interest or penalties payable thereon.

Shares will not receive or be credited with any dividend declared on or after the relevant Dealing Day on which they were redeemed.

## Total Redemption of Shares

All of the Shares of any Class or any Fund may be redeemed:

- (a) if the ICAV gives not less than four nor more than twelve weeks' notice expiring on a Dealing Day to Shareholders of its intention to redeem such Shares; or
- (b) if the Shareholders of 75% in value of the relevant Class or Fund resolve at a meeting of the Shareholders duly convened and held that such Shares should be redeemed.

The Directors in consultation with the Manager may resolve in their absolute discretion to retain sufficient monies prior to effecting a total redemption of Shares to cover the costs associated with the subsequent termination of a Fund or the liquidation of the ICAV.

## Conversion of Shares

Subject to the Minimum Subscription and Minimum Holding requirements of the relevant Fund or Classes and any other restrictions set down in the relevant Supplement, Shareholders may request conversion of some or all of their Shares in one Fund or Class (the "**Original Fund**") to Shares in another Fund or Class or another Class in the same Fund (the "**New Fund**") in accordance with the formula and procedures specified below.

Requests for conversion of Shares should be made to the ICAV care of the Administrator by written communication, email or other electronic means (in such format or method as shall be permitted by the Directors in consultation with the Manager and agreed in advance with the Administrator and subject to and in accordance with the requirements of the Administrator) and should include such information as may be specified from time to time by the Directors or their delegate.

Requests for conversion should be received prior to the earlier of the relevant Dealing Deadline for redemptions in the Original Fund and the relevant Dealing Deadline for subscriptions in the New Fund.

Conversion requests received after the relevant Dealing Deadline will only be accepted in exceptional circumstances as determined and agreed by the Directors and having regard to the equitable treatment of Shareholders.

Conversion requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

Where a conversion request would result in a Shareholder holding a number of Shares of either the Original Fund or the New Fund which would be less than the Minimum Holding for the relevant Fund, the ICAV or its delegate may, if it thinks fit, convert the whole of the holding in the Original Fund to Shares in the New Fund or refuse to effect any conversion from the Original Fund.

Fractions of Shares which shall not be less than 0.000001 of a Share may be issued by the ICAV on

conversion where the value of Shares converted from the Original Fund are not sufficient to purchase an integral number of Shares in the New Fund and any balance representing less than 0.000001 of a Share will be retained by the ICAV.

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

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

where

“**S**” is the number of Shares of the New Fund to be allotted.

“**R**” is the number of Shares in the Original Fund to be redeemed.

“**RP**” is the Redemption Price per Share of the Original Fund for the relevant Dealing Day.

“**ER**” is the currency conversion factor (if any) as determined by the Administrator.

“**F**” is the conversion charge (if any) of up to 1% of the Net Asset Value of the Shares in the Original Fund.

“**SP**” is the Subscription Price per Share of the New Fund for the relevant Dealing Day.

The relevant Supplement may disclose the power of the Directors to compulsorily switch Shares of one Class into Shares of another Class under certain circumstances.

### **Withdrawal of Conversion Requests**

Conversion requests may not be withdrawn save with the written consent of the Directors or its authorised agent or in the event of a suspension of calculation of the Net Asset Value of the Funds in respect of which the conversion request was made.

### **Net Asset Value and Valuation of Assets**

Unless otherwise provided in a particular Supplement, the methodology used to determine the Net Asset Value of each Fund and Class and Share of each Fund shall be as set out below.

The Net Asset Value of the Fund and each Class will be calculated by the Administrator as at the Valuation Point with respect to each Valuation Day in accordance with the Instrument. The Net Asset Value of the Fund shall be determined as at the Valuation Point for the relevant Valuation Day by valuing the assets of the Fund (including income accrued but not collected) and deducting the liabilities of the Fund (including a provision for Duties and Charges, accrued expenses and fees, including those to be incurred in the event of a subsequent termination of the Fund or liquidation of the ICAV and all other liabilities). The Net Asset

Value attributable to a Class shall be determined as at the Valuation Point for the relevant Valuation Day by calculating that portion of the Net Asset Value of the Fund attributable to the relevant Class as at the Valuation Point subject to adjustment to take account of assets and/or liabilities attributable to the Class. The Net Asset Value of the Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case, in consultation with the Manager.

The Net Asset Value per Share shall be calculated as at the Valuation Point on or with respect to each Valuation Day by dividing the Net Asset Value of the Fund or attributable to a Class by the total number of Shares in issue, or deemed to be in issue, in the Fund or Class at the relevant Valuation Point.

In determining the Net Asset Value of the Fund:

- (a) Securities which are listed or traded on a Recognised Market save as hereinafter provided at (g) will be valued at the closing (bid, offer or mid, as appropriate to each Fund and as disclosed in the relevant Supplement) or, if no closing price is available, at the last known market prices. Where a security is listed or traded on more than one Recognised Market the relevant exchange or market shall be the one that constitutes the main market or the one which the Directors (in consultation with the Manager) determines provides the fairest criteria in determining a value for the relevant securities. Securities listed or traded on a Recognised Market, but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point.
- (b) Securities which are listed or traded on a Recognised Market where the market price is unrepresentative or not available, and unlisted securities, shall be valued at the probable realisation value estimated with care and good faith by;
  - (i) the Directors; or
  - (ii) a competent person appointed by the Directors and approved for the purpose by the Depositary; or
  - (i) by any other means, provided the value is approved by the Depositary.

Fixed income securities may be valued by any of the persons listed in (i), (ii) or (iii) immediately above using matrix pricing (i.e. valuing securities by reference to the valuation of other securities which are considered comparable in rating, yield, due date and other characteristics) where reliable market quotations are not available.

- (c) Cash in hand or on deposit will be valued at its face/nominal value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (d) Exchange traded futures and options contracts (including futures and options on indices) which are dealt in on a Recognised Market shall be valued based on the settlement price as determined by the market where the exchange traded future/option contract is traded. If the settlement price is not available, the contract shall be valued at the probable realisation value estimated with care and in

good faith by (i) the Directors; or (ii) a competent person appointed by the Directors and approved for the purpose by the Depositary; or (iii) any other means, provided that the value is approved by the Depositary.

- (e) OTC derivative contracts which are not traded on a Recognised Market and are not cleared by a clearing counterparty shall be valued on the basis of the mark to market value of the derivative contract or, if market conditions prevent marking to market, reliable and prudent marking to model may be used. OTC derivative contracts which are not traded on a Recognised Market and which are cleared by a clearing counterparty shall be valued on the basis of a quotation provided at least as frequently as the relevant Fund calculates its Net Asset Value by the relevant counterparty and verified at least monthly by a party independent of the counterparty, including the Manager, or another independent party which is approved for such purpose by the Depositary.
- (f) Forward foreign exchange contracts shall be valued in the same manner as derivative contracts which are not traded in a Recognised Market or by reference to the price at the Valuation Point at which a new forward contract of the same size and maturity could be undertaken.
- (g) Notwithstanding paragraph (a) above units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or the latest bid price as published by the investment fund. Valuation on a mid-price or offer price is acceptable if consistent with the valuation policy. The Directors may in accordance with (a) above undertake a valuation based on market prices where the investment fund in which the investment is made is listed on a Recognised Market.
- (h) Where it is not the intention or objective of the Directors to apply amortised cost valuation to the portfolio of a Fund as a whole, a Money Market Instrument within such a portfolio shall only be valued on an amortised basis if the Money Market Instrument has a residual maturity of less than three months and does not have any specific sensitivity to market parameters, including credit risk.
- (i) The value of any asset may be adjusted by the Directors where an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations as are deemed relevant.
- (j) Any value expressed otherwise than in the Base Currency of the Fund shall be converted into the Base Currency of the Fund at the prevailing exchange rate as of the Valuation Point which is available to the Administrator and which is normally obtained from a relevant data provider.
- (k) A particular asset valuation may be carried out using an alternative method of valuation if the Directors deem it necessary and the alternative method must be approved by the Depositary and the rationale/methodologies shall be clearly documented.

### **Swing pricing**

Subscriptions or redemptions in a Fund or Share Class can create dilution of the Fund's or the Share

Class's assets if Shareholders subscribe or redeem at a price that does not necessarily reflect the real dealing and other costs that arise when the Investment Manager buys or sells assets to accommodate net subscriptions or net redemptions. In order to protect the interests of the existing Shareholders of a Fund or a Share Class, a swing pricing mechanism may be adopted as appropriate if disclosed, and as further described, in the Supplement of the Fund. If the net subscriptions and redemptions based on the last available Net Asset Value on any Valuation Day exceed a certain threshold of the value of a Fund or a Share Class on that Valuation Day, as determined and reviewed on a periodic basis by the Manager in consultation with the Directors, the asset value may be adjusted respectively upwards or downwards to reflect the dealing and other costs that may be deemed to be incurred in buying or selling assets to satisfy net daily transactions. The Directors may, in consultation with the Manager, apply a swing pricing mechanism across any Fund or Share Class as described in the Supplement of the relevant Fund. The extent of the price adjustment will be set by the Directors, in consultation with the Manager, to reflect estimated dealing and other costs. This valuation policy selected by the Manager shall, unless otherwise permitted by the Central Bank, be applied on a consistent basis throughout the life of the relevant Fund for as long as it is operated on a going concern basis.

### **Anti-Dilution Levy**

Where a Fund buys/enters or sells/exits Financial Instruments in response to a request for the issue or redemption of Shares, it will generally incur a reduction in value, made up of dealing costs and any spread between the bid and offer prices of the investments concerned when compared to their valuation within the Net Asset Value per Share. The Net Asset Value per Share generally does not reflect such costs.

The aim of the anti-dilution levy is to reduce the impact of such costs (which, if material, disadvantage existing Shareholders of the relevant Fund) so as to preserve the value of the relevant Fund. Where disclosed in the relevant Supplement, in calculating the Subscription Price or Redemption Price of the Shares, the Directors, in consultation with the Manager, may on any Dealing Day when there are net subscriptions or redemptions, adjust the asset value of the Fund by adding or deducting an anti-dilution levy to cover dealing costs and to preserve the value of the underlying assets of a Fund.

The need to charge an anti-dilution levy will depend inter alia on general market liquidity of the Fund's Financial Instruments and on the net transactional activity of Shares on any given Dealing Day, and this will be evaluated by the Manager and implemented, following the approval of the Directors, in consultation with the Manager, by the Administrator without prior notification to the relevant Shareholder. Net transactional activity of Shares is determined with reference to the cumulative subscription and redemption requests (including subscriptions and/or redemptions which would be affected as a result of conversions from one Fund into another Fund) processed in respect of any given Dealing Day.

The anti-dilution levy may vary according to the prevailing market conditions and the implementation of the valuation policy with respect to the determination of the Net Asset Value on any given Valuation Day.

### **Publication of Net Asset Value per Share**

Except where the determination of the Net Asset Value of the Fund, the Net Asset Value per Share and/or

the issue and repurchase prices have been temporarily suspended in the circumstances described in the section of the Prospectus headed “**Suspension of Valuation of Assets**”, the Net Asset Value per Share of each Class of the Fund and the issue and repurchase prices of the Shares on each Subscription Day and Redemption Day will be available from the Administrator on each Dealing Day during normal business hours and is published on Bloomberg. The Net Asset Value per Share published on Bloomberg will be up to date.

