

**TWENTYFOUR ICAV**

**A QUALIFYING INVESTOR ALTERNATIVE INVESTMENT FUND**

An umbrella Irish collective asset-management vehicle with segregated liability between sub-funds formed in Ireland on 15 May 2020 pursuant to the Irish Collective Asset-management Vehicles Act 2015 (the "**Act**") and authorised by the Central Bank as a qualifying investor alternative investment fund

**PROSPECTUS**

**WAYSTONE MANAGEMENT COMPANY (IE) LIMITED**

**AIFM**

Dated 17 October 2023

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## 1 **IMPORTANT INFORMATION**

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### 1.1 **Reliance on this Prospectus**

In deciding whether to invest in the ICAV, investors should rely on information in this Prospectus and the relevant Sub-Fund's most recent annual report.

Because the Prospectus may be updated from time to time, investors should make sure they have the most recent version.

Statements made in this Prospectus are based on the law and practice in force in the Republic of Ireland at the date of this Prospectus, which may be subject to change. This Prospectus will be updated to take into account material changes from time to time and any such amendments will be notified in advance to and cleared by the Central Bank.

**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 investing in the ICAV, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.**

Any translations of the Prospectus shall only contain the same information and have the same meanings as the English language document. To the extent that there is any inconsistency between the English language document and the document in another language, the English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction.

**Neither the ICAV nor the AIFM shall be liable to investors (or to any other persons) for any error of judgement in the selection of each Sub-Fund's investments.**

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

### 1.2 **Central Bank Authorisation**

**The ICAV is both authorised and supervised by the Central Bank pursuant to the ICAV Act and chapter 2 of the AIF Rulebook. The 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 any Sub-Fund of the ICAV. The authorisation of the ICAV is not an endorsement or guarantee of the ICAV by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus.**

**The Central Bank shall not be liable by virtue of its authorisation of the ICAV or by reason of the exercise of the functions conferred on it by legislation in relation to the ICAV for any default of the ICAV.**

**The ICAV has been authorised by the Central Bank for marketing solely to Qualifying Investors. With the exception of investors who qualify as Accredited Investors, the minimum subscription amount for each applicant for Shares in the ICAV (through investment in one or more Sub-Funds) will be at least the minimum amount required by the Central Bank for the ICAV to obtain QIAIF status.**

The ICAV is a Qualifying Investor AIF, a category of non-UCITS collective investment scheme authorised by the Central Bank pursuant to the ICAV Act and chapter 2 of the AIF Rulebook. Accordingly, while the ICAV is authorised by the Central Bank, the Central Bank has not set any limits or other restrictions on the investment objectives, the investment policies or on the degree of leverage which may be employed by the ICAV.

### 1.3 **Segregated Liability**

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

#### 1.4 **Responsibility**

To the best of the knowledge and belief of the Directors (whose names appear under the heading "**Management of the ICAV – Directors**" below and who have taken reasonable care to confirm that such is the case) the information contained in this Prospectus is in accordance with the facts and does not in the Directors' judgment omit anything likely to materially affect the import of such information. The Directors accept responsibility for the information contained in this Prospectus accordingly.

#### 1.5 **Prospectus/Supplements**

This Prospectus describes the ICAV. The ICAV issues Supplements to this Prospectus relating to each Sub-Fund. A separate Supplement will be issued at the time of establishment of each Sub-Fund. Each Supplement forms part of and should be read in the context of and in conjunction with this Prospectus.

This Prospectus may only be issued with one or more Supplements, each containing information in relation to a particular Sub-Fund. Details relating to Classes may be dealt with in the relevant Supplement for the particular Sub-Fund or in a separate Class Supplement for each Class.

#### 1.6 **Restrictions on Offerings**

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. It is the responsibility 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 or domicile.

Within the European Union, the ICAV is authorised to be marketed solely to professional clients within the meaning of Annex II of the Directive 2004/39/EC. Additionally, an EU Member State may permit, under the laws of that EU Member State, a Sub-Fund to be sold to other categories of investors and this permission could encompass additional categories of investors, within the scope of the Qualifying Investor criteria.

Prior to undertaking any "marketing" (as such term is defined in AIFMD) towards Qualifying Investors domiciled in or with a registered office in an EEA Member State, the AIFM will give written notification to the regulatory authorities of the relevant EEA member states pursuant to Article 31 and/or Article 32 of AIFMD of its intention to market the Shares in accordance with the AIFM

Regulations and the rules of the respective regulatory authorities.

The ICAV may reject any application in whole or in part without giving any reason for such rejection in which event, subject to applicable law, 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. For further details, please refer to the section of this Prospectus entitled "**Share Dealings; Ownership Restrictions**".

The Shares have not been and will not be registered under the US Securities Act of 1933, as amended, and the ICAV has not been and will not be registered under the US Investment Company Act of 1940, as amended. Accordingly the Shares may not be offered or sold, directly or indirectly, in the US or to any U.S. Person except pursuant to an exemption from, or in a transaction not subject to the requirements of the US Securities Act of 1933, as amended, and the US Investment Company Act of 1940, as amended. The Shares have not been approved by the United States Securities and Exchange Commission, any state securities commission or other U.S. regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of these offering materials. Any representation to the contrary is unlawful.

#### 1.7 **Suitability of Investment**

**As the price of Shares in each Sub-Fund may fall as well as rise, the ICAV shall not be a suitable investment for an investor who cannot sustain a loss on his investment. A typical investor will be seeking to achieve a return on his investment in the medium to long term.**

The decision to invest in any Sub-Fund, and if so how much, should be based on a realistic analysis of the investor's own financial circumstances and tolerance for investment risk.

**As with any investment, future performance may differ from past performance, and Shareholders could lose money. There is no guarantee that any Sub-Fund will meet its objectives or achieve any particular level of future performance. These are investments, not bank deposits.**

No Sub-Fund in this Prospectus is intended as a complete investment plan, nor are all Sub-Funds appropriate for all investors. Before investing in a Sub-Fund, each prospective investor should read the Prospectus and should understand the risks,

costs and terms of investment in that Sub-Fund. In particular, investors should read and consider Appendix I to this Prospectus (entitled "**Risk Factors**") before investing in the ICAV.

#### 1.8 **Potential for Capital Reduction**

Where provided for in the relevant Supplement, (i) dividends may be declared out of the capital of the relevant Sub-Fund; and/or (ii) fees and expenses may be paid out of the capital of the relevant Sub-Fund, in each case in order to preserve cash flow

to Shareholders. In any such cases, there is a greater risk that capital may be eroded and distribution will be achieved/fees will be paid in a manner that foregoes the potential for future capital growth of your investment. This cycle may continue until all capital is depleted.

Distributions out of capital may have different tax consequences to distributions of income and it is recommended that you seek appropriate advice in this regard.

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## 2 DEFINITIONS

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**Accounting Period** means, unless otherwise specified in the relevant Supplement, a period ending on 28 February of each year or such other date as the Directors may from time to time decide with the prior approval of the Central Bank;

**Accredited Investor** means an investor who has satisfied one of the following conditions: (a) the investor is an entity appointed to provide investment management or advisory services to the ICAV or any Sub-Fund; (b) the investor is a Director of the ICAV or a director of the AIFM or other entity appointed to provide investment management or advisory services to the ICAV; or (c) the investor is an employee of the ICAV or the AIFM or an employee of an entity appointed to provide investment management or advisory services to the ICAV, where the employee is directly involved in the investment activities of the ICAV or is a senior employee of the ICAV or the AIFM and has experience in the provision of investment management services and the ICAV is satisfied that the investor falls within the criteria outlined; and in each case certifies in writing to the ICAV to its satisfaction that; (i) they are availing of the exemption from the minimum subscription requirement of €100,000 on the basis that they are an Accredited Investor as defined above; (ii) they are aware that each Sub-Fund is marketed solely to Qualifying Investors who are normally subject to a minimum subscription requirement of €100,000; (iii) they are aware of the risk involved in the proposed investment; and (iv) they are aware that inherent in such investment is the potential to lose all of the sum invested;

**Administration Agreement** means the agreement made between the ICAV, the AIFM and the Administrator as may be amended or supplemented from time to time in accordance with the requirements of the Central Bank and the AIF Rulebook, pursuant to which the latter was appointed as administrator of the ICAV;

**Administrator** means Northern Trust International Fund Administration Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank and the AIF Rulebook as the administrator to the ICAV;

**Anti-Dilution Levy** means an adjustment made on a transaction basis in the case of net subscriptions and/or net repurchases as a percentage adjustment (to be communicated to

the Administrator) on the value of the relevant subscription/ repurchase calculated for the purposes of determining a subscription price or Repurchase Price to cover dealing costs and to preserve the value of the underlying assets of the relevant Sub-Fund, as disclosed in the relevant Supplement;

**AIF** means an alternative investment fund as defined in the AIFM Regulations;

**AIF Rulebook** means the Central Bank's Rulebook in relation to AIFs as amended, consolidated or substituted from time to time;

**AIFM** means the alternative investment fund manager of the ICAV namely Waystone Management Company (IE) Limited, or any successor thereto duly appointed by the ICAV in accordance with AIFMD and the requirements of the AIF Rulebook as the alternative investment fund manager of the ICAV and duly authorised to act as an alternative investment fund manager by its local EEA Member State regulator;

**AIFM Agreement** means the alternative investment fund management agreement between the ICAV and the AIFM dated 31 July 2020 as may be amended or supplemented from time to time in accordance with the requirements of the AIF Rulebook pursuant to which the AIFM has been appointed as the alternative investment fund manager of the ICAV;

**AIFMD** means Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers, as may be amended from time to time;

**AIFM Regulations** means the European Union (Alternative Investment Fund Managers Regulations (S.I. 257 of 2013)), as may be modified, amended, supplemented, consolidated or re-enacted from time to time;

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

**Business Day** means the business day as disclosed in the Supplement for the relevant Sub-Fund;

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

**Class(-es)** means the class or classes of Shares (if any) relating to a Sub-Fund (each of which may have specific features with respect to subscription, exchange, redemption or contingent deferred sales charge, minimum subscription amount, dividend policy, service provider fees or other specific features). The details applicable to each Class will be described in the relevant Supplement;

**Clear Days** means in relation to the period of a notice, that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**Country Supplement** means a supplement to this Prospectus, issued from time to time, specifying certain information pertaining to the offer of Shares of the ICAV or a Sub-Fund or Class in a particular jurisdiction or jurisdictions;

**CRS** means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, bilateral and multilateral competent authority agreements, intergovernmental agreements and treaties facilitating the implementation thereof and any law implementing the Common Reporting Standard, as implemented in Ireland;

**Data Protection Legislation** means the General Data Protection Regulation (Regulation 2016/679) and any national implementing laws, regulations and secondary legislation, as amended or updated from time to time in Ireland and any successor legislation;

**Dealing Day** means, in respect of each Sub-Fund, each Business Day on which subscriptions for, redemptions of and exchanges of relevant Shares can be made by the ICAV as specified in the Supplement for the relevant Sub-Fund;

**Dealing Deadline** means, in relation to any application for subscription, redemption or exchange of Shares of a Sub-Fund, the day and time specified in the Supplement for the relevant Sub-Fund by which such application must be received by the Administrator on behalf of the ICAV in order for the subscription, redemption or exchange of Shares of the Sub-Fund to be made by the ICAV;

**Depository** means Northern Trust Fiduciary Services (Ireland) Limited or any successor thereto duly appointed in accordance with the requirements of the Central Bank and the AIF Rulebook as the depository of the ICAV;

**Depository Agreement** means the agreement made between the ICAV, the AIFM and the Depository dated 31 July 2020 as may be amended or supplemented from time to time in accordance with the requirements of the Central Bank and the AIF Rulebook, pursuant to which the latter was appointed depository of the ICAV;

**Designated Investments** means some or all of the investments of a Sub-Fund (together with any reserve established by the Directors in their sole discretion from time to time) designated by the Directors as such, where such investments, in the judgment of the Directors are, either individually or as a whole illiquid and/or without a readily ascertainable market value (including any such interests in underlying funds held by a Sub-Fund);

**Directors** mean the directors of the ICAV or any duly authorised committee or delegate thereof, each a Director;

**Disposition** means a complete or partial disposition of a Designated Investment or an earlier determination by the Directors in their sole discretion that the Designated Investment will no longer be deemed a Designated Investment;

**EEA Member States** means the member states of the European Economic Area;

**EU Member States** means the member states of the European Union;

**Euro** or € means the lawful currency of the participating EU Member States which have adopted the single currency in accordance with the EC Treaty of Rome dated 25th March 1957 as amended;

**European Economic Area** means the member states of the European Economic Area;

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

**Exchange Day** means the Business Day on which an investor may apply to exchange his Shares in a Sub-Fund and/or such other day or days as the Directors may from time to time determine and notify to Shareholders in advance;

**Exempt Irish Shareholder** means

- (a) a qualifying management company within the meaning of section 739B(1) TCA;
- (b) an investment undertaking within the meaning of section 739B(1) TCA;
- (c) an investment limited partnership within the meaning of section 739J TCA;

- (d) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies;
- (e) a company carrying on life business within the meaning of section 706 TCA;
- (f) a special investment scheme within the meaning of section 737 TCA;
- (g) a unit trust to which section 731(5)(a) TCA applies;
- (h) a charity being a person referred to in section 739D(6)(f)(i) TCA;
- (i) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA or section 848B TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- (j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;
- (k) the National Asset Management Agency;
- (l) the Courts Service;
- (m) a credit union within the meaning of section 2 of the Credit Union Act 1997;
- (n) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the ICAV (or a Sub-Fund) is a money market fund;
- (o) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the ICAV;
- (p) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the ICAV in respect of that Shareholder under Part 27, Chapter 1A TCA; and
- (q) the National Treasury Management Agency of Ireland, or a fund investment

vehicle within the meaning of Section 739D(6)(kb) TCA;

and where necessary the ICAV is in possession of a Relevant Declaration in respect of that Shareholder;

**Extraordinary Expenses** means the extraordinary expenses defined as such in the section headed "Fees and Expenses";

**FATCA** means

- (a) sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulations or other official guidance;
- (b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the U.S., or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to: (i) the legislation, regulations or guidance described in paragraph (a) above; or (ii) any similar regime, including any automatic exchange of information regime arising from or in connection with the OECD Common Reporting Standard; and
- (c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs;

**FDI** means a financial derivative instrument (including an OTC derivative);

**ICAV** means an Irish collective asset-management vehicle; namely TwentyFour ICAV;

**ICAV Act** means the Irish Collective Asset-management Vehicles Act 2015 including any regulations made thereunder by ministerial order and any conditions that may from time to time be imposed thereunder by the Central Bank whether by notice or otherwise affecting the ICAV;

**Initial Issue Price** means the price (excluding any Subscription Charge) per Share at which Shares are initially offered in a Sub-Fund as specified in the Supplement of the Sub-Fund;