### **Suspension of Valuation of Assets**

The Directors in consultation with the Manager may at any time and from time to time temporarily suspend the determination of the Net Asset Value of any Fund or attributable to a Class and the issue, conversion and redemption of Shares in any Fund or Class:

- (a) during the whole or part of any period (other than for ordinary holidays or customary weekends) when any of the Recognised Market on which the relevant Fund's Financial Instruments are quoted, listed, traded or dealt are closed or during which dealings therein are restricted or suspended or trading is suspended or restricted; or
- (b) during the whole or part of any period when circumstances outside the control of the Directors in consultation with the Manager exist as a result of which any disposal or valuation of Financial Instruments of the Fund is not reasonably practicable or would be detrimental to the interests of Shareholders or it is not possible to transfer monies involved in the acquisition or disposition of Financial Instruments to or from the relevant account of the ICAV; or
- (c) during the whole or any part of any period when any breakdown occurs in the means of communication normally employed in determining the value of any of the relevant Fund's Financial Instruments; or
- (d) during the whole or any part of any period when for any reason the value of any of the Fund's Financial Instruments cannot be reasonably, promptly or accurately ascertained; or
- (e) during the whole or any part of any period when subscription proceeds cannot be transmitted to or from the account of any Fund or the ICAV is unable to repatriate funds required for making redemption payments (for example in the event of the imposition of exchange controls in an emerging economy in which a Fund is invested) or when such payments cannot, in the opinion of the Directors in consultation with the Manager, be carried out at normal rates of exchange; or
- (f) upon mutual agreement between the ICAV and the Depositary for the purpose of winding up the ICAV or terminating any Fund or Class; or
- (g) during any period when, as a result of political, economic, military or monetary events or any circumstances outside of the control, responsibility and power of the ICAV, disposal or valuation of a substantial portion of the Investments of the relevant Fund is not reasonably practicable without being seriously detrimental to the interests of the Shareholders of the relevant Fund or if, in the

opinion of the Directors in consultation with the Manager, the Net Asset Value of the Fund cannot be fairly calculated; or

- (h) if any other reason makes it impossible or impracticable to determine the value of, or to liquidate, a substantial portion of the Financial Instruments or the ICAV or any Fund where the imposition of a deferred redemption schedule (as described in the section entitled “THE SHARES”, under the sub-heading “Redemption of Shares”, under the paragraph headed “Redemption Limit”) is not considered by the Directors to be an appropriate measure to take in the circumstances to protect the best interests of the Shareholders.

Any suspension of valuation shall be notified immediately to the Central Bank and in any event within the working day on which such suspension took effect and shall be communicated to Shareholders. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

## **Distributions**

The ICAV can issue accumulating Classes and distributing Classes. Please see the relevant Supplement to determine the shares available for each Fund.

Save as may be provided in the Supplement for the relevant Fund, dividends may be paid out of the net investment income and/or net realised and unrealised capital gains (i.e. realised and unrealised gains net of realised and unrealised losses) of the Fund.

The distribution policy of each Share Classes and Fund is described in the relevant Supplement.

### *Unclaimed Dividends*

Any dividend unclaimed after 6 years from the date it first becomes payable shall be forfeited automatically and will revert to the Fund without the necessity for any declaration or other action by the Directors, the ICAV or the Manager.

## **Tax Liability of the ICAV**

Prospective investors and Shareholders should be aware that they may be required to pay income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of a Fund, capital gains within a Fund, whether or not realised, income received or accrued or deemed received within a Fund. The requirement to pay such taxes will be according to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and in the country of residence or nationality of the Shareholder and such laws and practices may change from time to time.

Any change in the taxation legislation in Ireland, or elsewhere, could affect a Fund’s ability to achieve its investment objective, the value of a Fund’s investments, the ability to pay returns to Shareholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Potential investors and Shareholders

should note that the statements on taxation which are set out herein and in this Prospectus are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely.

Finally, if the ICAV becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon if an event giving rise to a tax liability occurs, the ICAV shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the ICAV indemnified against any loss arising to the ICAV by reason of the ICAV becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Prospective investors and Shareholders should consult their tax advisors with respect to their particular tax situations and the tax consequences of an investment in a particular Fund.

## 5. TAXATION

### General

***The information given is not exhaustive and does not constitute legal or tax advice. Prospective investors should consult their own professional advisers as to the implications of their subscribing for, purchasing, holding, switching or disposing of Shares under the laws of the jurisdictions in which they may be subject to tax.***

***The following is a brief summary of certain aspects of Irish taxation law and practice relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.***

Dividends, interest and capital gains (if any) which the ICAV or any of the Funds receive with respect to their investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the ICAV 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 a repayment to the ICAV 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.

### Irish Taxation

The Directors have been advised that on the basis that the ICAV is resident in Ireland for taxation purposes the taxation position of the ICAV and the Shareholders is as set out below.

### Definitions

For the purposes of this section, the following definitions shall apply.

**“Exempt Irish Investor”** means;-

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f)(i) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the Taxes Act;

- an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Asset Management Agency;
- the National Treasury Management Agency or a Fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the ICAV; or
- any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Irish Revenue Commissioners without giving rise to a charge to tax in the ICAV or jeopardising tax exemptions associated with the ICAV giving rise to a charge to tax in the ICAV;

provided that they have correctly completed the Relevant Declaration.

#### **“Intermediary”**

means a person who:-

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

**“Ireland”** means the Republic of Ireland

#### **“Irish Resident”**

- in the case of an individual, means an individual who is resident in Ireland for tax purposes.
- in the case of a trust, means a trust that is resident in Ireland for tax purposes.
- in the case of a company, means a company that is resident in Ireland for tax purposes.

An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This test took effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

A trust will generally be Irish resident where the trustee is resident in Ireland or a majority of the trustees (if more than one) are resident in Ireland.

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where:-

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country. This exception does not apply where it would result in an Irish incorporated company that is managed and controlled in a relevant territory (other than Ireland), but would not be resident in that relevant territory as it is not incorporated there, not being resident for tax purposes in any territory.

or

- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

The Finance Act 2014 amended the above residency rules for companies incorporated on or after 1 January 2015. These new residency rules will ensure that companies incorporated in Ireland and also companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland). For companies incorporated before this date these new rules will not come into effect until 1 January 2021 (except in limited circumstances).

It should be noted that the determination of a company's residence for tax purposes can be complex in certain cases and potential investors are referred to the specific legislative provisions that are contained in Section 23A of the Taxes Act.

### **“Ordinarily Resident in Ireland”**

- in the case of an individual, means an individual who is ordinarily resident in Ireland for tax purposes
- in the case of a trust, means a trust that is ordinarily resident in Ireland for tax purposes.

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year January 1, 2020 to December 31, 2020 and departs from Ireland

in that tax year will remain ordinarily resident up to the end of the tax year January 1, 2023 to December 31, 2023.

The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

#### **“Recognised Clearing System”**

means any clearing system listed in Section 246A of the Taxes Act (including, but not limited to, Euroclear, Clearstream Banking AG, Clearstream Banking SA and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners, as a recognised clearing system.

#### **“Relevant Declaration”**

means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act.

#### **“Relevant Period”**

means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding Relevant Period.

**“Taxes Act”**, means the Taxes Consolidation Act, 1997 (of Ireland) as amended.

#### **Taxation of the ICAV**

The Directors have been advised that, under current Irish law and practice, the ICAV qualifies as an investment undertaking as defined in Section 739B of the Taxes Act, so long as the ICAV is resident in Ireland. Accordingly the ICAV is not chargeable to Irish tax on its income and gains.

However, tax can arise on the happening of a “chargeable event” in the ICAV. A chargeable event includes any distribution payments to Shareholders or any encashment, redemption, cancellation, transfer or deemed disposal (a deemed disposal will occur at the expiration of a Relevant Period) of Shares or the appropriation or cancellation of Shares of a Shareholder by the ICAV for the purposes of meeting the amount of tax payable on a gain arising on a transfer. No tax will arise on the ICAV in respect of chargeable events in respect of a Shareholder who is neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event provided that a Relevant Declaration is in place and the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration or the ICAV satisfying and availing of equivalent measures (see paragraph headed “*Equivalent Measures*” below) there is a presumption that the investor is Irish Resident or Ordinarily Resident in Ireland. A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arms-length bargain where no payment is made to the Shareholder, of Shares in the ICAV for other Shares in the ICAV;

- Any transactions (which might otherwise be a chargeable event) in relation to shares held in a recognised clearing system as designated by order of the Irish Revenue Commissioners;
- A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses and former spouses, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the ICAV with another investment undertaking.

If the ICAV becomes liable to account for tax if a chargeable event occurs, the ICAV shall be entitled to deduct from the payment arising on a chargeable event an amount equal to the appropriate tax and/or where applicable, to appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax. The relevant Shareholder shall indemnify and keep the ICAV indemnified against loss arising to the ICAV by reason of the ICAV becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

Dividends received by the ICAV from investment in Irish equities may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, the ICAV can make a declaration to the payer that it is a collective investment undertaking beneficially entitled to the dividends which will entitle the ICAV to receive such dividends without deduction of Irish dividend withholding tax.

### ***Stamp Duty***

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the ICAV. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the ICAV on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act (that is not an Irish Real Estate Fund within the meaning of Section 739K of the Taxes Act) or a “qualifying company” within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

### **Shareholders Tax**

#### ***Shares which are held in a Recognised Clearing System***

Any payments to a Shareholder or any encashment, redemption, cancellation or transfer of Shares held in a Recognised Clearing System will not give rise to a chargeable event in the ICAV (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Shares held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal,

therefore, as previously advised, Shareholders should seek their own tax advice in this regard). Thus the ICAV will not have to deduct any Irish taxes on such payments regardless of whether they are held by Shareholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Shareholder has made a Relevant Declaration. However, Shareholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Shares are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Shares.

To the extent any Shares are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the discussion in the previous paragraph relating to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

*Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland*

The ICAV will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if (a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration on or about the time when the Shares are applied for or acquired by the Shareholder and (c) the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration (provided in a timely manner) or the ICAV satisfying and availing of equivalent measures (see paragraph headed “*Equivalent Measures*” below) tax will arise on the happening of a chargeable event in the ICAV regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

To the extent that a Shareholder is acting as an Intermediary on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland no tax will have to be deducted by the ICAV on the occasion of a chargeable event provided that either (i) the ICAV satisfied and availed of the equivalent measures or (ii) the Intermediary has made a Relevant Declaration that he/she is acting on behalf of such persons and the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct.

Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland and either (i) the ICAV has satisfied and availed of the equivalent measures or (ii) such Shareholders have made Relevant Declarations in respect of which the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct, will not be liable to Irish tax in respect of income from their Shares and gains made on the disposal of their Shares. However, any corporate Shareholder which is not Irish Resident and which holds Shares directly or indirectly by or for a trading branch or agency in Ireland will be liable to Irish tax on income from their Shares or gains made on disposals of the Shares.

Where tax is withheld by the ICAV on the basis that no Relevant Declaration has been filed with the ICAV by the Shareholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

### *Shareholders who are Irish Residents or Ordinarily Resident in Ireland*

Unless a Shareholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will be required to be deducted by the ICAV from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will have to be deducted by the ICAV on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Shareholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Shares held by them in the ICAV at the ending of a Relevant Period. Such Shareholders (both companies and individuals) will be deemed to have disposed of their Shares (“deemed disposal”) at the expiration of that Relevant Period and will be charged to tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Shares since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the ICAV will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the ICAV will refund the Shareholder for the excess (subject to the paragraph headed “15% threshold” below).

#### 10% Threshold

The ICAV will not have to deduct tax (“exit tax”) in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the ICAV (or Fund) is less than 10% of the value of the total Shares in the ICAV (or the Fund) and the ICAV has made an election to report certain details in respect of each affected Shareholder to Irish Revenue Commissioners (the “Affected Shareholder”) in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on a deemed disposal will be the responsibility of the Shareholder on a self-assessment basis (“self-assessors”) as opposed to the ICAV or Fund (or their service providers). The ICAV is deemed to have made the election to report once it has advised the Affected Shareholders in writing that it will make the required report.

### 15% Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (e.g. due to a subsequent loss on an actual disposal), the ICAV will refund the Shareholder the excess. Where however immediately before the subsequent chargeable event, the value of chargeable shares in the ICAV (or Fund) does not exceed 15% of the value of the total Shares, the ICAV may elect to have any excess tax arising repaid directly by the Irish Revenue Commissioners to the Shareholder. The ICAV is deemed to have made this election once it notifies the Shareholder in writing that any repayment due will be made directly by the Irish Revenue Commissioners on receipt of a claim by the Shareholder.

### *Other*

To avoid multiple deemed disposal events for multiple Shares an irrevocable election under Section 739D(5B) can be made by the ICAV to value the Shares held at the June 30 or December 31 of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group shares in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Shareholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Shares. Alternatively they may be entitled to a refund of all or part of any tax deducted by the ICAV on a chargeable event.

### *Equivalent Measures*

The Finance Act 2010 ("Act") introduced measures commonly referred to as equivalent measures to amend the rules with regard to Relevant Declarations. The position prior to the Act was that no tax would arise on an investment undertaking with regard to chargeable events in respect of a shareholder who was neither Irish Resident nor Ordinarily Resident in Ireland at the time of the chargeable event, provided that a Relevant Declaration was in place and the investment undertaking was not in possession of any information which would reasonably suggest that the information contained therein was no longer materially correct. In the absence of a Relevant Declaration there was a presumption that the investor was Irish Resident or Ordinarily Resident in Ireland. The Act however contained provisions that permit the above exemption in respect of shareholders who are not Irish Resident nor Ordinarily Resident in Ireland to apply where the investment undertaking is not actively marketed to such investors and appropriate equivalent measures are put in place by the investment undertaking to ensure that such shareholders are not Irish Resident nor Ordinarily Resident in Ireland and the investment undertaking has received approval from the Irish Revenue Commissioners in this regard.

## *Personal Portfolio Investment Undertaking*

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after February 20, 2007, will be taxed at the rate of 60%. Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking. Further restrictions may be required in the case of investments in land or unquoted shares deriving their value from land.

## **Reporting**

Pursuant to Section 891C of the TCA and the Return of Values (Investment Undertakings) Regulations 2013, the ICAV is obliged to report certain details in relation to Shares held by investors to the Irish Revenue Commissioners on an annual basis. The details to be reported include the name, address and date of birth if on record of, and the value of the Shares held by, a Shareholder. The details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. No details are to be reported in respect of Shareholders who are;

- Exempt Irish Investors (as defined above);
- Shareholders who are neither Irish Resident nor Ordinarily Resident in Ireland (provided the relevant declaration has been made); or
- Shareholders whose Shares are held in a Recognised Clearing System.

## **Capital Acquisitions Tax**

The disposal of Shares may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the ICAV falls within the definition of investment undertaking (within the meaning of Section 739B (1) of the Taxes Act), the disposal of Shares by a Shareholder is not liable to Capital Acquisitions Tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland; (b) at the date of the disposition, the Shareholder disposing ("disponer") of the Shares is neither domiciled nor Ordinarily Resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish

domiciled persons. A non-Irish domiciled donee or disponent will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

- i) that person has been resident in Ireland for the 5 consecutive years of assessment immediately preceding the year of assessment in which that date falls; and
- ii) that person is either resident or ordinarily resident in Ireland on that date.

### **Compliance with US reporting and withholding requirements**

The foreign account tax compliance provisions (“FATCA”) of the Hiring Incentives to Restore Employment Act 2010 represent an expansive information reporting regime enacted by the United States (“US”) aimed at ensuring that Specified US Persons with financial assets outside the US are paying the correct amount of US tax. FATCA will generally impose a withholding tax of up to 30% with respect to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends paid to a foreign financial institution (“FFI”) unless the FFI enters directly into a contract (“**FFI agreement**”) with the US Internal Revenue Service (“**IRS**”) or alternatively the FFI is located in a IGA country (please see below). An FFI agreement will impose obligations on the FFI including disclosure of certain information about US investors directly to the IRS and the imposition of withholding tax in the case of non-compliant investors. For these purposes the ICAV would fall within the definition of a FFI for the purpose of FATCA.

In recognition of both the fact that the stated policy objective of FATCA is to achieve reporting (as opposed to being solely the collecting of withholding tax) and the difficulties which may arise in certain jurisdictions with respect to compliance with FATCA by FFIs, the US has developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement (“**Irish IGA**”) on the December 21, 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Irish Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014 which is effective from July 1, 2014. Supporting Guidance Notes have been issued by the Irish Revenue Commissioners and are updated on ad-hoc basis.

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

Under the Irish IGA, FFIs should generally not be required to apply 30% withholding tax. To the extent the ICAV does suffer US withholding tax on its investments as a result of FATCA, the Directors may take any action in relation to an investor's investment in the ICAV ensure that such withholding is economically borne

by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

### **Common Reporting Standard**

On 14 July 2014, the OECD issued the Standard for Automatic Exchange of Financial Account Information (“**the Standard**”) which therein contains the Common Reporting Standard (“**CRS**”). This has been applied in Ireland by means of the relevant international legal framework and Irish tax legislation. Additionally, on 9 December 2014, the European Union adopted EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation (“**DAC2**”) which, in turn, has been applied in Ireland by means of the relevant Irish tax legislation.

The main objective of the CRS and DAC2 is to provide for the annual automatic exchange of certain financial account information between relevant tax authorities of participating jurisdictions or EU member states.

The CRS and DAC2 draw extensively on the intergovernmental approach used for the purposes of implementing FATCA and, as such, there are significant similarities between the reporting mechanisms. However, whereas FATCA essentially only requires reporting of specific information in relation to Specified US Persons to the IRS, the CRS and DAC2 have significantly wider ambit due to the multiple jurisdictions participating in the regimes.

Broadly speaking, the CRS and DAC2 will require Irish Financial Institutions to identify Account Holders (and, in particular situations, Controlling Persons of such Account Holders) resident in other participating jurisdictions or EU member states and to report specific information in relation to these Account Holders (and, in particular situations, specific information in relation to identified Controlling Persons) to the Irish Revenue Commissioners on an annual basis (which, in turn, will provide this information to the relevant tax authorities where the Account Holder is resident). In this regard, please note that the ICAV will be considered an Irish Financial Institution for the purposes of the CRS and DAC2.

For further information on the CRS and DAC2 requirements of the ICAV, please refer to the below “CRS/DAC2 Data Protection Information Notice”.

Shareholders and prospective investors should consult their own tax advisor regarding the requirements under CRS/DAC2 with respect to their own situation.

#### *CRS/DAC2 Data Protection Information Notice*

The ICAV hereby confirms that it intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the CRS therein, as applied in Ireland by means of the relevant international legal framework and Irish tax legislation and (ii) DAC2, as applied in Ireland by means of the relevant Irish tax legislation, so as to ensure compliance or deemed compliance (as the case may be) with the CRS and the DAC2 from 1 January 2016.

In this regard, the ICAV is obliged under Section 891F and Section 891G of the Taxes Act and regulations made pursuant to those sections to collect certain information about each Shareholder's tax arrangements (and also collect information in relation to relevant Controlling Persons of specific Shareholders).

In certain circumstances, the ICAV may be legally obliged to share this information and other financial information with respect to a Shareholder's interests in the ICAV with the Irish Revenue Commissioners (and, in particular situations, also share information in relation to relevant Controlling Persons of specific Shareholders). In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, information that may be reported in respect of a Shareholder (and relevant Controlling Persons, if applicable) includes name, address, date of birth, place of birth, account number, account balance or value at year end (or, if the account was closed during such year, the balance or value at the date of closure of the account), any payments (including redemption and dividend/interest payments) made with respect to the account during the calendar year, tax residency(ies) and tax identification number(s).

Shareholders (and relevant Controlling Persons) can obtain more information on the ICAV's tax reporting obligations on the website of the Irish Revenue Commissioners (which is available at <http://www.revenue.ie/en/business/aeoi/index.html>) or the following link in the case of CRS only: <http://www.oecd.org/tax/automatic-exchange/>.

All capitalised terms above, unless otherwise defined above, shall have the same meaning as they have in the Standard or DAC2 (as applicable).

### **Mandatory Disclosure Rules**

Council Directive (EU) 2018/822 (amending Directive 2011/16/EU), commonly referred to as "DAC6", became effective on 25 June 2018. Relevant Irish tax legislation has since been introduced to implement this Directive in Ireland.

DAC6 creates an obligation for persons referred to as "intermediaries" to make a return to the relevant tax authorities of information regarding certain cross-border arrangements with particular characteristics, referred to as "hallmarks" (most of which focus on aggressive tax planning arrangements). In certain circumstances, instead of an intermediary, the obligation to report may pass to the relevant taxpayer of a reportable cross-border arrangement.

The transactions contemplated under the prospectus may fall within the scope of DAC6 and thus may qualify as reportable cross-border arrangements. If that were the case Dillon Eustace, the Manager or any other person that falls within the definition of an "intermediary" or, in certain circumstances, the relevant taxpayer of a reportable cross-border arrangement (this could include Shareholder(s)) may have to report information in respect of the transactions to the relevant tax authorities. Please note that this may result in the reporting of certain Shareholder information to the relevant tax authorities.

Shareholders and prospective investors should consult their own tax advisor regarding the requirements of

DAC6 with respect to their own situation.

## United Kingdom Taxation

**Warning:** The information contained below is relevant only to (i) individuals holding Shares who are resident and domiciled for tax purposes in the UK and (ii) UK resident corporate Shareholders – hereafter referred to collectively as “UK tax resident Shareholders”. It is based on UK tax legislation and the published HM Revenue and Customs (“HMRC”) interpretation thereof, all of which are subject to change, possibly with retrospective effect.. The information is intended as a guide only and not a substitute for professional advice. It does not purport to be a complete analysis of all tax considerations relating to the holding of Shares. The information does not constitute legal or tax advice, and prospective investors should consult their own professional advisers as to the implications of subscribing for, purchasing, holding, switching or disposing of Shares under the laws of any jurisdiction in which they may be subject to tax.

This summary in particular does not address the tax consequences for non UK resident persons who hold the shares in connection with a trade, profession or vocation carried on in the UK (whether through a branch or agency or permanent establishment). In addition, the summary only addresses the tax consequences for UK investors who hold Shares as an investment and not as trading stock. It does not deal with the position of certain classes of investors, such as dealers in securities and insurance companies, trusts and persons who have acquired their Shares by reason of their or another's employment; nor does it deal with the position of individuals who are UK resident but non-domiciled. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the ICAV is made will endure indefinitely.

### **5.1. *Nature of investment***

The ICAV is an Irish collective asset management vehicle and is authorised as a UCITS scheme in Ireland by the Central Bank of Ireland. The ICAV is structured as an umbrella fund consisting of different Funds, each comprising of one or more share classes. Investors will acquire Shares in certain Share Classes of a particular Fund.

### **5.2. *Taxation status of the ICAV***

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

Further comfort in this regard can be obtained from the provisions of s363A Taxation (International and Other Provisions) Act 2010 which provide that, where a corporate fund is authorised as a UCITS pursuant to Article 5 of the UCITS Directive in a country other than the UK, then the corporate fund should not be resident for UK income tax, corporation tax or capital gains tax purposes even if it would be so viewed under general UK tax principles.

If the ICAV should invest in UK investments, any UK source income arising may be subject to UK

withholding tax, depending on the nature of those investments and whether the ICAV can make a valid treaty claim to avoid or minimise such withholding tax.

### 5.3. *Offshore fund rules*

The offshore fund rules contained in the UK Offshore Funds (Tax) Regulations 2009 are an anti-avoidance regime designed to prevent income being rolled up in offshore fund vehicles such as the ICAV and converted into chargeable gains on redemption.

As noted above, the ICAV is structured as an umbrella fund consisting of different Funds, each comprising of one or more Share Classes. Each Share Class of each Fund should be treated as an “offshore fund” for the purposes of the UK Offshore Fund’s tax regime in Section 355 of the Taxation (International and Other Provisions) Act 2010. The UK’s reporting fund regime, which is contained in the Offshore Funds (Tax) Regulations 2009 (Statutory Instrument 2009/3001), therefore applies to these Share Classes.

Under the UK reporting fund regime, for UK taxpayers to secure capital gains tax treatment on the disposal of their investment in Shares in a Share Class of the Fund, that Share Class would need to be certified as a ‘reporting fund’ through the entire period over which the UK taxpayer held the investment.