**Instrument of Incorporation** means the instrument of incorporation of the ICAV as amended from time to time in accordance with the requirements of the Central Bank;

**Investment Account** means: (i) a separate temporary investment account; or (ii) a separate disinvestment account as described in further detail under "Subscription for Shares";

**Investment Manager** means TwentyFour Asset Management LLP or any successor thereto duly appointed as Investment Manager to the ICAV in accordance with the requirements of the Central Bank and the AIF Rulebook;

**Investment Management Agreement** means the agreement made between the AIFM and the Investment Manager dated dated 31 July 2020 as may be amended or supplemented from time to time in accordance with the requirements of the AIF Rulebook pursuant to which the latter was appointed investment manager of the ICAV;

**Investment Management Fee** means the investment management fee detailed as such in the section headed "Fees and Expenses";

"IFRS" International Financial Reporting Standards as adopted by the EU;

**Irish Resident** means any person resident in Ireland or ordinarily resident in Ireland (as described in the Taxation section of this prospectus) other than an Exempt Irish Shareholder;

**Level 2 Regulation** means Commission Delegated Regulation (EU) No. 231/2013 as may be amended from time to time;

**Minimum Additional Investment Amount** means such minimum cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time require to be invested in any Sub-Fund by each Shareholder (after investing the Minimum Initial Investment Amount) and as such is specified in the Supplement for the relevant Sub-Fund;

**Minimum AIFM Fee** has the meaning set out in the section headed "Fees and Expenses";

**Minimum Initial Investment Amount** means such minimum initial cash amount or minimum number of Shares as the case may be (if any) as the Directors may from time to time require to be invested by each Shareholder as its initial investment for Shares of each Class in a Sub-Fund and as such is specified in the Supplement for the relevant Sub-Fund provided that the Directors shall not accept applications for Shares from any Qualifying Investor unless the applicant's initial subscription to the ICAV as a whole is equal to or greater than the minimum amount required by the Central Bank for the ICAV to obtain QIAIF status (which at the date of this Prospectus is €100,000 or its foreign currency equivalent);

**Minimum Redemption Amount** means such minimum number or minimum value of Shares of any Class as the case may be (if any) which may

be redeemed at any time by a Shareholder and as such is specified in the Supplement for the relevant Sub-Fund;

**Minimum Shareholding** such minimum number or minimum value of Shares of any Class (if any) as the Directors may, from time to time, prescribe, as the minimum permitted holding of Shares of that Class, provided that the initial minimum holding by a Qualifying Investor in the ICAV as a whole shall not be less than the Minimum Initial Investment Amount;

**Minimum Sub-Fund Size** means such amount (if any) as the Directors may consider for each Sub-Fund and as set out in the Supplement for the relevant Sub-Fund;

**Money Market Instruments** mean instruments normally dealt in on the money market which are liquid and have a value which can be accurately determined at any time;

**Net Asset Value** means, in respect of the assets and liabilities of a Sub-Fund, a Class or the Shares representing interests in a Sub-Fund, the amount determined in accordance with the principles set out in the "Valuation of Assets-Calculation of Net Asset Value" section below as the Net Asset Value of the Sub-Fund, the Net Asset Value per Class or the Net Asset Value per Share (as appropriate);

**OECD** means the Organisation for Economic Co-operation and Development;

**OTC** means over-the-counter and refers to derivatives negotiated between two counterparties;

**Paying Agent** means one or more paying agents including but not limited to representatives, distributors, correspondent banks, or centralising agents appointed by the ICAV or the AIFM in certain jurisdictions;

**Prospectus** means this prospectus issued on behalf of the ICAV including any Supplement or addendum thereto as amended, supplemented or consolidated from time to time;

**Qualifying Investor** has the meaning required by the AIF Rulebook, which at the date of this Prospectus means an investor who has certified in writing to the ICAV that it is:

- (a) a professional client within the meaning of Annex II of Directive 2004/39/EC (Markets in Financial Instruments Directive) ("MiFID"); or
- (b) an investor who receives an appraisal from an EU credit institution, a MiFID firm

or a UCITS management company that the investor has the appropriate expertise, experience and knowledge to adequately understand the investment in the ICAV; or

- (c) an investor who certifies it is an informed investor by providing the following: (i) confirmation (in writing) that the investor has such knowledge of and experience in financial and business matters as would enable the investor to properly evaluate the merits and risks of the prospective investment; or (ii) confirmation (in writing) that the investor's business involves, whether for its own account or the account of others, the management, acquisition or disposal of property of the same kind as the property of the scheme; and it is aware of the risk involved in the proposed investment and that inherent in such investment is the potential to lose all of the sum invested.

Within the EEA, the ICAV may only be marketed to professional investors as defined in the AIFMD unless the EEA Member State in question permits, under the laws of that EEA Member State, the ICAV to be sold to other categories of investors and this permission encompasses investors set out in categories (b) and (c) above;

**Qualifying Investor AIF or QIAIF** means a qualifying investor alternative investment fund a category of non-UCITS collective investment scheme authorised by the Central Bank pursuant to the ICAV Act and chapter 2 of the AIF Rulebook;

**Redemption Day** means the Business Day on which Shareholders may apply to redeem Shares in a Sub-Fund and/or such other day or days as the Directors may from time to time determine and notify to Shareholders in advance;

**Relevant Declaration** means the declaration relevant to the Shareholder as set out in Schedule 2B TCA;

**Redemption Charge** means the charge, if any, to be paid out of the Redemption Price which Shares may be subject to, as described under "Share Dealings - Redemption of Shares" and specified in the relevant Supplement;

**Redemption Price** means the price at which Shares are redeemed, as described under "Share Dealings - Redemption of Shares" and as may be specified in the relevant Supplement;

**Redemption Proceeds** means the Redemption Price less any Redemption Charge and any duties and charges, costs, expenses or taxes, as

described under "Share Dealings – Redemption of Shares";

**Register** means the register of Shareholders to be kept as required by the ICAV Act;

**Revenue Commissioners** means the Irish Revenue Commissioners;

**Securities Financing Transactions** means repurchase agreements, reverse repurchase agreements and/or securities lending agreements as envisaged under SFTR;

**Settlement Date** unless otherwise specified in the relevant Supplement means, in respect of receipt of monies for subscription for Shares immediately prior to the Dealing Day or in respect of dispatch of monies for the repurchase of Shares, generally within 90 calendar days of the relevant Dealing Day, provided that all the required documentation has been furnished to and received by the Administrator. In the case of repurchases from open-ended Funds this date will be no more than 90 calendar days after the relevant Dealing Deadline, or if later, the date of receipt of completed repurchase documentation;

**SFT Regulations or SFTR** means Regulation 2015/2365 of the European Parliament and of the Council of 25 November 2015 on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012 as may be amended, supplemented, consolidated, substituted in any form or otherwise modified from time to time;

**Shares** means a share in the capital of the ICAV, designated in one or more Sub-Funds or Classes, issued in accordance with the Instrument of Incorporation and with the rights provided thereunder;

**Shareholders** means persons registered as the holders of Shares in the register of Shareholders for the time being kept by or on behalf of the ICAV, and each a **Shareholder**;

**Subscriptions/Redemptions Account** means the account in the name of the ICAV through which subscription monies and redemption proceeds and dividend income (if any) for each Sub-Fund are channelled, the details of which are specified in the account opening form;

**State** means the Republic of Ireland;

**Sterling, GBP and £** means the lawful currency of the United Kingdom;

**Sub-Fund** means a sub-fund of the ICAV the proceeds of issue of which are pooled separately

in a segregated portfolio of assets and invested in accordance with the investment objective and policies applicable to such sub-fund and which is established by the ICAV from time to time with the prior approval of the Central Bank;

**Subscription Day** means the Business Day on which an investor may apply to subscribe for Shares in a Sub-Fund and/or such other day or days as the Directors may from time to time determine and notify to Shareholders in advance;

**Subscription Charge** means the charge, if any, payable to any appropriate party at the direction of the Directors on subscription for Shares as described under "Entry/Exit Charges – Subscription Charge" and specified in the relevant Supplement;

**Supplement** means any supplement to this Prospectus issued on behalf of the ICAV specifying certain information in relation to a Sub-Fund and/or one or more Classes from time to time;

**TCA** means the Irish Taxes Consolidation Act, 1997, as amended;

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

**U.S. Dollars, Dollars** and **\$** means the lawful currency of the United States;

**U.S. Person** means a U.S. Person as defined in Regulation S under the United States Securities Act of 1933 and CFTC Rule 4.7;

**Valuation Point** means the time on or with respect to the relevant Dealing Day by reference to which the Net Asset Value of a Sub-Fund and the Net Asset Value per Share are calculated as is specified in the Supplement for the relevant Sub-Fund; and

### **Headings and Numbering**

The headings and numbering of sections of this Prospectus are for convenience of reference only and shall not affect the meaning or interpretation of this Prospectus in any way.

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## 3      ***SUB-FUNDS***

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### **3.1      Structure**

The ICAV is an umbrella Irish collective asset-management vehicle with segregated liability between Sub-Funds formed in Ireland on dated 15 May 2020 under the ICAV Act with registration number dated C430450. The ICAV has been authorised by the Central Bank pursuant to the ICAV Act and chapter 2 of the AIF Rulebook.

The ICAV is structured as an umbrella fund consisting of different Sub-Funds (in respect of which a Supplement or Supplements may be issued), each comprising one or more Classes. Shares representing interests in different Sub-Funds (which may be open-ended, closed-ended or limited liquidity) may be issued from time to time by the ICAV. The assets of each Sub-Fund will be invested separately on behalf of each Sub-Fund in accordance with the investment objective and policies of each Sub-Fund. The investment objective and policies and other details in relation to each Sub-Fund are set out in the relevant Supplement. Additional Sub-Funds may be established by the Directors from time to time with the prior approval of the Central Bank.

Shares may be issued in Classes within each Sub-Fund. Classes of Shares in each Sub-Fund may differ as to certain matters including currency of denomination, hedging strategies if any applied to the designated currency of a particular Class, dividend policy, fees and expenses charged or the Minimum Initial Investment Amount, Minimum Additional Investment Amount, Minimum Shareholding and Minimum Redemption Amount. The Classes of Shares available for subscription shall be set out in the relevant Supplement. A separate pool of assets shall not be maintained in respect of each Class. Additional Classes 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. Separate books and records will be maintained for each Sub-Fund but not for each Class.

### **3.2      Investment Objective and Policies**

The assets of each Sub-Fund will be invested separately in accordance with the investment objectives and policies of the Sub-Fund. The specific investment objective and policies of each Sub-Fund will be set out in the relevant Supplement and will be formulated by the Directors in consultation with the AIFM and the Investment Manager at the time of creation of the relevant Sub-Fund. The Investment Manager will follow an integration approach in assessing environmental, social and governance issues for each Sub-Fund.

The investment objective of a Sub-Fund may not be altered, and material changes to the investment policy of a Sub-Fund may not be made, without prior approval of Shareholders on the basis of: (i) a majority of votes cast at a meeting of the Shareholders of the particular Sub-Fund duly convened and held; or (ii) with the prior written approval of all Shareholders of the relevant Sub-Fund. In the event of a change of the investment objective and/or a material change in the investment policy of a Sub-Fund, approved by way of a majority of votes cast at a meeting of the relevant Shareholders, Shareholders in the relevant Sub-Fund will be given reasonable notice of such change to enable them to redeem their Shares prior to implementation of such a change.

### **3.3      Investment Restrictions**

The investment and borrowing restrictions for each Sub-Fund are formulated by the AIFM in consultation with the Investment Manager at the time of the creation of a Sub-Fund. Details of investment restrictions will be contained in the relevant Supplement.

Notwithstanding the above, the following investment restrictions apply to all Sub-Funds. These are Irish regulatory requirements applicable to Qualifying Investor AIFs pursuant to the ICAV Act and chapter 2 of the AIF Rulebook:

- a) No Sub-Fund may (nor may it appoint an AIFM that would on the relevant Fund's behalf) acquire any shares carrying voting rights which would enable either of them to exercise significant influence over the management of an issuing body. This restriction is not applied to Sub-Funds structured as venture capital, development capital or private equity funds or for any investments by a Sub-Fund

in other collective investment schemes (provided the relevant Supplement indicates the intention regarding the exercise of legal and management control over underlying investments).

- b) Unless otherwise detailed in the relevant Sub-Fund in accordance with the AIF Rulebook, no Sub-Fund may invest more than 50% of its Net Asset Value in any one unregulated fund.
- c) No Sub-Fund will invest more than 50% of its Net Asset Value in another fund which itself invests more than 50% of its net assets in another investment fund.
- d) Where a Sub-Fund invests in the shares or units of any other collective investment scheme managed by the AIFM or an associated entity, the AIFM or the associated entity, as applicable, will waive any Subscription Charge, Redemption Charge or Exchange Charge that would otherwise be payable in connection with the investment in that other collective investment scheme.
- e) With the exception of loan originating Sub-Funds established in accordance with the requirements of the AIF Rulebook, no Sub-Fund may grant loans or act as a guarantor on behalf of third parties. This is without prejudice to the ability of a Sub-Fund to acquire debt securities. It will not prevent a Sub-Fund from acquiring securities which are not fully paid or from entering into bridge financing arrangements where the financing extended to the Sub-Fund is backed by sufficient legally binding commitments to discharge the financing within a time period determined by the AIFM and at least simultaneously triggering obligations on Shareholders to make capital contributions which they are previously contractually committed to making at the time the bridge financing is entered into.
- f) No Sub-Fund may raise capital from the public through the issue of debt securities. This investment restriction does not operate to prevent the issue of notes by a Sub-Fund, on a private basis, to a lending institution to facilitate financing arrangements. Details of any such notes issued by a Sub-Fund will be clearly provided in the relevant Supplement.

Investment restrictions are applied at the time of making an investment. Where any investment restriction is breached for reasons beyond the control of the Sub-Fund or as a result of the exercise of subscription rights, including any inadvertent breaches, the AIFM will ensure corrective action is taken as a priority objective taking due account of the interests of Shareholders.

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 pursuant to the Central Bank's requirements. Any changes to the investment or borrowing restrictions will be disclosed in an updated Prospectus and/or Supplement, and if material, subject to prior Shareholder approval pursuant to the "**Investment Objective and Policies**" section above.

### **3.4 Borrowing, Leverage and Rehypothecation of Assets**

The ICAV may engage and leverage the assets of a Sub-Fund where provided for in the relevant Supplement. Leveraging allows a Sub-Fund to generate a return, or incur a loss, that is larger than that which would be generated on the invested capital without leverage, thus changing small market movements (either positive or negative) into larger changes in the value of the investments of a Sub-Fund. Leverage may be generated in order to pursue a Sub-Fund's investment objective and policy by using a variety of strategies including but not limited to investing in derivative instruments.

Borrowing made on behalf of a Sub-Fund may be used for general business purposes, including to facilitate the transfer of funds from one Sub-Fund investment to another, smooth the negative impact of Shareholders' subscriptions and redemptions of Shares on that Sub-Fund's performance, to temporarily fund investments, to fund redemptions and to fund distributions. The ICAV may also charge, pledge, mortgage or otherwise encumber the assets of a Sub-Fund or any part thereof to secure borrowing incurred for a Sub-Fund.

Borrowing or leverage presents the potential for a higher rate of total return but also increases the volatility of a Sub-Fund, including the risk of a total loss of the amount invested. Leverage may cause increased volatility by magnifying gains or losses.

### **3.5 Cross-Investment**

Investors should note that, subject to the requirements of the Central Bank and where more than one Sub-Fund is established within the ICAV, each of the Sub-Funds may invest in the other Sub-Funds of the ICAV where such investment is appropriate to the investment objectives and policies of the relevant Sub-Fund. Any commission received by the AIFM or the Investment Manager in respect of such investment will be paid

into the assets of the relevant Sub-Fund. In addition, no Subscription Charge, Redemption Charge or Exchange Charge may be charged on the cross-investing Sub-Fund's investment.

In order to avoid double-charging of management fee, any Sub-Fund that is invested in another Sub-Fund may not be charged an AIFM fee or an Investment Management Fee in respect of that part of its assets invested in other Sub-Funds unless such investment in another Sub-Fund is made into a Class of Shares that does not attract any AIFM fee or Investment Management Fee respectively. Investment may not be made by a Sub-Fund in a Sub-Fund which itself cross-invests in another Sub-Fund within the ICAV.

### **3.6 Securities Financing Transactions**

A Sub-Fund may use Securities Financing Transactions in accordance with normal market practice and subject to the requirements of the STFR and the requirements of the Central Bank. Such Securities Financing Transactions may be entered into for any purpose that is consistent with the investment objective of the relevant Sub-Fund, including to generate income or profits in order to increase portfolio returns or to reduce portfolio expenses or risks.

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 Sub-Fund purchases securities from a counterparty and simultaneously commits to resell the securities to the counterparty at an agreed upon date and price.

Securities lending means transactions by which one party transfers securities to the other party subject to a commitment that the other party will return equivalent securities on a future date or when requested to do so by the party transferring the securities, that transaction being considered as securities lending for the party transferring the securities.

Any Sub-Fund that seeks to engage in securities lending should ensure that it is able at any time to recall any security that has been lent out or terminate any securities lending agreement into which it has entered.

Any Sub-Fund that enters into a reverse repurchase agreement should ensure that it is able at any time to recall the full amount of cash or to terminate the reverse repurchase agreement on either an accrued basis or a mark-to-market basis. When the cash is recallable at any time on a mark-to-market basis, the mark-to-market value of the reverse repurchase agreement should be used for the calculation of the Net Asset Value of the Sub-Fund.

A Sub-Fund that enters into a repurchase agreement should ensure that it is able at any time to recall any securities subject to the repurchase agreement or to terminate the repurchase agreement into which it has entered. Fixed-term repurchase and reverse repurchase agreements that do not exceed seven days shall be considered as arrangements on terms that allow the assets to be recalled at any time by the Sub-Fund.

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

While the ICAV will conduct appropriate due diligence in the selection of counterparties, it is noted that the requirements of the Central Bank do not prescribe any pre-trade eligibility criteria for counterparties to a Sub-Fund's securities financing transactions. The ICAV will adhere to the conditions of the Central Bank Regulations in relation to cases where rated counterparties are subject to a ratings downgrade.

Collateral received by a Sub-Fund will consist of such collateral as is agreed with a counterparty from time to time and may include cash in any currency, cash equivalents, equity or debt securities and any other kind of security or other instrument in which the Sub-Fund is permitted to invest. Factors such as the type of securities that are being financed and market practice are taken into account when determining acceptable

collateral received or provided, including the application of any haircuts. The value of collateral received should not display a high correlation with the performance of the counterparty. There are no restrictions on maturity or issuer provided the collateral is sufficiently liquid, as determined at the discretion of the Investment Manager. Collateral provided to a counterparty by a Sub-Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any or all types of assets held by such Sub-Fund.

Non-cash collateral held for the benefit of a Sub-Fund shall be valued in accordance with the valuation policies and principles applicable to the ICAV. Subject to any agreement on valuation made with the counterparty, collateral posted to a recipient counterparty will be valued daily at mark-to-market value. Subject to agreement with the counterparty, daily variation margins will apply.

The ICAV is not subject to any restrictions on the reuse of collateral.

Any financial instruments received by a Sub-Fund from a counterparty on a title transfer basis (whether in respect of a Securities Financing Transaction, an OTC derivative transaction or otherwise) shall be held by the Depositary or a duly appointed sub-custodian. Financial instruments provided by a Sub-Fund on a title transfer basis shall no longer belong to such Sub-Fund and shall pass outside the custodial network. The counterparty may use those assets at its absolute discretion. Financial instruments provided to a counterparty other than on a title transfer basis shall be held by the Depositary or a duly appointed sub-custodian.

There is no restriction on the proportion of a Sub-Fund's assets that may be subject to Securities Financing Transactions.

From time to time, a Sub-Fund may engage repurchase/reverse repurchase agreements counterparties and/or securities lending agents that are related parties to the service providers of the ICAV. Such engagement may on occasion cause a conflict of interest with the role of the service provider in respect of the ICAV. Please refer to the "**Conflicts of Interest**" section for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the relevant Sub-Fund's annual reports.

Please refer to the "**Risk Factors**" section in respect of the risks related to securities financing transactions. The risks arising from the use of securities financing transactions shall be adequately captured in the ICAV's risk management process.

### **3.7 Investment through Subsidiaries**

A Sub-Fund may, subject to the requirements of the Central Bank, invest indirectly through one or more wholly owned subsidiaries or other vehicles where the AIFM, in consultation with the Investment Manager, considers that this would be operationally, commercially and/or tax efficient or would provide the only practicable means of access to the relevant security. The names of any wholly owned subsidiaries will be disclosed in the annual report in respect of the Sub-Fund. The investment objective and policy of the relevant Sub-Fund will not only be applied to the Sub-Fund but also to the wholly-owned subsidiary and the investments of the wholly-owned subsidiary will be treated as being held by the Sub-Fund. The assets and shares of any wholly-owned subsidiary will be held by the Depositary or an appointed sub-custodian on behalf of the ICAV. In such circumstances, a separate fee shall be payable to the Depositary by such subsidiary, details of which will be set out in the relevant Supplement.

### **3.8 Reference to Ratings**

The European Union (Alternative Investment Fund Managers) (Amendment) Regulations 2014 (S.I. No. 379 of 2014) (the "**Amending Regulations**") transpose the requirements of the Credit Ratings Agencies Directive (2013/14/EU) ("**CRAD**") into Irish Law. CRAD aims to restrict the reliance on ratings provided by credit rating agencies and to clarify the obligations for risk management. In accordance with the Amending Regulations and the CRAD, notwithstanding anything else in this Prospectus, the AIFM shall not solely or mechanically rely on credit ratings in determining the credit quality of an issuer or counterparty.

### **3.9 Hedged Classes**

The ICAV may (but is not obliged to) enter into certain currency-related transactions in order to hedge the currency exposure of the assets of a Sub-Fund attributable to a particular Class into the currency of denomination of the relevant Class. This involves a Class designated in a currency other than the Base

Currency being hedged against exchange rate fluctuation risks between the designated currency of the Class and the Base Currency.

Any financial instruments used to implement such currency hedging strategies with respect to one or more Classes shall be assets/liabilities of the Sub-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. In the case of any type of hedged currency Classes, a Sub-Fund may incur liabilities in connection with currency hedging transactions carried out in relation to and for the benefit of a single Class. In extreme cases, currency hedging transactions for one Class may adversely affect the Net Asset Value of other Classes within the same Sub-Fund.

Classes will be identified as currency hedged Classes, as appropriate, in the Supplement for the Sub-Fund in which such Class is issued.

### 3.10 **Dividend Policy**

The dividend policy of each Sub-Fund will be set out in the relevant Supplement.

The Instrument of Incorporation empowers the Directors to declare dividends in respect of any Shares in the ICAV out of the net income of the ICAV (i.e. income less expenses) (whether in the form of dividends, interest or otherwise) and net realised and unrealised gains (i.e. realised and unrealised gains net of all realised and unrealised losses), subject to certain adjustments and, in accordance with the requirements of the Central Bank, partially or fully out of the capital of the relevant Sub-Fund.

Dividends may be paid out to Shareholders of a distributing Class or reinvested at the discretion of the Shareholder.

Any dividends paid which are not claimed or collected within six years of payment shall revert to and form part of the assets of the relevant Sub-Fund.

Any dividends payable to Shareholders will be paid by electronic transfer to the relevant Shareholder's bank account of record on the account opening form or in any substitute account subsequently notified in writing by the Shareholder to the ICAV at the expense of the payee and will be paid within four months of the date the Directors declared the dividend.

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

### 3.11 **Publication of Net Asset Value per Share and Publication of Holdings**

The Net Asset Value per Share for each Class shall be made available promptly by the Administrator to Shareholders on request and on such other website as may be notified to Shareholders in advance from time to time and updated following each calculation of the Net Asset Value. These Net Asset Values will be those prices applicable to the previous Dealing Day's subscriptions, redemptions and exchanges and are therefore only indicative after the relevant Dealing Day. For the avoidance of doubt, the Net Asset Value in relation to a specific Dealing Day may not be finalised and available in advance of the next Dealing Day, however the Net Asset Value per Share for each Class will be available in advance of the relevant Settlement Date in respect of dispatch of monies for the repurchase of Shares.

In addition to the information disclosed in the periodic reports of the ICAV, the ICAV may, from time to time, subject to any confidentiality requirements, make available to investors portfolio holdings and portfolio-related information in respect of one or more of the Sub-Funds. Any such information will be available to all investors in the relevant Sub-Fund on request. Any such information will only be provided on a historical basis and after the relevant Dealing Day to which the information relates.

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## 4 MANAGEMENT OF THE ICAV

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### 4.1 General

The Directors control the affairs of the ICAV. The Directors have delegated certain of their duties to the AIFM (which in turn has delegated certain functions to the Administrator and the Investment Manager), and have appointed the Depository.

### 4.2 Directors

The Directors, all of whom are non-executive directors of the ICAV, are:

**Aogán Foley** (Irish resident) has, from 2008 to date, been a non-executive director and Chairman of a number of Irish based investment funds. He is also the owner of Incisive Capital Management (“**ICM**”), a business advisory business, which he purchased from HVB AG in November, 2007. Prior to this, from 2001 to 2003, Mr. Foley was Chief Executive Officer and Director, West End Capital Management Dublin (“**WECM**”). Through WECM, he designed and set up a credit investment vehicle, Rathgar Capital Corporation (“**RCC**”) in December 2001. RCC was rated by Moody's and Standard and Poor's and was the first such vehicle to be set up outside London and New York at the time. RCC was sold to the New York branch of West LB at the end of 2003. From 1999 to 2001, he was Head of Credit Structuring, General Re Financial Products (“**GRFP**”) where he was responsible for designing and structuring credit products for GRFP in Europe. Previous to GRFP, he was Head of Fixed Income Structured Finance for Lehman Brothers International (Europe). He is a Chartered Accountant by training.

**Helen Howell** joined the Investment Manager at its inception in 2008, and serves as the firm's Deputy Chief Operating Officer (or "**Deputy COO**"). As Deputy COO, Ms. Howell has a general corporate focus, with specific responsibility for Product. As Head of Product and Chair of the Product Governance Committee, Ms. Howell has day to day responsibility for the development of new products and funds, and ongoing oversight and management of TwentyFour's product range including regulatory implementation, corporate governance, and the ongoing relationship management of fund boards and service providers. Ms. Howell acts as a non-independent director for a number of TwentyFour's funds. Ms. Howell is also a member of the Investment Manager's ESG Committee, and has been instrumental in delivering the firm's ESG implementation.

Prior to joining the Investment Manager, Ms. Howell held an AVP role in Structured Products at Wachovia Bank N.A., having previously developed the fixed income middle office at Abbey National Financial Products. Having spent her career in fixed income roles, Helen has extensive experience in credit products, including asset-backed securities, corporate bonds, AT1s, and derivatives, and manages the life cycle of a wide range of products including UCITS funds, ICVCs, SICAVs, ICAVs, U.S. Mutual Funds, Guernsey Investment Companies, and DACs. Ms. Howell has managed the launch of over 50 products in various jurisdictions including the UK, Ireland, Luxembourg, Guernsey, and the U.S.

**Bronwyn Wright** (Irish resident) is currently the managing director of FS Solutions, a company through which she can provide services as an independent non-executive director and act as a consultant to international financial organisations.

She is a former Citigroup Managing Director having worked in Capital Markets and Banking, where she was Head of Securities and Fund Services for Citi Ireland with responsibility for the management, growth and strategic direction of the securities and fund services business which included funds, custody, security finance and global agency and trust.

Due to her role in managing, leading and growing Citi's European fiduciary business, Ms. Wright has extensive knowledge of regulatory requirements and best market practice in the UK, Luxembourg, Jersey and Ireland. She has sat and chaired the boards of the applicable legal vehicles for the fiduciary businesses in each jurisdiction. Due to her engagement in due diligence exercises she also understands the Nordics, Germany and Asia. She has also been engaged in pre-acquisition due diligence in Asia and led a post-acquisition integration across EMEA.

Ms. Wright holds a degree in Economics and Politics as well as a Masters degree in Economics from University College Dublin. Ms. Wright is past chairperson of the Irish Funds Industry Association committee

for Trustee Services. She is a former lecturer for the Institute of Bankers in the Certificate and Diploma in Mutual Funds. She is co-author of the Institute of Bankers Diploma in Legal and Regulatory Studies. She has written numerous industry articles, chaired and participated in industry seminars in Europe and the U.S. She was on an Executive Committee for the DIT School of Accounting and Finance postgraduate doctorate programme.

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

#### 4.3 **AIFM**

The ICAV has appointed the AIFM to serve as its alternative investment fund manager and to manage the assets of each Sub-Fund within its investment strategies. The AIFM shall provide discretionary portfolio management and risk management services to the ICAV and is primarily responsible for the promotion of the ICAV and its Shares, subject to the overall supervision and control of the Directors.

The AIFM was incorporated in Ireland on 07 August 2012. The AIFM is authorised by the Central Bank as an alternative investment fund manager.

The AIFM will at all times maintain a level of minimum capital in accordance with the requirements of the AIFM Regulations.

Among other requirements of AIFMD, the AIFM shall:

- be responsible for the management of the assets of each Sub-Fund;
- be responsible for making available to prospective investors the information required by AIFMD;
- comply with applicable Central Bank requirements;
- comply with all duties, obligations and functions of an AIFM as are contained in AIFMD, the Level 2 Regulation and the AIF Rulebook as they apply to the services it provides to the ICAV; and
- be responsible for marketing and distributing the Shares of the ICAV and performing such other duties as required under AIFMD.