It is expected that an application will be made to HMRC for UK reporting fund status in respect of the following Share Classes in due course, and that these Share Classes will have UK reporting fund status with effect from the accounting period ending 31 December 2020 onwards:

- F and F2 Class
- H and H2 Class
- S Class
- M Class

These reporting fund Share Classes are hereafter referred to as “Reporting Classes”. The remainder of the existing Share Classes of the Funds are not currently registered as UK reporting funds (thereafter referred to as “Non-Reporting Classes”). Share Classes issued in future accounting periods may register with HMRC as UK Reporting Funds with effect from the accounting period in which shares in the relevant Share Class are first issued.

An application for UK reporting fund status must be received by HMRC by the later of (i) the end of first period of account for which UK reporting fund status is to apply, and (ii) the expiry of a period of three months beginning with the first day on which interests in the relevant Share Classes are made available to investors resident in the UK.

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

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

The comments below under the heading entitled “Taxation of UK resident investors in a Reporting Fund Share Class” are based on the assumption that the above Reporting Classes maintain reporting fund status with HMRC from the date they first obtained such status. It is important to note that reporting fund status must be maintained on an annual basis by each Reporting Class. If reporting fund status is revoked by HMRC for any Reporting Class, that Reporting Class will be unable to regain reporting fund status and will thereafter be permanently outside the reporting fund regime.

The Directors will decide whether or not (i) any future Share Class of the Funds or (ii) any existing Non-Reporting Classes will apply to HMRC for reporting fund status on a Share Class by share class basis. Where a share class of a Fund does not have reporting fund status throughout the entire period in which it is owned by an investor, the heading entitled “Taxation of UK tax resident shareholders in non Reporting Fund Share Classes” includes some comments in relation to the UK taxation implications of UK tax resident shareholders in any non Reporting Fund Share Class of the Fund. Where an investor owns shares in a Non-Reporting Class that subsequently becomes a Reporting Class, certain elections may be available to enable them to benefit from the reporting fund status going forward.

#### **5.4. Taxation of UK tax resident shareholders**

The general comments below are prepared on the basis that none of the Reporting Classes in the Funds are categorised as ‘bond funds’ under the relevant UK legislation. Broadly, a Share Class is likely to be viewed as a ‘bond fund’ for an accounting period if at any time in that accounting period the market value of its ‘qualifying investments’ (being broadly government and corporate debt, securities or cash on deposit (other than cash awaiting investment) or certain derivative contracts or holdings in other funds which at any time in the relevant accounting period are categorised as ‘bond funds’) exceed more than 60% of the market value of its total assets.

The investment objective of each Fund indicates that it is unlikely that either Fund will be viewed as a ‘bond fund’ for UK tax purposes. However, this would need to be formally confirmed on an annual basis by review of the proportional weighting of the ‘qualifying investments’ to total assets throughout that period.

Dividends and other income distributions paid to (or deemed to be paid to) UK resident and domiciled individual shareholders in respect of shares in a Fund which is deemed to be a ‘bond fund’, may instead be taxed as ‘interest’ as opposed to ‘dividends’ (as discussed at Section 5.4.2 below) and the dividend allowance of £2,500 would not be relevant. In such cases, where the interest distribution represents taxable income for the 2019/20 income tax year, the applicable rates of tax would be 20% for basic rate tax payers,

40% for higher rate taxpayers and 45% for additional rate taxpayers.

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

## **5.5.      *Taxation of UK tax resident shareholders in a Reporting Class***

### **5.5.1.    *Capital gains – general principles***

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

#### **5.5.1.1.   *UK individual investors in a Reporting Class***

Shareholders who are resident in the UK for tax purposes may be liable to capital gains tax in respect of capital disposals of their Reporting Class Shares.

Any capital increase in the value of the shares realised on eventual sale (when compared to deductible costs) is likely to be taxable under the UK capital gains code (headline rate of 20% for the 2019/20 income tax year), subject to the availability of various exemptions and/or reliefs. Deductible costs should include the amount initially paid for the shares, as well as any accumulated and not distributed amounts that have been taxable as income in the hands of the individual via the annual reported income of the share class (as discussed at Section 5.4.2 below).

#### **5.5.1.2.   *UK corporate investors in a Reporting Class***

UK corporate investors may be liable to UK corporation tax at their marginal rate in respect of capital disposals of Reporting Class Shares.

The deemed distributions received by the corporate throughout their period of ownership of the Reporting Class Shares may represent additional base cost on sale of the Reporting Class Shares

### **5.5.2.    *Income and deemed distributions – general principles***

Broadly speaking, an investor will be taxed on income accruing in a Reporting Class on an annual basis. This is the case even where shares are accumulation shares and no income is physically distributed to a Reporting Class shareholder in respect of their holding.

UK investors will be viewed as receiving income equivalent to their proportionate share of the "reported income" of the Reporting Class; and the tax point for any "reported income" should be

the date falling 6 months after the end of the reporting period (i.e. 30 September each year on the basis that the ICAV continues to prepare financial statements to 31 March). Credit is given for actual distributions paid in calculating the reported income. If actual dividends received for any period exceed an investor's proportionate share of the reportable income of a share class for that period, then the UK tax resident investor will be taxed on the higher amount.

On the basis that a Fund is not a 'bond fund', these deemed distributions should be viewed as foreign dividends for UK taxation purposes. The advice below is prepared on this basis.

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

#### **5.5.2.1. *UK individual investors***

From 6 April 2019 UK resident and domiciled investors will not have to pay tax on the first £2,000 of dividend income, regardless of the quantum of non-dividend income received. However tax will be levied on any dividends received over £2,000 at 7.5% on dividend income within the basic rate band (£37,500 re the 2019 / 2020 income tax year), 32.5% on dividend income within the higher rate band (£150,000 re the 2019 / 2020 income tax year) and 38.1% on dividend income within the additional rate band (over £150,000 re the 2019 / 2020 income tax year).

#### **5.5.2.2. *UK corporate investors***

UK corporate investors may be exempt from UK corporation tax if the distribution paid from (or deemed to be paid from) a Reporting Class falls within one of the dividend exemption categories for corporate recipients.

If the dividends do not fall within one of the dividend exemption categories, then they are likely to represent taxable income in the hands of the corporate investor at their marginal rate of UK corporation tax.

#### **5.5.3. *UK exempt investors***

Some investors (e.g. approved pension funds) may be exempt from tax. Different rules may also apply in the case of certain non-residents (for more details, please consult your tax advisor).

### **5.6. *Taxation of UK tax resident Shareholders in a Non-Reporting Class***

#### **5.6.1. *Capital gains***

Where a UK taxable Shareholder holds Shares in a Non-Reporting Class, the default position is that any gain arising to that Shareholder on the sale, redemption or other disposal of that interest (including a deemed disposal on death) is categorised as an "offshore income gain" and taxed as

income (without credit for any indexation which would otherwise be available) at the time of such sale, redemption or other disposal, and not as capital gain. Any amounts taxable as an income receipt should be deducted from the proceeds from a capital gains tax perspective.

#### **5.6.2. *Income received from a Non-Reporting Class***

A UK tax resident Shareholder in a Non-Reporting Class should only have a potential liability to UK tax in respect of actual distributions received. The tax point for such distributions is likely to be the date on which such distributions were paid. Subject to the bond fund rules, these distributions should be viewed as foreign dividend income for UK individual investors.

Dividends paid to UK resident and domiciled individual Shareholders in respect their investments in a Non-Reporting Class, which is deemed to be a 'bond fund', may instead be taxed as 'interest' (as opposed to 'dividends') and the dividend allowance of £2,500 would not be relevant. In such cases, where the interest distribution represents taxable income for the 2019 / 2020 income tax year, the applicable rates of tax would be 20% for basic rate tax payers, 40% for higher rate taxpayers and 45% for additional rate taxpayers.

UK corporate investors may be exempt from UK corporation tax if the distribution paid from a Non-Reporting Class falls within one of the dividend exemption categories for corporate recipients. If the dividend do not fall within one of the dividend exemption categories, then they are likely to represent taxable income in the hands of the corporate investor at their marginal rate of UK corporation tax.

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

#### **5.7. *Certain UK anti-avoidance legislation***

The UK tax legislation contains a wide range of anti-avoidance legislation which could, depending on the specific circumstances of an investor, apply to shareholdings in the Company. The comments below are not intended to be an exhaustive list of such anti-avoidance legislation, or a comprehensive summary of any of the provisions referred to. Investors who are concerned about the potential application of these provisions, or any other UK anti-avoidance provisions should seek detailed tax advice based on their own circumstances. However, as a high level guide, the attention of prospective UK tax resident shareholders is particularly drawn to the following anti-avoidance provisions:

##### **(a) *Section 13 of the Taxation of Chargeable Gains Act 1992 ("Section 13")***

Section 13 applies to a "participator" in a company for UK taxation purposes (the term "participator"

includes, but is not limited to, a shareholder) if the company is controlled by a sufficiently small number of persons such that, if it were a body corporate resident in the UK for taxation purposes, it would be a “close company”.

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

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

The attention of individuals resident in the UK for taxation purposes is drawn to the provisions of Chapter 2 of Part 13 of the United Kingdom Income Tax Act 2007 (transfer of assets abroad). These provisions are aimed at preventing the avoidance of income tax by individuals through the transfer of assets or income to persons (including companies) resident or domiciled outside the UK. These provisions may render them liable to taxation in respect of undistributed amounts which would be treated as UK taxable income and profits of the Fund (including, if the Fund or any Fund thereof were treated as carrying on a financial trade, profits on the disposition of securities and financial profits) on an annual basis.

**(c) *Transaction in Securities***

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

## **5.8. UK stamp duty**

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

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

## 6. GENERAL INFORMATION

### 1. Registration, Registered Office and Share Capital

- (a) The ICAV was registered in Ireland on 25 July 2019 as an umbrella type Irish collective asset-management vehicle with segregated liability between funds registered with and authorised by the Central Bank with registration number C195780 pursuant to the UCITS Regulations. The ICAV has no subsidiaries.
- (b) The registered office of the ICAV is as stated in the Directory at the front of the Prospectus.
- (c) Clause 2 of the Instrument of the ICAV provides that the ICAV's sole object is the collective investment of its funds in property and giving members the benefit of the results of the management of its funds.
- (d) The Instrument provides that the share capital of the ICAV shall be equal to the value for the time being of the issued share capital of the ICAV. The actual value of the paid up share capital of the ICAV shall at all times be equal to the value of the assets of the ICAV after deduction of its liabilities.
- (e) The Instrument provides that shares of the ICAV shall be divided into 10,000,000 (ten million) ordinary participating shares of no nominal value ("**Shares**") and 2 (two) ordinary management shares of no nominal value ("**Management Shares**"). The ICAV may issue shares as fully paid up in accordance with the Instrument, the requirements of the Central Bank, the Central Bank Regulations, the UCITS Regulations and the Act. The liability of Members in respect of payment on their shares shall be limited to the amount, if any, unpaid, on the shares respectively held by them.
- (f) Subject to the provisions of the Instrument, Shareholders have the right to participate in or receive profits or income arising from the acquisition, holding, management or disposal of investments of the relevant Fund, to vote at any general meeting of the ICAV or at any meeting of the relevant Fund or Class of Shares in respect of which such Shares have been issued and such other rights as may be provided in respect of Shares of a particular Fund or Class in each case as more particularly described in the Prospectus and/or relevant Supplement subject always to the requirements of the Central Bank, the Central Bank Regulations, the UCITS Regulations and the Act. Holders of Management Shares shall have the right to receive an amount not to exceed the consideration paid for such Management Shares and to vote at any general meeting of the ICAV in accordance with the provisions of the Instrument.
- (g) The Directors are authorised to exercise all the powers of the ICAV to issue shares in the ICAV on such terms and in such manner as they may think fit.
- (h) No share capital of the ICAV has been put under option nor has any share capital been agreed (conditionally or unconditionally) to be put under option.