The AIFM is legally and operationally independent of the Administrator and the Depositary.

The AIFM has delegated certain aspects of its financial control and accounting management functions to the Administrator, as further detailed below. The conflicts which may arise from such delegation are detailed below. This delegation arrangement has been notified to the Central Bank and both this delegation and any sub-delegation thereunder will be in accordance with the requirements of AIFMD.

The AIFM shall ensure that its decision-making procedures and its organisational structure ensure fair treatment of Shareholders in the ICAV.

The AIFM has remuneration policies in place to ensure compliance with AIFMD and, in particular, Annex II of AIFMD. The AIFM ensures that the Investment Manager has an appropriate remuneration policy in place which is also consistent with these requirements.

The AIFM's main business is the provision of fund management services to collective investment schemes such as the ICAV.

The officers and employees of the AIFM will devote the time and services necessary for the efficient conduct of the business of each Sub-Fund. However, the AIFM and its affiliates, principals, officers and employees are engaged in other businesses which could, and are expected to require a substantial amount of time and effort.

There is no limit on the number of Shares which may be owned by the AIFM and its affiliates.

#### 4.4 **Investment Manager**

The ICAV and the AIFM have appointed TwentyFour Asset Management LLP as the investment manager pursuant to the terms of the Investment Management Agreement. The Investment Manager is a company incorporated in the United Kingdom and is registered with the Financial Conduct Authority. The Investment Manager is a wholly owned boutique of the Switzerland based Vontobel Group.

The Investment Manager shall have discretionary authority over the assets of such Sub-Fund, subject to applicable law and the relevant investment objective, policies, strategies, restrictions and the written

instructions of the AIFM (as detailed in the Investment Management Agreement) for the purposes of the investment and reinvestment of the assets of that Sub-Fund.

The Investment Manager may delegate the discretionary investment management functions in respect of the assets of each or any Sub-Fund to a sub-investment manager in accordance with the requirements of the Central Bank. Where a sub-investment manager is appointed but not paid directly out of the assets of the relevant Sub-Fund, disclosure of such entity will be provided to the Shareholders on request and details thereof will be disclosed in the ICAV's periodic reports. Where a sub-investment manager is appointed and paid directly out of the assets of a Sub-Fund, this will be set out in the Supplement for the relevant Sub-Fund.

#### 4.5 **Administrator**

The ICAV and the AIFM have appointed Northern Trust International Fund Administration Services (Ireland) Limited as administrator and registrar of the ICAV pursuant to the terms of the Administration Agreement dated on or about the date hereof with responsibility for the day to day administration of the ICAV's affairs and the AIFM has consented to such appointment. The responsibilities of the Administrator include share registration and transfer agency services, calculation of the ICAV's and each Sub-Fund's Net Asset Value and calculation of the Net Asset Value per Share in addition to the preparation of each Sub-Funds' financial statements.

The Administrator is regulated by the Central Bank to provide administration services to collective investment schemes. The Administrator is a limited liability company incorporated under the laws of Ireland, having its registered office at George's Court, 54-62 Townsend Street, Dublin 2, D02 R156, Ireland. The Administrator's principal business is the provision of fund administration, accounting, registration, transfer agency and related shareholder services to collective investment schemes and investment funds.

#### 4.6 **Depositary**

Northern Trust Fiduciary Services (Ireland) Limited has been appointed as depositary of the ICAV in respect of each Sub-Fund in accordance with the terms of the Depositary Agreement.

The Depositary is a company incorporated with limited liability in Ireland. The Depositary is a private company limited by shares and its head office is George's Court, 54-62 Townsend Street, Dublin 2, D02 R156, Ireland. The Depositary has been approved by the Central Bank to act as depositary for the ICAV.

The duty of the Depositary is to provide safekeeping/custody, in respect of financial instruments required to be held in custody of the ICAV in accordance with the provisions of the AIFMD Regulations and the Depositary Agreement and the verification of assets. The Depositary will also provide cashflow monitoring and oversight services in respect of the ICAV's cash flows and subscriptions.

In accordance with the provisions of the AIFM Regulations, the Level 2 Regulation, the AIF Rulebook and the terms of the Depositary Agreement, the Depositary shall carry out functions in respect of the ICAV including, but not limited to the following key functions:

- (i) the Depositary shall hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary;
- (ii) the Depositary shall verify the ICAV's ownership of any assets (other than those referred to in (i) above) and maintain a record of such assets it is satisfied are owned by the ICAV;
- (iii) the Depositary shall ensure effective and proper monitoring of the ICAV's cash flows;
- (iv) the Depositary shall be responsible for certain oversight obligations in respect of the ICAV – see "Summary of Oversight Obligations" below.

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

#### *Summary of Oversight Obligations:*

The Depositary is obliged to ensure, among other things, that:

- the sale, issue, redemption and cancellation of Shares effected on behalf of the ICAV are carried out in accordance with the ICAV Act, the conditions imposed by the Central Bank and the Instrument of Incorporation;

- the value of Shares is calculated in accordance with the ICAV Act and the Instrument of Incorporation;
  - in transactions involving the ICAV's assets, any consideration is remitted to it within the usual time limits;
  - the ICAV and each Sub-Fund's income is applied in accordance with the ICAV Act and the Instrument of Incorporation;
  - the instructions of the AIFM are carried out unless they conflict with the ICAV Act or the Instrument of Incorporation; and
  - it has enquired into the conduct of the ICAV in each Accounting Period and reports thereon to the Shareholders. The Depositary's report will be delivered to the ICAV in good time to enable the AIFM to include a copy of the report in the annual report of each Sub-Fund. The Depositary's report will state whether in the Depositary's opinion each Sub-Fund has been managed in that period:
- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV imposed by the Instrument of Incorporation and/or the Central Bank under the powers granted to the Central Bank under the ICAV Act;
- (ii) and otherwise in accordance with the provisions of the ICAV Act and the Instrument of Incorporation.

If the ICAV or any of its Sub-Funds have not complied with (i) or (ii) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation.

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

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

The Depositary will be liable to the ICAV and the Shareholders for any other shall be liable to the ICAV and the Shareholders for all other losses suffered by them as a result of its negligent or intentional failure to properly fulfil its obligations pursuant to the AIFMD Regulations.

The Depositary's liability shall not be affected by any delegation of its safekeeping functions unless it has discharged itself of its liability in accordance with Article 21(13) or (14) of AIFMD. Further details of the Depositary's liability are set out in the section entitled "Material Contracts" below.

The Depositary is a third party service provider to the ICAV and the Depositary is not responsible for the preparation of this Prospectus or the activities of the ICAV and accepts no responsibility for any information contained herein. The Depositary does not have any responsibility or authority to make investment decisions, nor render investment advice, with respect to the assets of the ICAV and each Sub-Fund.

#### 4.7 **Auditor**

PricewaterhouseCoopers has been appointed to act as the auditor for the ICAV. The responsibility of the Auditor is to audit and express an opinion on the financial statements of the ICAV/its Sub-Funds in accordance with Irish law and IFRS, of the state of the ICAV's affairs and of its profit and cash flows for the year ended and whether they have been properly prepared in accordance with the requirements of the ICAV Act.

#### 4.8 **Paying Agents/Representatives/Distributors**

Local laws or regulations in certain EEA jurisdictions may require that the ICAV or the AIFM appoints a local Paying Agent and/or other local representatives. The role of the Paying Agent may entail, for example maintaining accounts through which subscription and redemption proceeds and dividends are paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies

via the intermediary entity rather than directly to the Administrator or the ICAV bear a credit risk against that entity with respect to: a) subscription monies prior to the transmission of such monies to the Depositary for the account of the ICAV/relevant Sub-Fund; and b) redemption monies. The appointment of a Paying Agent (including a summary of the agreement appointing such Paying Agent) may be detailed in a Country Supplement.

Fees and expenses of Paying Agents and/or other local representatives, which will be at normal commercial rates, will be borne by the relevant Sub-Fund(s). Fees payable to the Paying Agents and/or other local representatives which are based on Net Asset Value will be payable only from the Net Asset Value of the relevant Sub-Fund(s) attributable to the relevant Class(es), all Shareholders of which Class(es) are entitled to avail of the services of the Paying Agents and/or other local representatives.

Investors who do not themselves wish to be registered as Shareholders may use the services of a nominee. Where Shares are held through a nominee, those underlying investors who avail of the services of such nominee may be obliged to pay a fee directly to it in relation to the subscription, repurchase or exchange of Shares, details of which will be provided by the nominee. Regard must be had to the anti-money laundering requirements set out in the section entitled “**Share Dealings**”.

#### 4.9 **Secretary**

The secretary of the ICAV is MFD Secretaries Limited.

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## 5 CONFLICTS OF INTEREST

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### 5.1 Conflicts of Interest

The Directors, the AIFM, the Investment Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (each a "**Connected Party**" for these purposes, collectively the "**Connected Parties**") are or may be involved in other financial, investment and professional activities (for example provision of securities lending agent services) which may on occasion cause a conflict of interest with the management of the ICAV and/or their respective roles with respect to the ICAV. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the ICAV may invest. Each of the Connected Parties will use reasonable endeavours to ensure that any conflicts which may arise will be resolved fairly. The appointment of the AIFM, Investment Manager, Administrator and Depositary in their primary capacity as service providers to the ICAV are excluded from the scope of these Connected Party requirements.

In particular, the AIFM and/or the Investment Manager may advise or manage other collective investment schemes in which a Sub-Fund may invest or which have similar or overlapping investment objectives to or with the Sub-Funds. Also, a conflict of interest may arise where the AIFM or a connected delegate is valuing unlisted securities and/or OTC derivatives held by a Sub-Fund is the AIFM or an Investment Manager or a sub-investment manager or any other Connected Party. For example, because the AIFM's fees are calculated on the basis of a percentage of a Sub-Fund's Net Asset Value, such fees increase as the Net Asset Value of the Sub-Fund increases. When valuing securities owned or purchased by a Sub-Fund, the AIFM (or any connected delegate) will, at all times, have regard to its obligations to the ICAV and the Sub-Fund and will ensure that such conflicts are resolved fairly.

### 5.2 Connected Party Transactions

There is no prohibition on transactions with the ICAV, the AIFM, the Investment Manager, the Administrator, the Depositary or entities related to the AIFM, the Administrator or the Depositary including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the ICAV 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 in the best interests of Shareholders and dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis and

- (a) a certified valuation by a person approved by the Depositary as independent and competent (or in the case of a transaction involving the Depositary, the Directors); or
- (b) the relevant transaction is executed on best terms on an organised investment exchange in accordance with its rules; or
- (c) where the conditions set out in (a) and (b) above are not practical, the relevant transaction is executed on terms which the Depositary is (or in the case of a transaction involving the Depositary, the Directors are) satisfied conform with the principle that such transactions be carried out as if negotiated at arm's length and in the best interests of Shareholders.

Each Connected Party will provide the ICAV with relevant details of each transaction (including the name of the party involved and where relevant, fees paid to that party in connection with the transaction) in order to facilitate the ICAV discharging its obligation to provide the Central Bank with a statement within the relevant Sub-Fund's annual report in respect of all Connected Party transactions.

### 5.3 Cross Trades

The AIFM or the Investment Manager may effect "cross trades" (i.e., a transaction or proposed transaction between a Sub-Fund and any person or entity for which the AIFM or the Investment Manager acts as discretionary Investment Manager). Cross trades may be effected directly between clients advised by the AIFM or an Investment Manager or through open market transactions. Effecting cross trades may increase

brokerage commissions and may result in the Sub-Fund holding less of a profitable asset, or more of an unprofitable asset, than would be the case if there were no cross trades.

Such cross trades may create a potential conflict of interest between the duties of the AIFM or the Investment Manager to the ICAV and its desire to maximise its own profits or obtain other benefits with respect to its proprietary trading activities. However, in all cases such cross trades shall, where appropriate, be subject to the Connected Party requirements set out in the "**Connected Party Transactions**" section.

#### 5.4 **AIFM/Investment Manager Investment in Shares**

The AIFM or Investment Manager, an associated company or key employee of the AIFM or Investment Manager may invest in Shares of a Sub-Fund for general investment purposes or for other reasons including so that a Sub-Fund or Class may have a Minimum Sub-Fund Size or is able to operate more efficiently. In such circumstances the AIFM or Investment Manager its associated company may hold a high proportion of the Shares of a Sub-Fund or Class in issue.

#### 5.5 **Soft Commissions**

No soft commission arrangements will be entered into by the AIFM or the Investment Manager.

#### 5.6 **Common Counsel and Auditors**

Maples and Calder (Ireland) LLP is Irish counsel to the ICAV. Maples and Calder (Ireland) LLP may also act as counsel to the Investment Manager in matters not involving the ICAV, and may also represent the Investment Manager and its affiliates. Consequently, certain conflicts of interest may arise. Prospective investors and Shareholders are advised to consult their own independent counsel (and not Maples and Calder (Ireland) LLP) with respect to the legal and tax implications of an investment in the Shares.

PricewaterhouseCoopers has been appointed as the auditor for the ICAV. PricewaterhouseCoopers may also act as the auditor to the AIFM in matters not involving the ICAV, and may also act as the auditor to the AIFM and its affiliates. Consequently, certain conflicts of interest may arise.

#### 5.7 **Conflicts not exhaustive**

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

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## 6      **SHARE DEALINGS**

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### 6.1      **Subscription for Shares**

#### 6.1.1    General

Shares shall be initially issued at the Initial Issue Price as specified in the relevant Supplement. The Business Day of initial issue of the relevant Class shall be a Subscription Day.

Following the initial issuance of Shares, additional Shares shall be issued at the Net Asset Value per Share (plus a Subscription Charge, if any) on any Subscription Day.

#### 6.1.2    Applications for Shares

Applications for Shares may be made through the Administrator. Applications received by the Administrator prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day unless the Directors in their absolute discretion, in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day (specifically before the close of business in the relevant market that closes first on the relevant Dealing Day).

#### 6.1.3    Initial Account Opening Procedure

Prior to an application for Shares being made, an account must be opened with the Administrator. In order to open an account, an account opening form together with all required supporting documentation including in relation to anti-money laundering due diligence checks must be submitted to, reviewed and accepted by the Administrator. A signed account opening form together with all required supporting documentation must be returned by post, fax or by electronic means to the Administrator to complete the account registration process. Once received, duly assessed and processed by the Administrator, the Administrator will provide confirmation of the account number to the authorised contact(s), following which dealing instructions may be placed. Subscription instructions and proceeds must not be forwarded until the account number is confirmed by the Administrator (which may take up to five Business Days). Any subscription deal received as part of the account opening form will be rejected. Incomplete account opening forms (including where compulsory information and/or anti-money laundering verification documents have not been provided in advance) will be rejected.

#### 6.1.4    Subscription Procedure

Once the Administrator has provided confirmation of the account number, an application for Shares may be submitted by completing the subscription form which may be submitted by post, fax or electronic means to the Administrator prior to the Dealing Deadline. The account number must be specified on all subscription forms.

It shall not be necessary for the Administrator to subsequently receive the original subscription form, subject always to the requirements of the Central Bank.

Any applications submitted by electronic means must be in a form and method agreed by the Directors and the Administrator.

Applications for Shares received after the Dealing Deadline for the relevant Dealing Day shall be deemed to have been received by the next Dealing Deadline. The Directors may in their sole and absolute discretion accept applications received after the Dealing Deadline in exceptional circumstances provided they are received prior to the Valuation Point for the relevant Dealing Day or such earlier time after the Dealing Deadline but before the Valuation Point as may be specified in the relevant Supplement. Applications will be irrevocable unless the Directors, or a delegate, determine otherwise.

In respect of applications for the additional issue of Shares, the Sub-Fund documentation is to be used (and is available from the Administrator). Any change to a Shareholder's registration details or payment

instructions will only be made on receipt of written or electronic instruction and appropriate documents from the relevant Shareholder.

The account opening form contains certain conditions regarding the application procedure for Shares in the ICAV and certain indemnities in favour of the ICAV, the AIFM, the Administrator, the Depositary and the other Shareholders for any loss suffered by them as a result of certain applicants acquiring or holding Shares.

#### 6.1.5 Fractions

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 0.0001 of a Share. Subscription monies representing less than 0.0001 of a Share will be retained by the ICAV in order to defray administration costs.

#### 6.1.6 Method of Payment and Subscriptions/Redemptions Account

Subscription payments net of all bank charges should be paid by SWIFT or electronic transfer to the Subscriptions/Redemptions Account. Other methods of payment are subject to the prior approval of the Directors or their delegate. No interest will be paid in respect of payments received in circumstances where the application is received in advance of a Dealing Day or held over until a subsequent Dealing Day. In addition, where subscription payments are received in advance of the relevant Dealing Day and due to prevailing market conditions, negative interest charges accrue, these may be passed onto the investor.

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

#### 6.1.7 Currency of Payment

Subscription monies are payable in the denominated currency of the Share Class. However, the ICAV may accept payment in such other currencies as the Directors may agree at the prevailing exchange rate available to the Administrator. The cost and risk of converting currency will be borne by the investor.

In the case of Classes that are denominated in a currency other than the Base Currency and are not identified as hedged, a currency conversion will take place on subscription at prevailing exchange rates. Please refer to the section of this Prospectus entitled "Risk Factors; Currency Risk" for more details.

#### 6.1.8 Timing of Payment

Subscription monies should be paid to the Subscriptions/Redemption Account specified in the account opening form (or such other account specified by the Administrator) so as to be received in cleared funds by no later than the Settlement Date provided for in the Supplement for the relevant Sub-Fund.

If payment in full in respect of the issue of Shares has not been received by the relevant time stipulated above, or in the event of non-clearance of funds, the allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled, or, alternatively, the applicant may be charged interest together with an administration fee. In addition the Directors will have the right to sell all or part of the applicant's holdings of Shares in the Sub-Fund or any other Sub-Fund of the ICAV in order to meet those charges.

#### 6.1.9 Form of Shares and Confirmation of Ownership

Confirmation of each purchase of Shares will normally be sent to Shareholders within 48 hours of the purchase being made. Shares shall be issued in registered form only and title to Shares will be evidenced by written confirmation of entry of the investor's name on the ICAV's register of Shareholders and no certificates will be issued.

#### 6.1.10 In Specie Subscriptions

The Directors may, at their discretion, accept payment for Shares in a Sub-Fund by a transfer in specie of assets, the nature of which must comply with the investment objective, policy and restrictions of the relevant

Sub-Fund and the value of which shall be determined by the AIFM or its delegate, in accordance with the Instrument of Incorporation and the valuation principles governing the ICAV. 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 for the transfer specified by the ICAV, the Depositary or the Administrator. Any in specie transfer will be at the specific investor's risk and the costs of such a transfer will be borne by the specific investor. Shares will not be issued until the investments have been vested or arrangements are made to vest the investments with the Depositary or its sub-custodian to the Depositary's satisfaction and the number of Shares to be issued will not exceed the amount that would be issued if the cash equivalent of the investments had been invested and the Depositary is satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to the existing Shareholders.

#### 6.1.11 Minimum Initial and Additional Investment Amount and Minimum Shareholding Requirements

The Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding of Shares of each Class of a Sub-Fund may vary and are set out in the Supplement for the relevant Sub-Fund. The Directors, in consultation with the AIFM, reserve the right from time to time to waive any requirements relating to the Minimum Initial Investment Amount, the Minimum Additional Investment Amount and the Minimum Shareholding as and when they determine at their reasonable discretion.

#### 6.1.12 Restrictions on Subscriptions

The Directors may, in consultation with the AIFM, 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, subject to applicable law, 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 cost and risk.

The Directors may, in consultation with the AIFM, determine that in certain circumstances, it is detrimental for existing Shareholders to accept an application for Shares in cash or in specie, representing more than 5% of the Net Asset Value of a Sub-Fund. In such case, the Directors may postpone the application and, in consultation with the relevant investor, either require such investor to stagger the proposed application over an agreed period of time, or establish an Investment Account outside the structure of the ICAV (i.e. between the Investment Manager and the investor) in which to invest the investor's subscription monies. Such Investment Account will be used to acquire the Shares over a pre-agreed time schedule. The investor shall be liable for any transaction costs or reasonable expenses incurred in connection with operating and monitoring any such Investment Account. Any applicable Subscription Charge will be deducted from the subscription monies before the investment of the subscription monies commences.

Shares may not be issued or sold by the ICAV during any period when the calculation of the Net Asset Value of the relevant Sub-Fund is suspended in the manner described under "**Suspension of Calculation of Net Asset Value**" below.

#### 6.1.13 Anti-Dilution Levy

The Directors reserve the right to impose an Anti-Dilution Levy on a transaction basis in the case of net subscriptions as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription calculated for the purposes of determining a subscription price to cover dealing costs and to preserve the value of the underlying assets of the relevant Sub-Fund where they consider such a provision to be in the best interests of a Sub-Fund. Such amount will be added to the price at which Shares will be issued in the case of net subscription requests. Any such sum will be paid into the account of the relevant Sub-Fund.

#### 6.1.14 Ownership Restrictions

Any person who holds Shares in contravention of restrictions imposed by the AIFM or who, by virtue of his holding, in the opinion of the AIFM is an Ineligible Applicant (as defined below) will indemnify the ICAV, the AIFM, the Investment Manager, the Depositary, the Administrator and the Shareholders for any loss suffered by it or them as a result of his acquiring or holding Shares in the relevant Sub-Fund.

An "**Ineligible Applicant**" is a person who:

- (a) is not a Qualifying Investor or an Accredited Investor;

- (b) if a U.S. Person, is not an accredited investor and a qualified purchaser as such terms are defined under applicable U.S. federal securities laws;
- (c) is a person who or entity which has breached or falsified representations on the account opening form or who or which appears to be in breach of any law or requirement of any country or government authority or by virtue of which law or requirement such person or entity is not qualified to hold Shares, including without limitation any exchange control regulations;
- (d) would not lawfully hold the Shares;
- (e) holds or would hold the Shares in circumstances which (whether directly or indirectly affecting such entity or entities and whether taken alone or in conjunction with any other entity or entities, connected or not or any other circumstances appearing to the AIFM to be relevant), in the opinion of the AIFM, may result in the ICAV, the relevant Sub-Fund or the Shareholders as a whole to suffer any regulatory, pecuniary, legal, taxation or material administrative disadvantage that the ICAV, the relevant Sub-Fund or the Shareholders as a whole might not otherwise have incurred or suffered or might result in the ICAV, any Sub-Fund, the AIFM, the Investment Manager or the Shareholders being required to comply with registration or filing requirements in any jurisdiction with which it or they would not otherwise be required to comply or which is otherwise prohibited by the Instrument of Incorporation;
- (f) would hold less than any Minimum Holding of the relevant Class of Shares; or
- (g) is (or who the ICAV, or the Administrator acting on the ICAV's instructions, suspects is) not compliant with FATCA or with an Intergovernmental agreement implementing FATCA in their home jurisdiction.

The Directors, in consultation with the AIFM, may reject in its discretion any application for Shares by any persons who are so excluded from purchasing or holding Shares and at any time compulsorily redeem and/or cancel Shares held by Shareholders who are so excluded from purchasing or holding Shares.

Should a potential investor be (or continue to be) or continue to hold on behalf of an Ineligible Applicant, it will be liable to the Sub-Fund for any actions, proceedings, claims, costs, demands, charges, losses, damages or expenses and tax arising as a result of misrepresentation made to the AIFM or its delegate or will, under the terms of the Instrument of Incorporation, be called upon to indemnify the Sub-Fund, the AIFM, the Depositary, the Administrator and the Shareholders for all actions, proceedings, claims, costs, demands, charges, losses, damages or expenses as a result of such misrepresentation.

#### 6.1.15 Anti-Money Laundering and Counter Terrorist Financing Measures

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. Politically exposed persons (**PEPs**), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, and immediate family members, and/or persons known to be close associates of such persons, must also be identified. By way of example an individual may be required to produce a certified copy of a passport or identification card together with one copy of evidence of his/her address, i.e. utility bills or bank statements. Date of birth and tax residence details may also need to be provided and verified. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business addresses of all directors. Depending on the circumstances of each application, a detailed verification might not be required where for example, the application is made through a recognised Intermediary. This exception will only apply if the Intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations or satisfies other applicable conditions and the investor produces a letter of undertaking from the recognised Intermediary. Intermediaries cannot rely on third parties to meet the obligation to monitor the ongoing business relationship with an investor which remains their ultimate responsibility.

The ICAV is regulated by the Central Bank and must comply with the measures provided for in the Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2021 (the **CJA**) which are aimed towards the prevention of money laundering and terrorist financing. In order to comply with these anti-money laundering and counter-terrorism financing regulations, the Administrator, on the ICAV's behalf, will require from any subscriber or Shareholder a detailed verification of the identity of such subscriber or Shareholder,

the identity of the beneficial owners of such subscriber or Shareholder, proof of address, the source of funds used to subscribe for Shares, the source of wealth or other additional information which may be requested from any subscriber or Shareholder for such purposes from time to time.

PEPs must be identified and will be subject to enhanced due diligence measures in accordance with the CJA. The level of customer due diligence/verification documentation required will depend on the circumstances of each application following a risk-based assessment of the applicant. For example, a detailed verification might not be required where the application is deemed low risk after consideration of a number of risk variables including jurisdiction, customer type and distribution channels. The ICAV will have regard to the relevant business risk assessment when determining the level of customer due diligence required under Sections 33 and 35 of the CJA.

Pursuant to Section 35 of the CJA, prior to establishing a business relationship with an applicant to which the European Union (Anti-Money Laundering: Beneficial Ownership of Trusts) Regulations 2021 apply, the ICAV is required to confirm that information concerning the beneficial ownership of the applicant has been entered in the relevant central beneficial ownership register that applies to the applicant. The ICAV and the Administrator each reserve the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner.

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

#### 6.1.16 Data Protection

Prospective investors should note that, by virtue of making an investment in the ICAV and the associated interactions with the ICAV and its affiliates and delegates (including completing the account opening form, and including the recording of electronic communications or phone calls where applicable), or by virtue of providing the ICAV with personal information on individuals connected with the investor (for example directors, employees, representatives, shareholders, investors, clients, beneficial owners or agents) such individuals will be providing the ICAV and its affiliates and delegates with certain personal information which constitutes "Personal Data" within the meaning of the Data Protection Legislation. The ICAV shall act as a data controller in respect of this Personal Data and its affiliates and delegates, such as the Administrator and the Investment Manager, may act as data processors (or joint data controllers in some circumstances).

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

All new investors shall receive a copy of the Privacy Notice as part of the process to subscribe for Shares in the ICAV.

To the extent that institutional investors provide the ICAV with Personal Data in respect of individuals connected to them, for any reason, in respect of the institutional investor's investment in the ICAV, the

institutional investors will circulate the Privacy Notice to such connected individuals or otherwise advise them of its content prior to providing the ICAV access to, or permitting processing of, their Personal Data.

The Privacy Notice contains information on the following matters in relation to data protection:

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

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

#### 6.1.17 Abusive Trading Practices

The ICAV generally encourages Shareholders to invest in the Sub-Funds as part of a medium to long-term investment strategy.

The AIFM and/or an Investment Manager, on behalf of the ICAV seeks to deter and prevent certain trading practices, such as excessive short-term trading, sometimes referred to as "market timing" which may have a detrimental effect on the Sub-Funds and their Shareholders. To the extent that there is a delay between a change in the value of a Sub-Fund's investments, and the time when that change is reflected in the Net Asset Value of the Sub-Fund's Shares, the relevant Sub-Fund is exposed to the risk that investors may seek to exploit this delay by purchasing or redeeming Shares at Net Asset Values that do not reflect appropriate fair value prices. The AIFM and/or an Investment Manager, on behalf of the ICAV seeks to deter and prevent this activity.

The AIFM and/or an Investment Manager, on behalf of the ICAV seeks to monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices. The ICAV reserves the right to restrict or refuse any subscription or switching transaction if it considers the transaction may adversely affect the interests of a Sub-Fund or its Shareholders. If an application is rejected, the Administrator, at the risk of the applicant, will return the application monies or the balance thereof, at the cost and risk of the applicant and without interest, by bank transfer to the account from which it was paid.

## 6.2 Redemption of Shares

### 6.2.1 General

Shareholders may redeem their Shares on a Redemption Day at the Redemption Price which shall be the Net Asset Value per Share, less Redemption Charge, if any and any applicable duties and charges (save during any period when the calculation of the Net Asset Value is suspended). Please see the section entitled "**Suspension of Calculation of NAV**" herein for further information in this regard.

### 6.2.2 Redemption Requests

Requests for the redemption of Shares should be made to the Administrator on behalf of the ICAV and may be submitted in by post, fax or electronic means and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemptions received prior to the Dealing Deadline for any Redemption Day will be processed on that Redemption Day. Any requests for redemptions received after the Dealing Deadline for a Redemption Day will be processed on the next Redemption Day unless the Directors in their absolute discretion otherwise determine to accept one or more redemption

requests received after the Dealing Deadline for processing on that Redemption Day, provided that such request(s) have been received prior to the Valuation Point for the particular Redemption Day.

The Minimum Redemption Amount (if any) may vary according to the Sub-Fund or the Class of Share.