## **2. Variation of Share Rights and Pre-Emption Rights**

- (a) The rights attaching to the Shares issued in any Class or Fund may, whether or not the ICAV is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-fourths of the issued Shares of that Class or Fund, or with the sanction of a special resolution passed at a general meeting of the Shareholders of that Class or of the ICAV.
- (b) A resolution in writing signed by all the Members of the ICAV, Fund or Class for the time being entitled to attend and vote on such resolution at a general meeting (or being bodies corporate by their duly appointed representatives) shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the ICAV, Fund or Class duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.
- (c) Subject to the Central Bank's requirements, notwithstanding anything to the contrary in the Instrument, a resolution in writing that is described as being an Ordinary Resolution or a Special Resolution which is signed by a Member or Members who, at the time of the signing of the resolution concerned, represent more than 50%, in the case of an Ordinary Resolution or 75%, in the case of a Special Resolution, of the total voting rights of all the Members who, at that time, would have the right to attend and vote at a general meeting of the ICAV or relevant Fund or Class and in respect of which all Members of the ICAV or relevant Fund or Class (as the case may be) concerned entitled to attend and vote on the resolution have been circulated by the Directors (or other person proposing it) with the proposed text of the resolution, shall be as valid and effective for all purposes as if the Ordinary Resolution or Special Resolution, as the case may be, had been passed at a general meeting of the ICAV or relevant Fund or Class duly convened and held.
- (d) The rights conferred upon the holders of the shares of any Class of the ICAV issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that Class of the ICAV, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or by the liquidation of the ICAV or of any Fund and distribution of its assets to its Members in accordance with their rights or the vesting of assets in trustees for its Members in specie.
- (e) There are no rights of pre-emption upon the issue of Shares in the ICAV.

## **3. Voting Rights**

The following rules relating to voting rights apply:

- (a) Fractions of Shares do not carry voting rights.
- (b) On a show of hands every Shareholder (with applicable voting rights) present in person or by proxy shall be entitled to one vote and a holder of Management Shares shall be entitled to one vote in respect of all Management Shares.

- (c) At any general meeting, a resolution put to the vote of the meeting shall be decided on a show of hands unless before or upon the declaration of the result of the show of hands a poll is demanded by the chairman or by at least two Members present in person or by proxy or any Member or Members present in person or by proxy representing at least one tenth of the shares in issue having the right to vote at the meeting.
- (d) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of Management Shares shall be entitled to one vote in respect of all Management Shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.
- (e) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- (f) Any person (whether a Member or not) may be appointed to act as a proxy; a Member may appoint more than one proxy to attend on the same occasion.
- (g) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited at the registered office or at such other place as is specified for that purpose in the notice of meeting or in the instrument of proxy issued by the ICAV not less than such minimum time specified before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. The Directors may at the expense of the ICAV send, by post or otherwise, to the Members instruments of proxy (with or without prepaid postage for their return) for use at any general meeting or at any meeting of any Class of Members, either in blank or nominating in the alternative any one or more of the Directors or any other persons.
- (h) To be passed, ordinary resolutions of the Members or of the Shareholders of a particular Fund or Class will require a simple majority of the votes cast by the Members or Shareholders voting in person or by proxy at the meeting at which the resolution is proposed. Special resolutions of the Members or of the Shareholders of a particular Fund or Class will require a majority of not less than 75% of the Members or Shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Instrument.

#### **4. Meetings**

- (a) The Directors may convene extraordinary general meetings of the ICAV at any time.
- (b) The Directors, in accordance with the provisions of the Instrument, may elect to dispense with the holding of an annual general meeting by giving 60 days' written notice to all of the ICAV's Members.

- (c) One or more Members of the ICAV holding, or together holding, at any time not less than 50 per cent of the voting rights in the ICAV may convene an extraordinary general meeting of the ICAV. The Directors of the ICAV shall, at the request of one or more Members holding, or together holding, at the date of the making of the request, not less than 50 per cent of the voting rights in the ICAV, proceed to convene an extraordinary general meeting of the ICAV. The request shall state the objects of the meeting and shall be signed by those making the request and deposited at the registered office of the ICAV and may consist of several documents in like form each signed by one or more of those making the request. If the Directors do not within 21 days after the date of the deposit of the request proceed to convene a meeting to be held within 2 months after that date, those making the request, or any of them representing more than 50 per cent of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held more than 3 months after the date the request was first made.
- (d) Each annual general meeting and extraordinary general meeting (called for the passing of a special resolution or ordinary resolution) shall be called by not less than fourteen clear days' notice.
- (e) Two Members present either in person or by proxy representing at least one tenth of the shares in issue having the right to vote at such meeting shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the relevant Fund or Class. If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened on the requisition of or by Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same time, day and place in the next week or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Member(s) present shall be a quorum and in the case of a meeting of a Class convened to consider the variation of rights of Shareholders in such Class the quorum shall be one Shareholder holding Shares of the Class in question or his proxy. All general meetings will be held in Ireland.
- (f) The foregoing provisions with respect to the convening and conduct of meetings shall save to the extent expressly provided in the Instrument with respect to meetings of a Fund or Class, apply mutatis mutandis to separate meetings of each Fund or Class of Members.

## **5. Reports and Accounts**

The ICAV will prepare a separate annual report and audited accounts and semi-annual report and unaudited accounts in respect of each of its Funds. The ICAV prepared its first annual report and audited accounts as of 31 December 2020 and its first half-yearly report and unaudited accounts as of 30 June, 2020 in respect all Funds unless otherwise stated in a particular Fund's Supplement. The dates of the annual and semi-annual reports the Funds shall be as set out in the relevant Supplement or in an update to this Prospectus.

The audited annual report and accounts will be prepared in accordance with IFRS and will be published

within four months of the relevant Fund's financial year end and its semi-annual report will be published within two months of the end of the half year period and, in each case, will be offered to subscribers before conclusion of a contract and supplied to Shareholders free of charge upon request and may also be obtained at the office of the Manager. The Instrument may also be obtained free of charge from the office of the Manager.

## **6. Communications and Notices to Shareholders**

Communications and notices to Shareholders or the first named of joint Shareholders shall be deemed to have been duly given as follows:

<b>MEANS OF DISPATCH</b>	<b>DEEMED RECEIVED</b>
Delivery by Hand (Personally)	The day of delivery or next following working day if delivered outside usual business hours.
Post	24 hours after posting. In proving such service, it shall be sufficient to prove that the letter containing the notice or other document was properly addressed, stamped and posted.
By Courier	24 hours after sending.
Subject to such Shareholder's consent to electronic communications, by email or other electronic means	12 hours after sending
Subject to such Shareholder's consent to the use of a website, by publication of an electronic record of it on a website and notification of such publication (which shall include the address of the website and the place of the website where the document may be found)	12 hours after it has been published.

## **7. Transfer of Shares**

- (a) Transfer of shares may be effected by transfer in writing or such other form as determined by the Directors accompanied by such evidence of ownership as the Directors may reasonably require to show the right of the transferor to make the transfer ("Instrument of Transfer"), signed by or on behalf of the transferor and every transfer shall state the full name and address of the transferor and transferee.
- (b) The Directors may, before the end of the period of two months commencing with the date of receipt of the Instrument of Transfer, decline to register the transfer in the following circumstances:
  - (i) if in consequence of such transfer, the transferor or the transferee would hold a number of Shares less than the Minimum Holding;

- (ii) if all applicable taxes and/or stamp duties have not been paid in respect of the Instrument of Transfer and unless the Instrument of Transfer is deposited at the registered office or such other place as the Directors may reasonably require, accompanied by such relevant information and declarations as the Directors may reasonably require from the transferee including without limitation, information and declarations of the type which may be requested from an applicant for shares in the ICAV and such fee as may from time to time be specified by the Directors for the registration of any Instrument of Transfer;
  - (iii) where the Directors are aware or reasonably believe the transfer would result in the beneficial ownership of Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the ICAV, a Fund, a Class of Shares or Shareholders as a whole;
  - (iv) unless the Instrument of Transfer is deposited with the Administrator together with such evidence as is required by the Administrator to satisfy the Administrator as to its or the ICAV's requirements to prevent money laundering; or
  - (v) if the registration of such transfer would result in a contravention of any provision of law.
- (c) The registration of transfers may be suspended for such periods as the Directors may determine provided always that each registration may not be suspended for more than 30 days in any year.

## **8. Directors**

The following is a summary of the principal provisions in the Instrument relating to the Directors:

- (a) The number of Directors shall not be less than two.
- (b) A Director need not be a Member.
- (c) The Instrument contains no provisions requiring Directors to retire on attaining a particular age.
- (d) A Director may vote and be counted in the quorum at a meeting to consider the appointment or the fixing or variation of the terms of appointment of any Director to any office or employment with the ICAV or any company in which the ICAV is interested, but a Director may not vote or be counted in the quorum on a resolution concerning his own appointment.
- (e) The Directors of the ICAV for the time being are entitled to such remuneration as may be determined by the Directors and disclosed in this Prospectus and may be reimbursed all reasonable travel, hotel and other incidental expenses incurred in connection with the business of the ICAV or the discharge of their duties and may be entitled to additional remuneration if called upon to perform any special or extra services to or at the request of the ICAV.

- (f) The provisions of the Act relating to restrictions on directors of an insolvent company or disqualifying persons from being appointed or acting as a director or other officer, statutory auditor, receiver or liquidator, or being in any way (directly or indirectly) concerned or taking part in the promotion, formation or management of a company apply to the ICAV.
- (g) Save as provided in the Instrument, a Director shall not vote in respect of any contract or arrangement or any proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the ICAV. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting. A Director shall in the absence of some material interest other than that indicated below, be entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters, namely:-
  - (i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the ICAV or any of its subsidiaries 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 subsidiaries or associated companies for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (iii) any proposal concerning an offer of shares or other securities of or by the ICAV or any of its subsidiaries or associated companies for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
  - (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 PROVIDED THAT he is not the holder of or beneficially interested in five per cent or more of the issued shares of any class of such company, or of any third company through which his interest is derived, or of any of the voting rights available to shareholders of the relevant company (any such interest being deemed for the purposes of Clause 24.04 of the Instrument to be a material interest in all circumstances); or
  - (v) any proposal concerning the purchase of any policy of insurance against directors' and officers' liability.
- (h) The office of a Director must be vacated in any of the following events namely:-
  - (i) if he resigns his office by notice in writing signed by him and left at the registered office of the ICAV;

- (ii) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (iii) if he becomes of unsound mind;
  - (iv) if he is absent from meetings of the Directors for six successive months without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated;
  - (v) if he ceases to be a Director by virtue of, or becomes prohibited or restricted from being a Director by reason of, an order made under the provisions of any law or enactment;
  - (vi) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
  - (vii) if he is removed from office by ordinary resolution of the ICAV in accordance with the provisions of the ACT, as set out in Clause 23.13 of the Instrument;
  - (viii) if he ceases to be approved to act as a director by the Central Bank.
- (i) The ICAV may by ordinary resolution remove a Director before the end of that Director's period of office despite anything in the Instrument or in any contract between the ICAV and the Director, in accordance with the provisions of the Act.

## **9. Directors' Interests**

None of the Directors has or has had any direct interest in the promotion of the ICAV or in any transaction effected by the ICAV which is unusual in its nature or conditions or is significant to the business of the ICAV up to the date of this Prospectus or in any contracts or arrangements of the ICAV subsisting at the date hereof other than:

- (a) Robert Moore is currently the Chief Operating Officer of the Investment Manager; and
- (b) Dr. Joel Bird is currently the and Chief Risk Officer at the Investment Manager.

As a result these Directors shall be interested in any contract entered into between the ICAV and the Investment Manager.

No present Director or any connected person has any interests beneficial or non-beneficial in the share capital of the ICAV.

## **10. Winding Up of ICAV**

- (a) The ICAV may be wound up:

- (i) if within a period of twelve months or such other period as agreed under the terms of the Depositary Agreement from the date on which (a) the Depositary notifies the ICAV of its desire to retire in accordance with the terms of the Depositary Agreement and has not withdrawn notice of its intention to so retire; (b) the appointment of the Depositary is terminated by the ICAV in accordance with the terms of the Depositary Agreement; or (c) the Depositary ceases to be approved by the Central Bank to act as depositary, no new Depositary has been appointed. In such cases, the Directors shall instruct the secretary of the ICAV to convene an extraordinary general meeting of the ICAV at which there shall be proposed an Ordinary Resolution to wind up the ICAV. Notwithstanding anything set out above, the Depositary's appointment shall only terminate on revocation of the ICAV's authorisation by the Central Bank; or
  - (ii) when it becomes illegal or in the opinion of the Directors of the ICAV impracticable or inadvisable to continue operating the ICAV.
- (b) In all cases other than those set out above, the Members may resolve to wind up the ICAV by Special Resolution in accordance with the summary approval procedure as provided for in the Act.
- (c) In the event of a winding up the liquidator shall firstly apply the assets of the ICAV in satisfaction of creditors' claims in such manner and order as he thinks fit. The liquidator shall in relation to the assets available for distribution among Members make such transfers thereof to and from the Classes as may be necessary in order that the effective burden of creditors' claims may be shared between the Members of different Classes in such proportions as the liquidator in his discretion deems equitable.
- (d) The assets available for distribution among the Members shall be applied in the following priority:
  - (i) Firstly, in the payment to the holders of the Shares of each Class or Fund of a sum in the Base Currency (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such Class or Fund held by such Shareholders respectively as at the date of commencement of winding up.
  - (ii) Secondly, in the payment to the holders of the Management Shares of sums up to the consideration paid therefor out of the assets of the ICAV not comprised within any Funds provided that if there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets comprised in any of the Funds.
  - (iii) Thirdly, in the payment to the holders of Shares of each Class or Fund of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares of the relevant Class or Fund held.
  - (iv) Fourthly, any balance then remaining and not attributable to any Fund or Class of

Shares shall be apportioned between the Funds and Classes of Shares pro-rata to the Net Asset Value of each Fund or Class of Shares immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in that Fund or Class held by them.

- (e) The liquidator may with the authority of an Ordinary Resolution of the ICAV divide among the Shareholders (pro rata to the value of their respective shareholdings in the ICAV) in specie the whole or any part of the assets of the ICAV, and whether or not the assets shall consist of property of a single kind provided that any Shareholder shall be entitled to request the sale of any asset or assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant Shareholder.
- (f) Notwithstanding any other provision contained in the Instrument, should the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the Shareholders to wind up the ICAV, then any such winding up shall be commenced in accordance with the summary approval procedure as provided for in the Act. Any liquidator appointed to wind up the ICAV shall distribute the assets of the ICAV in accordance with the provisions of the Instrument.

## **11. Termination of a Fund**

The ICAV may terminate a Fund:

- (a) by giving not less than four nor more than twelve weeks' notice to the Shareholders of such Fund or Class, expiring on a Dealing Day, and redeeming, at the Redemption Price on such Dealing Day, all of the Shares of the Fund or Class not previously redeemed;
- (b) and redeem, at the redemption price on such Dealing Day, all of the Shares in such Fund or Class not previously redeemed if the Shareholders of 75% in value of the Shares in issue of the Fund or Class resolve at a meeting of the Shareholders of the Fund or Class, duly convened and held, that such Shares should be redeemed.

If a particular Fund or Class is to be terminated and all of the Shares in such Fund or Class are to be redeemed as aforesaid, the Directors, with the sanction of an Ordinary Resolution of the relevant Fund or Class, may divide amongst the Shareholders in specie all or part of the assets of the relevant Fund or Class according to the Net Asset Value of the Shares then held by each Shareholder in the relevant Fund or Class in accordance with the provisions of the Instrument, provided that any Shareholder shall be entitled to request, at the expense of such Shareholder, the sale of any asset or assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale.

## **12. Indemnities and Insurance**

Every person or body corporate who is or has been a Director or secretary of the ICAV or any person or body corporate who is or has acted as auditor of the ICAV and such person's heirs, administrators and executors, shall be indemnified and secured harmless out of the assets and profits of the ICAV from and

against all actions, costs, charges, losses, damages and expenses, which they or any of them, their or any of their heirs, administrators or executors shall or may incur or sustain by reason of any contract entered into or any act done, concurred in, or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own negligence, default, breach of duty or breach of trust.

The Directors have the power to purchase and maintain for the benefit of any persons who are or were at any time Directors, secretary or Auditors of the ICAV insurance against any liability incurred by such persons in respect of any act or omission in the execution or discharge of their duties or in the exercise of their powers.

### **13. General**

- (a) As at the date of this Prospectus, the ICAV has no loan capital (including term loans) outstanding or created but unissued nor any mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptances (other than normal trade bills), acceptance credits, finance leases, hire purchase commitments, guarantees, other commitments or contingent liabilities.
- (b) No share or loan capital of the ICAV is subject to an option or is agreed, conditionally or unconditionally, to be made the subject of an option.
- (c) The ICAV does not have, nor has it had since registration, any employees.
- (d) The ICAV does not intend to purchase or acquire nor agree to purchase or acquire any property.
- (e) The rights conferred on Shareholders by virtue of their shareholdings are governed by the Instrument, the general law of Ireland and the Act.
- (f) The ICAV is not engaged in any litigation or arbitration and no litigation or claim is known by the Directors to be pending or threatened against the ICAV.
- (g) The ICAV has no subsidiaries.
- (h) Dividends which remain unclaimed for six years from the date on which they become payable will be forfeited. On forfeiture such dividends will become part of the assets of the Fund to which they relate. No dividend or other amount payable to any Shareholder shall bear interest against the ICAV.
- (i) No person has any preferential right to subscribe for any authorised but unissued capital of the ICAV.

### **14. Material Contracts**

The following contracts which are or may be material have been entered into otherwise than in the ordinary course of business:-

- (a) Management Agreement between the ICAV and the Manager dated 21 April, 2020 under which the Manager was appointed as manager of the ICAV's assets and distributor of the ICAV's Shares and to provide certain related services to the ICAV. The Management Agreement may be terminated by either party on three calendar months' written notice or forthwith by notice in writing in certain circumstances such as the insolvency of either party or unremedied breach after notice. The Manager has the power to delegate its duties in accordance with the Central Bank's requirements. The Manager shall not in the absence of negligence, fraud, bad faith, wilful default or failure to comply with its obligations as set out in the Management Agreement or as set out under the UCITS Regulations, Central Bank Regulations or the Central Bank Guidance (as defined in the Management Agreement), on the part of the Manager, the Manager shall not be liable to the ICAV or a Fund or to any Shareholder for any loss suffered as a result of any act or omission in the course of, or connected with, rendering services thereunder and shall not be liable in any circumstances for indirect, special or consequential loss or damage. The Agreement provides that the ICAV shall out of the assets of the relevant Fund indemnify and hold harmless the Manager, its employees and agents against from and against all actions, proceedings, claims, damages, costs, demands and properly vouched expenses including, without limitation, reasonable legal and professional expenses on a full indemnity basis, which may be brought against, suffered or incurred by the Manager, its employees or agents in the performance of its duties under the Management Agreement other than due to the negligence, fraud, bad faith, wilful default or failure to comply with its obligations as set out therein or as set out under the UCITS Regulations, Central Bank Regulations or the Central Bank Guidance, of the Manager, its employees or agents in the performance of its obligations thereunder.
- (b) Administration Agreement between the Manager, the ICAV and the Administrator dated 21 April, 2020 under which the latter was appointed as Administrator to provide certain administration and related services in respect of the ICAV, subject to the terms and conditions of the Administration Agreement and subject to overall supervision of the Directors and/or the Manager. The Administration Agreement provides that the Administrator and each of their respective directors, officers, employees and agents shall not be liable to the Fund, the Manager, or any affiliate or Investor or any third party for (i) any claims, losses, damages, liabilities, penalties, obligations or expenses, including reasonable legal fees and expenses, of any kind or nature whatsoever (a "Claim") that arise in connection with the Administration Agreement, the conduct of the business of the ICAV, the performance by the Administrator of the services under the Administration Agreement or any of its responsibilities thereunder or any actions taken or omitted to be taken by the Administrator at the request or direction of the ICAV of the Manager, except to the extent that such Claim arises as a result of actions or omissions of the Administrator or each of their respective directors, officers and employees and agent that constitute negligence, willful misconduct or fraud, or (ii) any Claims to the extent caused or contributed to by any action or omission by the Fund or the Manager or investors. None of the Manager, the Administrator or the ICAV shall be liable for special, indirect, punitive, incidental or consequential damages of any nature (including, inter alia, loss (whether direct or indirect) of goodwill, opportunity, reputation, business profits, revenue, data,

or cost arising from regulatory actions) whatsoever arising from any of their acts or omissions, whether or not the possibility of such damage was disclosed to, or could have been reasonably foreseen. The ICAV has agreed to hold harmless and indemnify the Administrator, against all claims, liabilities, damages, losses, costs and reasonable and properly vouched expenses, including amounts paid in satisfaction of judgments, in compromises and settlements, as fines and penalties and reasonable and properly vouched legal or other costs and expenses of investigating or defending against any claim or alleged claim, of any nature whatsoever, liquidated or unliquidated, as and when the same are incurred by the Administrator and solely arise out of or in connection with the business of the ICAV or the performance by the Administrator of the services under the Administration Agreement or any of its responsibilities thereunder, provided, that the Administrator shall not be entitled to indemnification thereunder in so far as such claims, liabilities, damages, losses, costs and expenses are a direct result of the negligence, willful misconduct or fraud of the Administrator. The Administration Agreement may be terminated by the ICAV, the Manager or the Administrator upon 90 days prior written notice. The Administration Agreement may be terminated immediately by any of the parties at any time in certain circumstances such as material unremedied breach upon notice or the insolvency of any party.

- (c) Depositary Agreement between the ICAV and the Depositary dated 21 April, 2020 under which the Depositary was appointed as depositary of the ICAV's assets subject to the overall supervision of the Directors. The Depositary Agreement provides that the Depositary shall be liable to the ICAV and the Shareholders for the loss of financial instruments held in custody by the Depositary or a third party to whom the custody of financial instruments held in custody in accordance with the UCITS Regulations has been delegated. The Depositary shall be liable to the ICAV and the Shareholders for all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under the Depositary Agreement and/or pursuant to the UCITS Regulations and/or the Central Bank Requirements (as defined in the Depositary Agreement). In the case of such a loss of a financial instrument held in custody, the Depositary shall return a financial instrument of an identical type or the corresponding amount to the ICAV, or the Manager acting on behalf of the ICAV without undue delay. The Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The liability of the Depositary shall not be affected by any delegation of its functions pursuant to the Depositary Agreement. The ICAV has agreed to indemnify and hold harmless the Depositary, its officers, directors and employees out of the assets of the relevant Fund against all third party actions, proceedings, claims, costs, demands and reasonable properly vouched expenses which may be brought against suffered or incurred by the Depositary other than where the Depositary is liable for a loss of financial instrument held in custody and/or liable for losses suffered by the ICAV and the Shareholders as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations under the Depositary Agreement. The Depositary Agreement may be terminated by any of the parties upon 120 days written notice to the other parties at any time, and forthwith upon written notice in certain circumstances such as material unremedied breach upon notice or the insolvency of any party. The ICAV and/or the Manager may not terminate the appointment of the Depositary and the Depositary may not retire or resign from such appointment unless and until a successor Depositary approved for such purpose by the Central Bank shall have been appointed by the ICAV or the authorisation of the ICAV has been revoked by the

Central Bank.