In the event of a Shareholder requesting a redemption which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value less than the Minimum Shareholding, the ICAV may, if it thinks fit, compulsorily redeem the whole of the Shareholder's holding.

### 6.2.3 Method of Payment

The amount due on redemption of Shares will be paid by electronic transfer to the relevant Shareholder's account of record on the initial account opening form.

Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of written instructions and appropriate documentation from the relevant Shareholder.

### 6.2.4 Currency of Payment

Shareholders will normally be repaid in the denominated currency of the relevant Class. If however, a Shareholder requests to be repaid in any other freely convertible currency, the necessary foreign exchange transaction may be arranged by the ICAV (at its discretion) at prevailing exchange rates on behalf of and for the account, risk and expense of the Shareholder.

In the case of Classes that are denominated in a currency other than the Base Currency and are not identified as hedged, a currency conversion will take place on redemption at prevailing exchange rates. In the case of Classes of Shares denominated in a non-freely-convertible currency, redemption proceeds may be paid in a freely-convertible currency if the currency of the Share Class is not available. The rate of exchange used to convert the currency from the Base Currency of the Sub-Fund shall be that prevailing at the time of conversion and available to the ICAV and the expenses of such conversion shall be borne by the Shareholder. Please refer to the section of this Prospectus entitled "**Risk Factors; Currency Risk**" for more details.

### 6.2.5 Timing of Payment and Subscriptions/Redemptions Account

Redemption proceeds will be paid by the Settlement Date and in accordance with the provisions specified in the relevant Supplement.

Investors should note that any redemption proceeds being paid out by a Sub-Fund and held for any time in the Subscriptions/Redemptions Account shall remain an asset of the relevant Sub-Fund until such time as the proceeds are released to the investor. This would include, for example, cases where redemption proceeds are temporarily withheld pending the receipt of any outstanding identity verification documents as may be required by the ICAV or the Administrator – enhancing the need to address these issues promptly so that the proceeds may be released. It should also be noted that the investor shall have ceased being considered a Shareholder and instead will rank as a general unsecured creditor of the ICAV.

### 6.2.6 Withdrawal of Redemption Requests

Requests for redemption may not be withdrawn after the Dealing Deadline save with the consent of the Directors or their delegate.

### 6.2.7 Deferred Redemptions

Unless otherwise specified in the relevant Supplement, if requests for redemption of 10% (in the case of Sub-Funds dealing more frequently than quarterly) or 25% (in the case of Sub-Funds with quarterly dealing), or more of the total number of Shares in issue of any Sub-Fund are received on any Redemption Day, the Directors may decide to defer redemptions in excess of the 10% / 25% threshold, as appropriate, in part or in whole until the next Redemption Day. The deferral of redemptions is to allow for the orderly disposal of assets by the relevant Sub-Fund in order to realise the proceeds required to meet such requests. Deferred redemptions shall be paid out on a pro rata basis with respect to the aggregate redemptions received on a particular Redemption Day in the relevant Sub-Fund taking into account any deferred redemptions from previous Redemption Day(s). Redemption requests which have not been dealt with because of such deferral will be given priority over requests subsequently received. Deferred redemptions shall be effected at the Net

Asset Value per Share of the Redemption Day redemptions are paid out rather than the Net Asset Value per Share of when the relevant redemption requests were made.

#### 6.2.8 In Specie Redemptions

The Directors, with the consent of the individual Shareholders, may satisfy any request for redemption of Shares by the transfer to those Shareholders of assets of the relevant Sub-Fund having a value equal to the Redemption Price for the Shares redeemed as if the Redemption Proceeds were paid in cash less any Redemption Charge and other expenses of the transfer.

A determination to provide redemption in specie may be solely at the discretion of the Directors where the repurchasing Shareholder requests redemption of a number of Shares that represents 5% or more of the Net Asset Value of the relevant Sub-Fund provided that any such Shareholder requesting redemption shall be entitled to request 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, (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the relevant Sub-Fund or Class.

#### 6.2.9 Anti-Dilution Levy

The Directors reserve the right to impose an Anti-Dilution Levy in the case of net repurchases on a transaction basis as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant repurchase calculated for the purposes of determining a Repurchase Price to cover dealing costs and to preserve value of the underlying assets of the Sub-Fund where they consider such a provision to be in the best interests of a Sub-Fund. Such amount will be deducted from the price at which Shares will be repurchased in the case of net repurchase requests. Any such sum will be paid into the account of the Sub-Fund.

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

Shareholders are required to notify the ICAV and the Administrator immediately if they become U.S. Persons or Ineligible Applicants and such Shareholders may be required to sell or transfer their Shares. The ICAV may 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 in this Prospectus or if the holding of Shares by any person is unlawful or is likely to result or results in any tax, fiscal, legal, regulatory, pecuniary liability or disadvantage or material administrative disadvantage to the ICAV, the Shareholders as a whole or any Sub-Fund or Class. The ICAV may also redeem any Shares held by any person who holds less than the Minimum Shareholding or who does not, within seven days of a request by or on behalf of the Directors, supply any information or declaration required under the terms hereof to be furnished. The ICAV may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by a Shareholder including any interest or penalties payable thereon.

When a redemption request has been submitted by an investor which may result in a tax liability, the ICAV shall deduct from the Redemption Proceeds an amount which is equal to the tax payable by the ICAV to the Revenue Commissioners in respect of the relevant transaction. The attention of investors in relation to the section of this Prospectus entitled "**Taxation**" and in particular the section headed "**Irish Taxation**" which details circumstances in which the ICAV shall be entitled to deduct from payments to Shareholders and/or compulsorily redemption Shares to discharge any liability to Irish taxation including any penalties and interest thereon.

In addition, all of the Shares of any Class or any Sub-Fund may be redeemed:

- (a) if at any time the Net Asset Value of the relevant Sub-Fund or Class not previously repurchased at the Redemption Price if the Net Asset Value of such Sub-Fund or Class on such Dealing Day is less than the Minimum Sub-Fund Size as may be determined by the Directors from time to time.
- (b) if the Directors consider that it is in the best interest of the Shareholders of the relevant Sub-Fund;  
or

- (c) on the giving by the ICAV of not less than twenty one Clear Day's notice expiring on a Dealing Day to Shareholders of the relevant Sub-Fund or Class of its intention to redeem such Shares; or
- (d) if the holders of 75% in value of the relevant Class or Sub-Fund resolve at a meeting of the Shareholders duly convened and held that such Shares should be redeemed.

The Directors 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 Sub-Fund or Class or the liquidation of the ICAV.

Please refer also to section 10 for a summary of provisions in the Instrument of Incorporation in relation to the circumstances where a Sub-Fund may be terminated in relation to procedures for the winding up of the ICAV.

### **6.3 Exchange of Shares**

#### **6.3.1 General**

Shareholders who subscribe for Shares in the ICAV shall have the right to request the ICAV to exchange all or any of their Shares in a Sub-Fund or Class into Shares of another Sub-Fund or Class thereof or another Class in the same Sub-Fund on any Dealing Day and the ICAV has the power to effect such exchange requests subject to and in accordance with the provisions of the Instrument of Incorporation, the ICAV Act and the provisions set out in this Prospectus.

The general provisions and procedures relating to the issue and redemption of Shares will apply equally to exchanges, save in relation to charges payable, details of which are set out below and in the relevant Supplement. When requesting the exchange of Shares, Shareholders should ensure that the value of the Shares exchanged is equal to, or exceeds, the Minimum Initial Investment Amount for the relevant Class specified in the Supplement for the relevant Sub-Fund. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Shareholding for the Class. The number of Shares of the Class to be issued will be calculated in accordance with the following formula:

$$A = \frac{(B \times C \times D)}{E}$$

Where:

- A is the number of Shares to be allocated in the new Sub-Fund/Class
- B is the number of Shares to be converted in the original Sub Fund/Class
- C is the net asset value as at the Valuation Point for the relevant Dealing Day of the Shares to be converted in the initial Sub-Fund/Class
- D is the exchange rate applicable on the effective transaction day for the currencies of the two Sub-Funds/Classes
- E is the net asset value as at the Valuation point for the relevant Dealing of the Shares to be allocated in the new Sub-Fund/Class

An Exchange Charge may be charged by the ICAV on the exchange of Shares. Details of any Exchange Charge will be set out in the relevant Supplement.

Exchange requests may not be withdrawn save with the consent of the Directors or their delegate.

#### **6.3.2 Requests for Exchange between Classes in the same Sub-Fund**

Requests for exchanges between different Classes in the same Sub-Fund can be made for any Dealing for the relevant Sub-Fund and will be processed on that Dealing Day, provided the request is received in good order prior to 12:00 GMT one Business Day prior to the Valuation Point. Requests received after such time will be deferred to the next Dealing Day unless the Directors in their absolute discretion otherwise determine to accept one or more exchange requests received after the Dealing Deadline for processing on that Exchange Day.

### 6.3.3 Requests for Exchanges between Classes in Different Sub-Funds

Requests for exchanges between Classes in different Sub-Funds received in good order prior to the exchange request Dealing Deadline prior to any common Exchange Day as specified for each Sub-Fund in the relevant Supplement will be processed on the common Exchange Day of both Sub-Funds. Requests received after such time on any common Exchange Day will be deferred to the following common Exchange Day unless the Directors in their absolute discretion otherwise determine to accept one or more exchange requests received after the Dealing Deadline for processing on that Exchange Day.

The number of Shares issued upon exchange will be based upon the respective net asset value of the Shares of the relevant Sub-Funds on the Dealing Day in respect of which the exchange request is accepted.

### 6.3.4 Restrictions on Exchange

Additionally, if requests for exchanges of 10% (in the case of Sub-Funds dealing more frequently than quarterly) or 25% (in the case of Sub-Funds dealing quarterly), or more of the total number of Shares in issue of any Sub-Fund are received on any Exchange Day, the Board of Directors may decide that exchanges in excess of the 10% / 25% threshold, as appropriate, shall be deferred in the same manner as deferred redemptions (see the "**Deferred Redemptions**" section).

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

The Directors may, at their discretion, refuse to effect an exchange request without giving any reason for such refusal. In addition, restrictions may apply on making exchanges between certain Classes as may be set out in the relevant Supplement(s).

## 6.4 Transfers of Shares

Shares are freely transferable and may be transferred in writing in a form approved by the Directors and signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferee and the transferor. Prior to the registration of any transfer, transferees, who are not existing Shareholders, must complete an account opening form and provide any other documentation (e.g. as to identity) reasonably required by the Directors or the Administrator.

Notwithstanding the foregoing, the Directors in their absolute discretion may decline to register transfers, as more particularly described in the Instrument of Incorporation.

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

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## 7 VALUATION OF ASSETS

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### 7.1 Calculation of Net Asset Value

The AIFM is responsible for ensuring that the Net Asset Value per Share is calculated and disclosed to Shareholders. The procedures and methodology for calculating the Net Asset Value per Share are summarised below. As part of its control function, the AIFM shall regularly verify and update as necessary these calculation procedures and methodologies.

The Instrument of Incorporation provides for the Administrator to calculate the Net Asset Value, the Net Asset Value per class and the Net Asset Value per Share as of each Valuation Point, and for the AIFM or the duly appointed external valuer to determine the value of the each Sub-Fund's assets. Any duly appointed external valuer shall be liable to the AIFM for any losses suffered by the AIFM as a result of its negligence in performing the external valuer tasks or its intentional failure to perform such tasks.

The AIFM is responsible for ensuring that proper and independent valuation of the assets of the ICAV can be performed. The assets and liabilities of each Sub-Fund will be valued in accordance with the valuation policy of the AIFM, consistent with the provisions outlined below. Specific details on the method of valuation of the assets and liabilities of the ICAV are set out in the valuation policy of the AIFM.

The Net Asset Value of a Sub-Fund shall be expressed in the Base Currency in which the Shares are designated or in such other currency as the AIFM may determine either generally or in relation to a particular Class or in a specific case, and shall be calculated by ascertaining the value of the assets of the Sub-Fund and deducting from such value the liabilities of the Sub-Fund as at the relevant Valuation Point.

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

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

The Instrument of Incorporation provides for the correct allocation of assets and liabilities amongst each Sub-Fund. The Instrument of Incorporation provides for the method of valuation of the assets and liabilities of each Sub-Fund and of the Net Asset Value of each Sub-Fund.

Unless otherwise specified in the relevant Supplement the value of the assets and liabilities of a Sub-Fund will be determined at the end of the relevant Dealing Day.

The actual calculation of the value of the assets will take place on the following Business Day and is determined as follows:-

- 7.1.1. Unless otherwise specified in the relevant Supplement, assets listed or traded on a recognised exchange (other than those referred to at 7.1.4 below) for which market quotations are readily available shall be valued at the closing mid-market price. Where a security is listed or dealt in on more than one recognised exchange, the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the AIFM, in consultation with the Investment Manager, determines provides the fairest criteria in determining a value for the relevant investment. Assets listed or traded on a recognised exchange,

but acquired or traded at a premium or at a discount outside or off the relevant exchange or market may be valued taking into account the level of premium or discount at the Valuation Point and the AIFM, a duly appointed external valuer (if any) or other firm or entity duly appointed by the AIFM, must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.

- 7.1.2. The value of any investment which is not quoted, listed or dealt in on a recognised exchange, or which is so quoted, listed or dealt but for which no such quotation or value is available, or the available quotation or value is not representative of the fair market value, shall be the probable realisation value as estimated with care and good faith by (i) the AIFM or (ii) a connected delegate of the AIFM (which may be the Investment Manager) or duly appointed external valuer. Where reliable market quotations are not available for fixed income securities, the value of such securities may be determined using matrix methodology compiled by the AIFM or a connected delegate of the AIFM (which may be the Investment Manager) or duly appointed external valuer whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics. Cash in hand or on deposit will be valued at its nominal/face value plus accrued interest, where applicable, to the end of the relevant day on which the Dealing Day occurs.
- 7.1.3. Notwithstanding clause 7.1.1 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, if listed or traded on a recognised exchange, in accordance with clause 7.1.1 above.
- 7.1.4. Exchange-traded derivative instruments will be valued based on the settlement price as determined by the market where the instrument is traded. If such settlement price is not available, such value shall be calculated in accordance with clause 7.1.2 above ie. being the probable realisation value estimated with care and in good faith by a connected delegate of the AIFM (which may be the Investment Manager) or duly appointed external valuer appointed by the AIFM. Over-the-counter derivative contracts will be valued daily on the basis of a quotation from an independent pricing vendor with adequate means to perform the valuation or will be the probable realisation value estimated with care and in good faith by a connected delegate of the AIFM (which may be the Investment Manager) or duly appointed external valuer. Forward foreign exchange and interest rate swap contracts shall be valued in the same manner as OTC derivative contracts (as above), or by reference to freely available market quotations.
- 7.1.5. Notwithstanding the provisions of clauses 7.1.1 to 7.1.4 above:-
  - 7.1.5.1. The AIFM or its delegate (which may be the Investment Manager) may, at its discretion in relation to any particular Sub-Fund which is a short-term money market fund, value any investment using the amortised cost method of valuation where such collective investment schemes comply with the Central Bank's requirements for short-term money market Sub-Funds and where a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the requirements of the Central Bank.
  - 7.1.5.2. Where it is not the intention or objective of the AIFM to apply amortised cost valuation to the portfolio of the Sub-Fund as a whole, a money market instrument within such a portfolio shall only be valued on an amortised basis if the money market instrument has a residual maturity of less than 3 months and does not have any specific sensitivity to market parameters including credit risk.
- 7.1.6. Notwithstanding the generality of the foregoing, the AIFM may with the approval of the Depositary adjust the value of any investment if, taking into account currency, marketability and/or such other considerations as they may deem relevant, such as applicable rate of interest, anticipated rate of dividend, maturity or liquidity, they consider that such adjustment is required to reflect the fair value thereof.
- 7.1.7. Any value expressed otherwise than in the Base Currency of the relevant Sub-Fund shall be converted into the Base Currency of the relevant Sub-Fund at the prevailing exchange rate which the AIFM or its delegate (which may be the Investment Manager) shall determine to be appropriate.
- 7.1.8. In the event of it being impossible, impractical or incorrect to carry out a valuation of a specific asset in accordance with the valuation rules set out above, or if such valuation is not representative of an asset's fair market value and the AIFM deems it necessary to do so, the AIFM (or its duly appointed

external valuer) is entitled to use other generally recognised valuation methods in order to reach a proper valuation of that specific asset, provided that any alternative method of valuation is approved by the Depositary and the rationale/methodologies used are clearly documented.