- (d) Investment Management Agreement between the ICAV and the Manager dated 1 January, 2024, effective as of 17 January, 2024 pursuant to which the Investment Manager was appointed as discretionary investment manager of the ICAV's assets. The Investment Management Agreement may be terminated by either party by giving no less than three (3) months notice in writing to the other or with immediate effect by either party at any time by giving notice in writing to the other where one party commits any material breach of its obligations under the Investment Management Agreement and such breach is not remedied (where capable of being remedied) within 30 (thirty) days of receipt of notice served by the other party requiring it to do so; one party goes into liquidation, is declared insolvent or becomes subject to any type of judicial administration proceedings or payment moratorium (except a voluntary liquidation for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the party) or is unable to pay its debts or commits any act of bankruptcy under its laws of establishment or if a receiver is appointed on any of the assets of the party or if some event having an equivalent effect in its jurisdiction of establishment occurs; or if required by a competent Supervisory Authority (as defined in the Investment Management Agreement). The Investment Manager may also terminate the Investment Management forthwith where the Manager is unable to perform its duties under the Agreement due to any change in law or regulatory practice. The Manager may terminate the Investment Management Agreement with immediate effect at any time by giving notice in writing to the Investment Manager where the Investment Manager fails to perform its functions under the Agreement to any material extent for a continuous period of 10 (ten) business days due to a Force Majeure Event (as defined in the Investment Management Agreement); the Manager ceases for any reason to be, as the case may be, the Funds' appointed management company; the Investment Manager is for any reason no longer qualified or capable of undertaking the functions with which it has been entrusted pursuant to the Investment Management Agreement or the Manager is no longer in a position to give at any time further instruction to the Investment Manager; or where it is, in the good faith judgment of the Manager, in the best interests of the Funds' investors to do so. Each Party will be liable to the other Party in case of fraud, wilful misconduct or gross negligence in the performance of its duties and obligations pursuant to the Investment Management Agreement. The Investment Manager shall not be under any liability on account of anything done in accordance with or in pursuance of any instructions or other request of the Manager or the Fund. The Manager shall hold harmless and indemnify the Investment Manager out of the assets of the relevant Fund of the ICAV, its employees and agents from and against all Loss (as defined in the Investment Management Agreement) on a full indemnity basis, which may be brought against, suffered or incurred by the Investment Manager, its employees or agents in the performance of its duties under the Investment Management Agreement other than due to the gross negligence, fraud or wilful misconduct to comply with its obligations as set out therein. In particular (but without limitation) this indemnity shall extend to any Loss arising as a result of any error of judgement, third party default or any loss, delay, misdelivery or error in transmission of any communication to the Investment Manager or as a result of acting in good faith upon any forged document or signature and the Manager acknowledges that in discharging its obligations under the Investment Management Agreement the Investment Manager may rely without enquiry upon all information supplied to it by the Manager or the ICAV or any authorised persons appointed by the Manager or the ICAV. The exercise of the indemnity in the Investment Management Agreement is subject to the right of the ICAV to be

subrogated to the rights of the Investment Manager with respect to the conduct of any claims in respect of which indemnity is given. No party shall be liable in any circumstances for any indirect, special or consequential loss or damage.

## **15. Documents Available for Inspection**

Copies of the following documents, which are available for information only and do not form part of this document, may be inspected at the registered office of the ICAV in Ireland during normal business hours on any Business Day:

- (a) The Instrument (copies may be obtained free of charge from the Manager).
- (b) The Act and the UCITS Regulations.
- (c) Once published, the latest annual and half yearly reports of the ICAV (copies of which may be obtained from the Manager or the Administrator free of charge).

Copies of the Prospectus and Key Investor Information Documents may also be obtained by Shareholders from the Manager.

## **APPENDIX I**

### **Permitted Investments and Investment Restrictions**

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

Investments of a Fund are confined to:

- 1.1 Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in 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.
- 1.2 Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- 1.3 Money market instruments other than those dealt on a regulated market.
- 1.4 Units of UCITS.
- 1.5 Units of AIFs.
- 1.6 Deposits with credit institutions.
- 1.7 Financial derivative instruments.

The financial derivative instruments which each Fund may use and the commercial purpose for which they may be used are described in the relevant Supplement.

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

- 2.1 A Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2
  - (1) Subject to paragraph (2) of this section 2.2, a Fund may invest no more than 10% of net assets securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply (i.e. recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year).
  - (2) The first paragraph above does not apply in relation to investment by a Fund in US securities known as "Rule 144A securities" provided that:
    - the relevant securities have been issued with an undertaking to register the securities with the US Securities and Exchanges Commission within one year of issue; and

- the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the ICAV.
- 2.3 A Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- 2.4 Subject to the prior approval of the Central Bank, the limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of a Fund. **This restriction need not be included unless it is intended to avail of this provision and reference must be made to the fact that this requires the prior approval of the Central Bank.**
- 2.5 The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6 The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7 A Fund may not invest more than 20% of net assets in deposits made with the same credit institution.
- Deposits with any one credit institution, other than a credit institution specified in Regulation 7 of the Central Bank Regulations held as ancillary liquidity, must not exceed 10% of the net assets of the Fund.
- This limit may be raised to 20% in the case of deposits made with the Depositary.
- 2.8 The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of net assets.
- This limit is raised to 10% in the case of a credit institution authorised in the EEA or a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 2.9 Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

- investments in transferable securities or money market instruments;
  - deposits, and/or
  - counterparty risk exposures arising from OTC derivatives transactions.
- 2.10 The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- 2.11 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.12 A Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

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

OECD Governments (provided the relevant issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of the People's Republic of China, 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 and Straight-A Funding LLC.

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

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

- 3.1 A Fund may not invest more than 20% of net assets in any one collective investment scheme.
- 3.2 Investment in AIFs may not, in aggregate, exceed 30% of net assets.
- 3.3 The collective investment schemes in which a Fund may invest are prohibited from investing more than 10% of net assets in other open-ended collective investment schemes.

3.4 When a Fund invests in the units of other collective investment schemes 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, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other collective investment schemes.

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

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

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

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

#### **5. General Provisions**

5.1 A Fund, or the Manager acting in connection with all of the collective investment schemes it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

5.2 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 units of any single collective investment scheme;
- (iv) 10% of the money market instruments of any single issuing body.

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

5.3 5.1 and 5.2 shall not be applicable to:

- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;

- (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
- (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
- (iv) shares held by 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 State, where under the legislation of that State such a holding represents the only way in which a Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.
- (v) Shares held by the ICAV 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 at Shareholders' request exclusively on their behalf.

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

5.5 The Central Bank may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

5.6 If the limits laid down herein are exceeded for reasons beyond the control of the ICAV, or as a result of the exercise of subscription rights, the ICAV must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its Shareholders.

5.7 Neither the ICAV, nor the Manager, nor the Investment Manager, nor the Depositary acting on the ICAV's behalf, may carry out uncovered sales of:

- transferable securities;
- money market instruments\*;
- units of investment funds; or
- financial derivative instruments.

\*Any short selling of money market instruments by UCITS is prohibited

5.8 A Fund may hold ancillary liquid assets.

## **6. Financial Derivative Instruments ('FDIs')**

- 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 Regulations/guidance. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank Regulations.)
- 6.3 A Fund may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- 6.4 Investment in FDIs are subject to the conditions and limits laid down by the Central Bank

## **7. Restrictions on Borrowing and Lending**

- (a) The ICAV may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of each Fund. Subject to this limit the Directors may exercise all borrowing powers on behalf of the ICAV. In accordance with the provisions of the UCITS Regulations, the Depositary may charge the assets of the ICAV as security for such borrowings.
- (b) The ICAV may acquire foreign currency by means of a "back-to-back" loan agreement. The Manager shall ensure that a Fund with foreign currency borrowings which exceed the value of a back-to-back deposit treats that excess as borrowings for the purpose of Regulation 103 of the Central Bank Regulations.

The ICAV will, with respect to each Fund, adhere to any investment or borrowing restrictions imposed and any criteria necessary to obtain and/or maintain any credit rating in respect of any Shares or Class in the ICAV, subject to the UCITS Regulations.

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 laid down in the UCITS 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 UCITS Regulations.

## APPENDIX II

### Recognised Markets

The following is a list of regulated stock exchanges and markets on which a Fund's investments in securities and financial derivative instruments other than permitted investment in unlisted securities and OTC derivative instruments, will be listed or traded and is set out in accordance with the regulatory criteria as defined in the Central Bank Regulations. With the exception of permitted investments in unlisted securities and OTC derivative instruments investment in securities and derivative instruments will be restricted to the stock exchanges and markets listed below. The Central Bank does not issue a list of approved stock exchanges or markets.

- (i) any exchange or market or affiliate thereof which is:

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

located in any of the member countries of the OECD including their territories covered by the OECD Convention:

- (ii) any of the following exchanges or markets or affiliates thereof:-

Abu Dhabi	-	Abu Dhabi Securities Exchange
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Bosnia and Herzegovina	-	Banja Luka Stock Exchange
Bosnia and Herzegovina	-	Sarajevo Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	Bahia-Sergipe-Alagoas Stock Exchange
Brazil	-	BM&F Bovespa
Brazil	-	Brasilia Stock Exchange
Brazil	-	Extremo Sul Porto Alegre Stock Exchange
Brazil	-	Minas Esperito Santo Stock Exchange
Brazil	-	Parana Curitiba Stock Exchange
Brazil	-	Pernambuco e Bahia Recife Stock Exchange
Brazil	-	Regional Fortaleza Stock Exchange
Brazil	-	Bolsa de Valores do Rio de Janeiro
Brazil	-	Santos Stock Exchange
China (PRep. of)	-	Fujian Securities Exchange
China (PRep. of)	-	Hainan Securities Exchange
China (PRep. of)	-	Shanghai Securities Exchange
China (PRep. of)	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Valores de Colombia
Dubai	-	Dubai Financial Market

Egypt	-	Egyptian Exchange
Ghana	-	Ghana Stock Exchange
Hong Kong	-	Hong Kong Stock Exchange
Hong Kong	-	Growth Enterprise Market
India	-	Ahmedabad Stock Exchange
India	-	Bangalore Stock Exchange
India	-	Bombay Stock Exchange
India	-	Calcutta Stock Exchange
India	-	Cochin Stock Exchange
India	-	Delhi Stock Exchange
India	-	Gauhati Stock Exchange
India	-	Hyderabad Stock Exchange
India	-	Ludhiana Stock Exchange
India	-	Madras Stock Exchange
India	-	Magadh Stock Exchange
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange of India
India	-	Pune Stock Exchange
India	-	Uttar Pradesh Stock Exchange
Indonesia	-	Indonesia Stock Exchange
Indonesia	-	Surabaya Stock Exchange
Jordan	-	Amman Financial Market
Kenya	-	Nairobi Stock Exchange
Kuwait	-	Kuwait Stock Exchange
Malaysia	-	Bursa Malaysia Berhad
Mauritius	-	Stock Exchange of Mauritius
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
Nigeria	-	FMDQ
Nigeria	-	Nigerian Stock Exchange
Oman	-	Muscat Securities Market
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Qatar	-	Qatar Exchange
Russia	-	Moscow Exchange
Serbia	-	Belgrade Stock Exchange
Singapore	-	Singapore Exchange
South Africa	-	Johannesburg Stock Exchange
Sri Lanka	-	Colombo Stock Exchange
Taiwan (RC)	-	Gre Tei Securities Market

Taiwan (RC)	-	Taiwan Stock Exchange Corporation
Thailand	-	Stock Exchange of Thailand
United Arab Emirates	-	Abu Dhabi Securities Market
United Arab Emirates	-	Dubai Financial Market
United Arab Emirates	-	NASDAQ Dubai
Vietnam	-	Hanoi Stock Exchange
Vietnam	-	Ho Chi Minh City Securities Trading Center
Zambia	-	Lusaka Stock Exchange

(iii) any of the following markets or affiliates thereof:

the market organised by the International Capital Market Association;

the market conducted by the “**listed money market institutions**”, as described in the Bank of England publication “**The Regulations of the Wholesale Cash and OTC Derivatives Markets in GBP, Foreign Exchange and Bullion**” dated April 1988, as amended from time to time;

The UK market (i) conducted by banks and other institutions regulated by the FCA and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) in non-investment products which are subject to the guidance contained in the "Non-Investment Products Code" drawn up by the participants in the London market, including the FCA and the Bank of England (formerly known as “**The Grey Paper**”).