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

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

- 7.2.1 during any period when any of the markets or stock exchanges on which a substantial portion of the assets of the relevant Sub-Fund are quoted, listed or dealt in is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; or
- 7.2.2 during any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the AIFM, disposal or valuation of a substantial portion of the assets of the relevant Sub-Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Sub-Fund or if, in the opinion of the Directors, the Net Asset Value of the Sub-Fund cannot be fairly calculated; or
- 7.2.3 during any breakdown in the means of communication normally employed in determining the price of a substantial portion of the assets of the relevant Sub-Fund, or when, for any other reason the current prices on any market or stock exchanges of any of the assets of the relevant Sub-Fund cannot be promptly and accurately ascertained; or
- 7.2.4 during any period when, as a result of adverse market conditions, the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the relevant Sub-Fund or the remaining Shareholders in the relevant Sub-Fund; or
- 7.2.5 during any period (other than ordinary holiday or customary weekend closings) when any market or exchange which is the main market or exchange for a significant part of the instruments or positions is closed, or in which trading thereon is restricted or suspended; or
- 7.2.6 during any period when proceeds of any sale or redemption of the Shares cannot be transmitted to or from the account of the relevant Sub-Fund; or
- 7.2.7 during any period in which the redemption of the Shares would, in the opinion of the Directors, result in a violation of applicable laws; or
- 7.2.8 during any period during which any transfer of funds involved in the realisation or acquisition of assets or payments due on the redemption of Shares of the relevant Sub-Fund cannot, in the opinion of the Directors, be effected at normal prices or rates of exchange; or
- 7.2.9 any other circumstance or circumstances beyond the control and responsibility of the Directors where a failure to do so might result in the Sub-Fund or its Shareholders incurring any liability to taxation or suffering other pecuniary disadvantages or other detriment which the Sub-Fund or its Shareholders might not otherwise have suffered; or
- 7.2.10 during any period when the AIFM is unable to repatriate funds required for the purpose of making payments due on the redemption of shares in the relevant Sub-Fund; or
- 7.2.11 during any period when in the opinion of the Directors such suspension is justified having regards to the best interests of the ICAV and/or the relevant Sub-Fund; or
- 7.2.12 following the circulation to Shareholders of a notice of a general meeting at which a resolution proposing to wind up the ICAV or terminate the relevant Sub-Fund is to be considered.

Unless withdrawn but subject to the limitation referred to above, pending subscription, redemption and exchange requests will be dealt with on the first relevant Subscription Day, Redemption Day or Exchange Day as appropriate after the suspension is lifted.

Any such suspension shall be published by the ICAV in such manner as it may deem appropriate to the persons likely to be affected thereby if, in the opinion of the ICAV or the AIFM, such suspension is likely to continue for a period exceeding fourteen days. Any suspension shall be notified immediately and in any event within the same Business Day to the Central Bank. Where possible, all reasonable steps will be taken to bring the period of suspension to an end as soon as possible.

A suspension of redemptions may be made at any time prior to the payment of the redemption monies and the removal of the Shareholder's name from the Register. A suspension of subscriptions may be made at any time prior to the entry of a Shareholder name on the Register.

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## 8 FEES AND EXPENSES

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The ICAV may pay out of the assets of each Sub-Fund the fees and expenses as described below.

### 8.1 AIFM Fees

The AIFM shall be entitled to receive from the ICAV a fee in relation to each Sub-Fund or Class as specified in the relevant Supplement, subject to a minimum fee of:

- (a) €50,000 per annum where there is only one Sub-Fund in existence; and
  - (b) an additional €10,000 per annum for each additional Sub-Fund thereafter,
- (the "**Minimum AIFM Fee**").

The AIFM fee shall be calculated and accrued monthly and payable monthly in arrears.

The AIFM may be paid different fees in respect of individual Classes as disclosed in the relevant Supplement which may be higher or lower than the fees applicable to other Classes.

The AIFM may from time to time, at its sole discretion and out of its own resources, decide to rebate to Shareholders part or all of its AIFM fee. Any such rebates may be applied by issuing additional Shares to Shareholders or in cash.

The AIFM shall also be entitled to be repaid out of the assets of the relevant Sub-Fund for all of its reasonable out-of-pocket expenses incurred on behalf of the relevant Sub-Fund.

### 8.2 Investment Management Fees

The Investment Manager shall be entitled to receive from the ICAV a fee in relation to each Sub-Fund or Class as specified in the relevant Supplement.

The Investment Manager may from time to time, at its sole discretion and out of its own resources, decide to rebate Shareholders part or all of the Investment Management Fee. Any such rebates may be applied by issuing additional Shares to Shareholders or by paying cash.

The Investment Manager shall also be entitled to be repaid out of the assets of the relevant Sub-Fund for all of its reasonable out-of-pocket expenses incurred on behalf of the relevant Sub-Fund.

Details of any fees payable out of the assets of any Sub-Fund to a duly appointed sub-investment manager will be disclosed in the relevant Supplement.

### 8.3 Administrator's and Depositary's Fees

Details of the fees payable to the Administrator and the Depositary are set out in the relevant Supplement.

### 8.4 Directors' Fees

Unless and until otherwise determined from time to time by the ICAV in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Directors. At the date of this Prospectus, the maximum fee per Director shall be €30,000 plus VAT, if any, per annum. Directors who are employees of the Investment Manager shall not be entitled to receive a fee. Any additional fees necessitated by the addition of new Sub-Funds shall be apportioned equally among the new Sub-Funds and, to the extent they do not impact on Shareholders in existing Sub-Funds (on the basis that such additional fees are attributed to new Sub-Funds only), will not be subject to existing Shareholder approval. To the extent that any such additional fees do materially impact existing Shareholders, such existing Shareholders will be notified in advance of any such additional fees. In addition, any such additional fees shall be disclosed in the relevant Supplement. 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. Directors' fees shall be payable semi-annually in arrears and shall be apportioned equally among the Sub-Funds.

## **8.5 Paying Agent Fees**

Fees and expenses of any Paying Agents 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 Sub-Fund in respect of which a Paying Agent has been appointed.

## **8.6 Establishment Expenses**

All fees and expenses relating to the establishment, organisation and authorisation of the ICAV and the initial Sub-Fund including the fees of the ICAV's professional advisers (including legal, accounting, tax regulatory, compliance, fiduciary and other professional and taxation advisers) will be borne by the ICAV. Such fees and expenses are not expected to exceed £150,000 and may be amortised over the first five years of the ICAV or such other period as the Directors, in consultation with the AIFM, may determine and in such manner as the Directors, in consultation with the AIFM, in their absolute discretion, deem fair.

Thereafter the cost of establishing any subsequent Sub-Fund will be charged to the relevant Sub-Fund.

## **8.7 Operating Expenses and Fees**

The ICAV and/or each Sub-Fund and, where expenses or liabilities are attributable specifically to a Class, such Class shall bear the following expenses and liabilities or, where appropriate, its pro rata share thereof subject to adjustment to take account of expenses and/or liabilities attributable to one or more Classes:

- 8.7.1 all fees and expenses payable to or incurred by the Administrator, the Depositary, the AIFM, the Secretary, the Investment Manager, any sub-investment manager, adviser, distributor, sub-distributor(s), dealer, Paying Agent or local representatives (which will be at normal commercial rates), sub-custodian (which will be at normal commercial rates), money laundering reporting officer, correspondent bank, fiscal representative or other supplier of services to the ICAV appointed by or on behalf of the ICAV or with respect to any Sub-Fund or Class and their respective delegates;
- 8.7.2 all duties, taxes or government charges which may be payable on the assets, income or expenses of the ICAV;
- 8.7.3 all brokerage, bank fees, charges and commissions incurred by or on behalf of the ICAV in the course of its business;
- 8.7.4 all regulatory and compliance consultancy fees, fiduciary service fees and other professional advisory fees incurred by the ICAV or by or on behalf of its delegates;
- 8.7.5 all 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 assets 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 and/or redemption of Shares;
- 8.7.6 all expenses incurred in connection with the operation and management of the ICAV, including, without limitation to the generality of the foregoing, all Directors' fees and expenses, all costs incurred in organising Directors' meetings and in obtaining proxies in relation to such meetings, all insurance premiums including any policy in respect of directors' and officers' liability insurance cover and association membership dues and all non-recurring and extraordinary items of expenditure as may arise;
- 8.7.7 the remuneration, commissions and expenses incurred or payable by the ICAV, if any, in the marketing, promotion and distribution of Shares including without limitation commissions payable to any person in consideration of his subscribing or agreeing to subscribe or procuring or agreeing to procure subscriptions for any Shares in the ICAV and the costs and expenses incurred or payable by the ICAV, if any, of preparation and distribution of all marketing material and advertisements;
- 8.7.8 all fees and expenses connected with the preparation, publication and supply of information to Shareholders and the public including, without limitation, the cost of preparing, translating, printing, distributing the Prospectus and any addenda or supplements and any periodic updates thereof, marketing literature, any report to the Central Bank or any other regulatory authority, the annual audited report and any other periodic reports and the calculation, publication and circulation of the Net Asset Value per Share, certificates, confirmations of ownership and of any notices given to Shareholders in whatever manner;

- 8.7.9 all fees and expenses incurred in connection with the convening and holding of Shareholders' meetings;
- 8.7.10 all Central Bank filings, statutory or regulatory fees and/or levies;
- 8.7.11 all fees and expenses incurred or payable in registering and maintaining a Sub-Fund or Class registered with any and all government agencies and/or regulatory authority and/or rating agencies, clearance and/or settlement systems and/or any exchanges in any various countries and jurisdictions including, but not limited to, filing and translation expenses;
- 8.7.12 all fees and expenses incurred or payable in listing and in maintaining or complying with the requirements for the listing of the Shares on the Irish Stock Exchange (or other exchange to which Shares may be admitted);
- 8.7.13 all legal and other professional fees and expenses incurred by the ICAV or by or on behalf of its delegates in any actions taken or proceedings instituted or defended to enforce, protect, safeguard, defend or recover the rights or property of the ICAV;
- 8.7.14 all other liabilities and contingent liabilities of the ICAV of whatsoever kind and all fees and expenses incurred in connection with the ICAV's operation and management including, without limitation, interest on borrowings, all secretarial expenses and all regulatory fees;
- 8.7.15 all fees and expenses of the Auditors, tax, legal and other professional advisers and any valuer or other supplier of services to the ICAV;
- 8.7.16 the costs of any amalgamation or restructuring of the ICAV or any Sub-Fund;
- 8.7.17 the costs of liquidation or winding up the ICAV or terminating any Sub-Fund;
- 8.7.18 all other fees and all expenses incurred in connection with the ICAV's operation and management;

in each case together with any applicable value added tax.

Any such expenses may be deferred and amortised by the ICAV in accordance with standard accounting practice, at the discretion of the Directors and any such deferral of fees shall not be carried forward to subsequent accounting periods. An estimated accrual for operating expenses of the ICAV will be provided for in the calculation of the Net Asset Value of each Sub-Fund. Operating expenses and the fees and expenses of service providers which are payable by the ICAV shall be borne by all Sub-Funds in proportion to the Net Asset Value of the relevant Sub-Fund or attributable to the relevant Class provided that fees and expenses directly or indirectly attributable to a particular Sub-Fund or Class shall be borne solely by the relevant Sub-Fund or Class.

Where an expense is not considered by the Directors to be attributable to any one Sub-Fund, the expense will normally be allocated to all Sub-Funds in proportion to the Net Asset Value of the Sub-Funds or otherwise on such basis as the Directors deem fair and equitable.

## **8.8 Entry/Exit Charges**

### **8.8.1 Subscription Charge**

Where provided for in the relevant Supplement, Shareholders may be subject to a Subscription Charge. Such charge may be applied as a preliminary one-off charge or as a contingent deferred sales charge. Details of any Subscription Charge payable shall be specified in the relevant Supplement.

### **8.8.2 Redemption Charge**

Shareholders may be subject to a Redemption Charge if provided for in the relevant Supplement.

### **8.8.3 Exchange Charge**

Shareholders may be subject to an Exchange Charge on the exchange of any Shares if provided for in the relevant Supplement.

## **8.9 Sub-Fund Expenses**

Details of any additional fees and expenses payable out of the assets of each Sub-Fund are set out in the relevant Supplement.

## **8.10 Extraordinary Expenses**

The ICAV shall be liable for Extraordinary Expenses including, without limitation, expenses relating to litigation costs and any tax, levy, duty or similar charge imposed on the ICAV or its assets that would otherwise not qualify as ordinary expenses. Extraordinary Expenses are accounted for on a cash basis and are paid when incurred or invoiced on the basis of the Net Asset Value of each Sub-Fund to which they are attributable. Extraordinary Expenses are allocated across each Class of Shares on a pro-rata basis.

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## 9 TAXATION AND OTHER REGULATORY CONSIDERATIONS

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### 9.1 General

The following is a summary of relevant Irish tax law. It does not purport to be a complete analysis of all tax considerations relating to the holding of Shares. These disclosures are for the purpose of providing general assistance only, are not intended to be a substitute for the advice of independent tax and legal advisors, and should not be interpreted as legal or tax advice. The income tax laws discussed below are subject to change, and any such changes might affect the tax considerations discussed below. Shareholders and potential investors must consult independent professional tax and legal advisors concerning possible taxation or other consequences of purchasing, holding, selling, exchanging or otherwise disposing of Shares under the laws of their country of incorporation, establishment, citizenship, residence, ordinary residence or domicile. There is no assurance that Irish or other tax authorities will agree with the statements described herein.