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

The OTC market in Japan regulated by the Securities Dealers Association of Japan.

NASDAQ in the United States;

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

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

The French market for Titres de Créances Négotiables (OTC market in negotiable debt instruments);

the OTC market in Canadian Government Bonds, regulated by the Investment Dealers Association

of Canada.

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

(iv) the following derivatives exchanges:

All exchanges or markets of affiliates thereof which are listed under (i), (ii) and (iii) on which derivatives trade.

Any derivatives exchanges or derivative market or affiliate thereof which is:

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

located in any of the member countries of the OECD including their territories covered by the OECD Convention;

- and the following exchanges
- the Shanghai Futures Exchange;
- the Taiwan Futures Exchange;
- Jakarta Futures Exchange;
- the Bolsa de Mercadorias & Futuros, Brazil;
- the South African Futures Exchange;
- the Thailand Futures Exchange;
- the Malaysia Derivatives Exchange;
- Hong Kong Futures Exchange;
- OTC Exchange of India;
- Singapore Exchange;
- Singapore Commodity Exchange;
- SGXDT.

For the purposes only of determining the value of the assets of a Fund, the term “Recognised Market” shall be deemed to include, in relation to any derivatives contract utilised by a Fund, any organised exchange or market on which such contract is regularly traded.

## **APPENDIX III**

### **Collateral Policy**

Where a Fund receives collateral as a result of trading in FDI on an OTC basis or as result of entry into repurchase and reverse repurchase agreements, collateral obtained shall meet at all times, the following criteria:

- (i) Liquidity: Collateral received other than cash will be highly liquid and traded on a Recognised Market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received will also comply with the provisions of Regulation 74 of the Central Bank Regulations;
- (ii) Valuation: Collateral received will be valued on at least a daily basis with daily mark-to-market and daily variation margins used and assets that exhibit high price volatility will not be accepted as collateral unless suitably conservative haircuts are in place. The non-cash collateral received by the Fund will be at mark to market given the required liquid nature of the collateral.
- (iii) Issuer credit quality: Collateral received will be of high quality. The Manager and the Investment Manager shall ensure that:
  - (i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Manager and/or the Investment Manager in the credit assessment process; and
  - (ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (i) this shall result in a new credit assessment being conducted of the issuer by the Manager and/or the Investment Manager without delay.
- (iv) Correlation: Collateral received will be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty;
- (v) Diversification (asset concentration): Collateral will be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to different counterparties, the different baskets of collateral will be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from the above diversification requirement (subject to such derogation being permitted by the Central Bank and any additional requirements imposed by the Central Bank), the 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, non-Member State, or public international body of which

one or more Member States belong (and which issuers are set out in Section 2.12 of the “**Investment Restrictions**” section in Appendix I), provided the Fund will receive securities from at least six different issues with securities from any single issue not accounting for more than 30% of the Fund's Net Asset Value;

- (vi) Immediately available: Collateral received will be capable of being fully enforced by the ICAV on behalf of the Fund at any time without reference to or approval from the counterparty.

#### Permitted types of collateral

Where a Fund receives collateral as a result of trading in FDI on an OTC basis or as result of entry into repurchase and reverse repurchase agreements, the Fund intends, subject to the criteria set out in the Central Bank Regulations and Appendix II to the Prospectus, to accept collateral in the following form:

- (a) cash;
- (b) government or other public securities;
- (c) bonds/commercial paper issued by relevant institutions or by non-bank issuers where the issue or the issuer are of high quality;
- (d) certificates of deposit issued by relevant institutions (as defined by the Central Bank Regulations);
- (e) letters of credit with a residual maturity of three months or less, which are unconditional and irrevocable and which are issued by relevant institutions;
- (f) equity securities traded on a stock exchange in the EEA, Switzerland, Canada, Japan, the United States, Jersey, Guernsey, the Isle of Man, Australia or New Zealand.

Cash collateral received by the Fund may be reinvested in accordance with the requirements of the Central Bank at the discretion of the Investment Manager. In this regard, any cash collateral received by the Fund may also be placed on deposit with relevant credit institutions as permitted by the UCITS Regulations. In such circumstances, the Fund shall be exposed to the creditworthiness of the relevant credit institution with which cash collateral is placed.

#### Haircut Policy

The Investment Manager has adopted a haircut policy for each class of assets received as collateral by the ICAV. The Investment Manager shall determine the level of haircut applicable to the assets received as collateral, taking into account in particular the type of assets, the credit standing of the issuers, the maturity, the currency, the liquidity and the price volatility of the assets. In respect of the permitted types of collateral above, the Investment Manager's policy is to apply no haircut in respect of cash and to apply a haircut that takes into account the above-mentioned factors in respect of each category of assets and which the Investment Manager considers reflects the market practice.

#### Level of collateral required

Collateral obtained must be marked to market daily and must equal or exceed, in value, at all times the

value of the amount invested or securities loaned.

#### APPENDIX IV

##### LIST OF SUB-CUSTODIAL AGENTS APPOINTED BY THE NORTHERN TRUST COMPANY.

The Depositary's global sub-custodian has appointed the following entities as sub-delegates in each of the markets set forth below. This list may be updated from time to time and is available upon request in writing from the Depositary. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to The Northern Trust Company or any of the sub-delegates listed below. The Depositary will notify the board of the ICAV of any such conflict should it so arise.

1. Jurisdiction	2. Subcustodian	3. Subcustodian Delegate
<b>Argentina</b>	Citibank N.A., Buenos Aires Branch	
<b>Australia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Australia Limited
<b>Austria</b>	UniCredit Bank Austria AG	
<b>Bangladesh</b>	Standard Chartered Bank	
<b>Belgium</b>	The Northern Trust Company	
<b>Bosnia and Herzegovina (Federation of Bosnia-Herzegovina)</b>	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
<b>Bosnia and Herzegovina (Republic of Srpska)</b>	Raiffeisen Bank International AG	Raiffeisen Bank Bosnia DD BiH
<b>Botswana</b>	Standard Chartered Bank Botswana Limited	
<b>Brazil</b>	Citibank N.A., Brazilian Branch	Citibank Distribuidora de Titulos e Valores Mobiliarios S.A ("DTVM")

<b>Bulgaria</b>	Citibank Europe plc, Bulgaria Branch	
<b>Canada</b>	The Northern Trust Company, Canada	
<b>Canada*</b>	Royal Bank of Canada	
<b>Chile</b>	Citibank N.A.	Banco de Chile
<b>China B Share</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (China) Company Limited
<b>Clearstream</b>	Clearstream Banking S.A.,	
<b>Colombia</b>	Cititrust Columbia S.A. Sociedad Fiduciaria	
<b>Costa Rica</b>	Banco Nacional de Costa Rica	
<b>Côte d'Ivoire</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
<b>Croatia</b>	UniCredit Bank Austria AG	Zagrebacka Banka d.d.
<b>Cyprus</b>	Citibank Europe PLC	
<b>Czech Republic</b>	UniCredit Bank Czech Republic and Slovenia, a.s.	
<b>Denmark</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>Egypt</b>	Citibank N.A., Cairo Branch	

<b>Estonia</b>	Swedbank AS	
<b>Eswatini</b> (formerly Swaziland)	Standard Bank Eswatini Limited	
<b>Finland</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>France</b>	The Northern Trust Company	
<b>Germany</b>	The Northern Trust Company	
<b>Ghana</b>	Standard Chartered Bank Ghana Limited	
<b>Greece</b>	Citibank Europe PLC	
<b>Hong Kong</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Hong Kong (Stock and Bond Connect)</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Hungary</b>	UniCredit Bank Hungary Zrt.	
<b>Iceland</b>	Landsbankinn hf	
<b>India</b>	Citibank N.A.	
<b>Indonesia</b>	Standard Chartered Bank	
<b>Ireland</b>	Euroclear Bank S.A./N.V.	

<b>Israel</b>	Bank Leumi Le-Israel B.M.	
<b>Italy</b>	Citibank Europe plc	
<b>Japan</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Jordan</b>	Standard Chartered Bank	
<b>Kazakhstan</b>	Citibank Kazakhstan JSC	
<b>Kenya</b>	Standard Chartered Bank Kenya Limited	
<b>Kuwait</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Latvia</b>	Swedbank AS	
<b>Lithuania</b>	AB SEB bankas	
<b>Luxembourg</b>	Euroclear Bank S.A./N.V.	
<b>Malaysia</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Malaysia Berhad
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Mexico</b>	Banco Nacional de Mexico S.A. integrante del Grupo Financiero Banamex	
<b>Morocco</b>	Société Générale Marocaine de Banques	

<b>Namibia</b>	Standard Bank Namibia Ltd	
<b>Netherlands</b>	The Northern Trust Company	
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Nigeria</b>	Stanbic IBTC Bank Plc	
<b>Norway</b>	Skandinaviska Enskilda Banken AB (publ)	
<b>Oman</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Oman S.A.O.G
<b>Pakistan</b>	Citibank N.A., Karachi Branch	
<b>Panama</b>	Citibank N.A., Panama Branch	
<b>Peru</b>	Citibank del Peru S.A.	
<b>Philippines</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Poland</b>	Bank Polska Kasa Opieki Spółka Akcyjna,	
<b>Portugal</b>	BNP Paribas Securities Services	
<b>Qatar</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited
<b>Romania</b>	Citibank Europe PLC	

<b>Russia</b>	AO Citibank	
<b>Saudi Arabia</b>	The Northern Trust Company of Saudi Arabia	
<b>Senegal</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Cote d'Ivoire SA
<b>Serbia</b>	UniCredit Bank Austria A.G.	UniCredit Bank Serbia JSC
<b>Singapore</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Slovakia</b>	Citibank Europe PLC	
<b>Slovenia</b>	UniCredit Banka Slovenija d.d.	
<b>South Africa</b>	The Standard Bank of South Africa Limited	
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Limited	
<b>Spain</b>	Citibank Europe plc	
<b>Sri Lanka</b>	Standard Chartered Bank	
<b>Sweden</b>	Nordea Bank Abp	
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd	
<b>Taiwan</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Taiwan) Limited

<b>Tanzania</b>	Standard Chartered Bank (Mauritius) Limited	Standard Chartered Bank Tanzania Limited
<b>Thailand</b>	Citibank N.A., Bangkok Branch	
<b>Tunisia</b>	Union Internationale De Banques	
<b>Turkey</b>	Citibank A.S.	
<b>Uganda</b>	Standard Chartered Bank Uganda Limited	
<b>United Arab Emirates (ADX)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Arab Emirates (DFM)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Arab Emirates (NASDAQ)</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank Middle East Limited (DIFC) Branch
<b>United Kingdom</b>	Euroclear UK & International Limited (Northern Trust self-custody)	
<b>United States</b>	The Northern Trust Company	
<b>Uruguay</b>	Banco Itau Uruguay S.A.	
<b>Vietnam</b>	The Hongkong and Shanghai Banking Corporation Limited	HSBC Bank (Vietnam) Ltd
<b>Zambia</b>	Standard Chartered Bank Zambia PLC	

\*The Royal Bank of Canada serves as Northern Trust's Sub-Custodian for securities not eligible for settlement in Canada's local central securities depository.

# Ambienta X ICAV

This Supplement contains information relating specifically to Ambienta X ICAV (the "**ICAV**"), an umbrella fund with segregated liability between sub-funds.

**This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the ICAV dated 17 January, 2024 (the "Prospectus") which immediately precedes this Supplement and is incorporated herein.**

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## LIST OF FUNDS SUPPLEMENT TO THE PROSPECTUS

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*Capitalised terms used herein shall have the meanings attributed to them in the Prospectus.*

The Directors of the ICAV, whose names appear in the Prospectus under the heading "MANAGEMENT AND ADMINISTRATION", accept responsibility for the information contained in the Prospectus and in this Supplement. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of the information.

### Existing Funds of the ICAV

1. Ambienta X Alpha Fund
2. Ambienta X Environmental Mid Cap Fund
3. Ambienta X Sustainable Leaders Fund

**Dated 17 January, 2024**