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

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

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

The following statements on taxation are based on an assumption that the ICAV is not an Irish Real Estate Fund ("IREF") (as defined in Section 739K TCA). An investment undertaking or sub-fund of an investment undertaking in which 25% or more of the value of the assets at the end of the immediately preceding accounting period are derived from Irish real estate (or related assets), or the main purpose of the investment undertaking or sub-fund, or one of the main purposes of which, is to acquire such assets will constitute an IREF and will be subject to specific tax rules. These rules are not described below.

The Directors have been advised that the ICAV is not currently an IREF. If the ICAV becomes an IREF in future there may be additional withholding tax arising on certain events, including distributions to Shareholders.

### 9.2 Irish Taxation

#### 9.2.1 Taxation of the ICAV

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

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

A Chargeable Event includes:

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

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

A Chargeable Event does not include:

- (a) any transaction in relation to Shares held in a recognised clearing system;
- (b) any exchange by a Shareholder effected by way of a bargain made at arm's length by the ICAV, of Shares in the ICAV for other Shares in the ICAV;
- (c) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (d) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the ICAV with another Irish investment undertaking; or
- (e) the cancellation of Shares in the ICAV arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

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

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

## **9.2.2 Taxation of Shareholders**

### **9.2.2.1 Non-Irish Resident Shareholders**

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

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

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

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

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

### **9.2.2.2 Exempt Irish Shareholders**

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

in possession of a Relevant Declaration will be treated by the ICAV as if they are not Exempt Irish Shareholders.

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

#### 9.2.2.3 Irish-Resident Shareholders

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

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

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

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

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

#### **9.2.3 Personal Portfolio Investment Undertaking**

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

#### **9.2.4 Currency Gains**

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

#### **9.2.5 Stamp Duty**

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

### **9.2.6 Capital Acquisitions Tax**

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

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

### **9.2.7 Other Tax Matters**

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

In the event that the ICAV receives any repayment of withholding tax suffered, the Net Asset Value of the ICAV will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment although the Directors have the ability to accrue for an expected benefit in the Net Asset Value of the relevant Sub-Fund, if appropriate.

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

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

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

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

### **9.2.9 FATCA implementation in Ireland**

On 21 December 2012, the governments of Ireland and the United States signed an Agreement to Improve International Tax Compliance and to Implement FATCA (the "IGA").

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

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

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

### 9.2.10 OECD Common Reporting Standard

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

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

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

The ICAV, or a person appointed by the ICAV, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The ICAV, or a person appointed by the ICAV, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

### 9.2.11 DAC6 – Disclosure requirements for reportable cross-border tax arrangements

On 25 June 2018, Council Directive (EU) 2018/822 ("DAC6") introduced rules regarding the mandatory automatic exchange of information in the field of taxation in relation to reportable cross-border arrangements.

DAC6 imposes mandatory reporting requirements on EU-based intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning schemes. It also covers persons who provide aid, assistance or advice in relation to potentially aggressive cross-border tax-planning schemes, where they can be reasonably expected to know that they have performed that function. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report may pass to the taxpayer.

DAC6 was required to be transposed by each EU member state by the end of 2019 with the measures being in effect since 1 July 2020. In addition, arrangements implemented between 25 June 2018 and 30 June 2020 were also subject to the reporting requirements. Intermediaries and/or taxpayers are required to report any reportable cross-border arrangements within 30 days from the earliest of:

- (a) The day after the arrangement is made available for implementation;
- (b) The day after the arrangement is ready for implementation; or
- (c) When the first step in the implementation of the arrangement was taken.

The transactions contemplated under the Prospectus may fall within the scope of mandatory disclosure rules under DAC6 or equivalent local law provisions and thus may qualify as reportable cross-border arrangements within the meaning of such provisions. If that were the case, any person that falls within the definition of an "intermediary" with respect to the ICAV may have to report certain transactions entered into by the ICAV to the relevant EU tax authority.

### 9.2.12 Certain Irish Tax Definitions

#### 9.2.12.1 Residence in respect of a Company (which includes any body corporate, including an ICAV)

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

#### 9.2.12.2 Residence in respect of an Individual

The Irish tax year operates on a calendar year basis. An individual will be regarded as being resident in Ireland for a tax year if that individual:

- (a) spends 183 days or more in Ireland in that tax year; or

- (b) has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding tax year.

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

#### 9.2.12.3 Ordinary Residence in respect of an Individual

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

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

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2020 will remain ordinarily resident in Ireland until the end of the tax year 2023.

#### 9.2.12.4 Intermediary

means a person who:-

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

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## 10 GENERAL INFORMATION

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### 10.1 Reports and Accounts

The year end of the ICAV and each Sub-Fund is 28 February in each year. Each Sub-Fund will prepare an annual report and audited accounts up to 28 February in each calendar year with the first annual report having been made up to 28 February 2021.

Such reports and accounts will contain a statement of the Net Asset Value of the relevant Sub-Fund and of the investments comprised therein as at the year-end.

The audited annual report and accounts will be published within six months of the ICAV/the Sub-Funds' financial year end and supplied to Shareholders free of charge on request and will be available to the public at the office of the Administrator.

The audited annual report and accounts for each Sub-Fund in respect of each financial year shall be prepared in accordance with IFRS.

The Directors may send such reports and accounts electronically to Shareholders in accordance with the requirements of the Central Bank. See the "**Access to Documents**" section below.

### 10.2 Form and Share Capital

The authorised share capital of the ICAV is two (2) redeemable non-participating Shares of no par value and 500,000,000,000 participating Shares of no par value. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the consideration paid therefor but do not otherwise entitle them to participate in the assets of the ICAV. The Directors have the power to allot shares in the capital of the ICAV on such terms and in such manner as they may think fit. The share capital may be divided into different Classes of Shares with any preferential, deferred or special rights or privileges attached thereto, and from time to time may be varied so far as may be necessary to give effect to any such preference restriction or other term.

### 10.3 The Instrument of Incorporation

The "**Object**" section of the Instrument of Incorporation provides that the sole object of the ICAV is the collective investment of its funds in property and giving Shareholders the benefit of the results of the management of its funds.

The Instrument of Incorporation contains, among other things, provisions to the following effect:

#### 10.3.1 Voting Rights

The rights attached to any Class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued Shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of the Class. Subject to the requirements of the Central Bank, the Directors may from time to time re-designate any existing Class of Shares and merge such Class with any other Class and the ICAV may take such action as may be necessary to vary or abrogate the rights attached to Shares of one Class to be converted so that such rights are replaced by the rights attached to the other Class into which the Shares of the original Class are to be converted. Any such variation, amendment or abrogation will be set out in a supplement to (or restatement of) the relevant Supplement originally issued in connection with the relevant Shares, a copy of which will be sent to the relevant Shareholders entered on the register on the date of issue of such document and will be binding on the relevant Shareholders. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the Class in question entitled to vote and the quorum at an adjourned meeting shall be one person holding Shares of the Class in question entitled to vote or his proxy.

Subject to any rights or restrictions for the time being attached to any Class or Classes of Shares, on a show of hands every holder entitled to vote who is present in person or by proxy shall have one vote and the holder(s) of subscriber shares present in person or by proxy shall have one vote in respect of all the

subscriber shares in issue and on a poll every holder entitled to vote present in person or by proxy shall have one vote for every Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. Holders who hold a fraction of a Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Share.

### 10.3.2 Sub-Funds

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

- 10.3.2.1 for each Sub-Fund the ICAV shall keep separate books and records in which all transactions relating to the relevant Sub-Fund shall be recorded and, in particular, the proceeds from the allotment and issue of Shares of each Class of the Sub-Fund, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Sub-Fund subject to the provisions of the Instrument of Incorporation;
- 10.3.2.2 any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Sub-Fund, shall be applied in the books and records of the ICAV to the same Sub-Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Sub-Fund;
- 10.3.2.3 in the event that there are any assets of the ICAV which the Directors do not consider are attributable to a particular Sub-Fund or Sub-Funds, the Directors shall, with the approval of the Depository, allocate such assets to and among any one or more of the Sub-Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors shall have the power to and may at any time and from time to time, with the approval of the Depository, vary the basis in relation to assets previously allocated;
- 10.3.2.4 no Shares will be issued on terms that entitle the Shareholders of any Sub-Fund to participate in the assets of the ICAV other than the assets (if any) of the Sub-Fund relating to such Shares. If the proceeds of the assets of the relevant Sub-Fund are not sufficient to fund the full redemption proceeds payable to each Shareholder for the relevant Sub-Fund, the proceeds of the relevant Sub-Fund will, subject to the terms for the relevant Sub-Fund, be distributed equally among each Shareholder of the relevant Sub-Fund pro rata to the amount paid up on the Shares held by each Shareholder. If the realised net assets of any Sub-Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the terms of the relevant Sub-Fund, the relevant Shareholders of that Sub-Fund will have no further right of payment in respect of such Shares or any claim against the ICAV, any other Sub-Fund or any assets of the ICAV in respect of any shortfall;
- 10.3.2.5 each Sub-Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the ICAV in respect of or attributable to that Sub-Fund; and
- 10.3.2.6 in the event that any asset attributable to a Sub-Fund is taken in execution of a liability not attributable to that Sub-Fund, the provisions of section 36(6) of the ICAV Act, shall apply.

### 10.3.3 Termination of Sub-Funds

Any Sub-Fund may be terminated by the Directors, in their sole and absolute discretion, in any of the following events:-

- 10.3.3.1 if at any time the Net Asset Value of the relevant Sub-Fund shall be less than the Minimum Sub-Fund Size (if any) determined by the Directors in respect of that Sub-Fund
- 10.3.3.2 the Shareholders resolve by Special Resolution that the Sub-Fund be wound up;
- 10.3.3.3 if any Sub-Fund shall cease to be authorised or otherwise officially approved;

10.3.3.4 if any law shall be passed or regulatory requirement introduced which renders it illegal or in the opinion of the Directors impracticable or inadvisable or not commercially viable or excessively onerous from a compliance perspective to continue the relevant Sub-Fund;

10.3.3.5 if there is a change in material aspects of business or in the economic or political situation relating to a Sub-Fund which the Directors consider would have material adverse consequences on the investments of the Sub-Fund; or

10.3.3.6 if the Directors shall have resolved that it is impracticable or inadvisable for a Sub-Fund to continue to operate having regard to prevailing market conditions and the best interests of the Shareholders.

The decision of the Directors in any of the events specified herein shall be final and binding on all the parties concerned but the Directors shall be under no liability on account of any failure to terminate the relevant Sub-Fund pursuant to points 10.3.3.1 to 10.3.3.6 above or otherwise.

The Directors shall give notice of termination of a Sub-Fund to the Shareholders in the relevant Sub-Fund and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine.

#### 10.3.4 Winding up

The Instrument of Incorporation contains provisions to the following effect:

10.3.4.1 If the ICAV shall be wound up the liquidator shall, subject to the provisions of the ICAV Act, apply the assets of each Sub-Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Sub-Fund;

10.3.4.2 The assets available for distribution amongst the Shareholders shall be applied as follows: first the proportion of the assets in a Sub-Fund attributable to each Class of Shares shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of Shares held by each holder bears to the total number of Shares relating to each such Class of Shares in issue as at the date of commencement to wind up; secondly, in the payment to the holder(s) of the subscriber shares of sums up to the notional amount paid thereon out of the assets of the ICAV not attributable to other Classes of Shares. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the ICAV attributable to each Class of Share; and thirdly, any balance then remaining and not attributable to any of the Classes of Shares shall be apportioned pro-rata as between the Classes of Shares based on the Net Asset Value attributable to each Class of Shares as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Class of Shares held by them;

10.3.4.3 A Sub-Fund may be wound up pursuant to section 37 of the ICAV Act and in such event the provisions of the Instrument of Incorporation shall apply mutatis mutandis in respect of that Sub-Fund;

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

### 10.3.5 Segregation of Liability

The Instrument of Incorporation contains provisions reflecting the segregation of liability between the Sub-Funds in line with the ICAV Act.

## 10.4 Designated Investments

The Directors may, in their discretion, determine that certain securities or other instruments held by a Sub-Fund lack a reliable or readily assessable market value or should be held until the resolution of a special event or circumstance. Following such determination or determinations, the relevant securities or instruments shall be designated by the Directors to be Designated Investments. The Directors reserve the right to classify some or all of the investments of a Sub-Fund at its sole discretion as a Designated Investment in accordance with the terms of this Prospectus. Upon identifying a Designated Investment, a pro rata portion of a Shareholder's Shares (except other Designated Class Shares) will be converted or exchanged by way of a compulsory redemption and reissue in a new Class of Shares representing the ICAV's indirect interest in such Designated Investment (each, a "**Designated Class Share**"). Likewise, upon the Disposition of such Designated Investment, the associated Designated Class Shares held by such Shareholders will be converted to Shares of the original Class from which they were initially converted by way of a compulsory redemption and re-issue, unless all of a Shareholder's non-Designated Class Shares have been redeemed, in which case such Shareholder's Designated Class Shares will be redeemed directly. Unless the context otherwise requires, the term "Shares" includes Designated Class Shares.

Shares issued after a Sub-Fund's direct or indirect acquisition of a Designated Investment are not entitled to participate in the gain, loss or income of such Designated Investment. Such Shareholders will, however, participate in the gains and losses attributable to any additional Designated Investments acquired or designated as such by a Sub-Fund after such acquisition. The fees and expenses of any Designated Class Shares shall be disclosed in the Supplement for the relevant Sub-Fund or notified to Shareholders in advance of their creation.

Designated Class Shares are not redeemable at the option of the holder thereof. The Directors may, in their sole discretion, redeem Designated Class Shares in cash, in-kind or partially in-kind prior to the Disposition of the relevant Designated Investment (including through the in-kind distribution of equity interests in one or more special purpose vehicles or other investment vehicles created to hold such Designated Investment), provided that any redemption in specie will require the prior written consent of the holder of the relevant Shares.

The value of Designated Investments will be determined by the Directors in their sole discretion in accordance with the terms of this Prospectus.

## 10.5 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 as set out as follows:

- Helen Howell is deputy Chief Operating Officer of the Investment Manager.

## 10.6 Directors Indemnities and Insurance

Pursuant to the Instrument of Incorporation, each of the Directors shall be indemnified by the ICAV against losses and expenses to which any such person may become liable by reason of any contract entered into or any act or thing done by him as such office in the discharge of his duties provided that, as permitted by the ICAV Act such indemnity shall not extend to any of the foregoing sustained or incurred as a result of any negligence, default, breach of duty or breach of trust by him in relation to the ICAV and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the ICAV and have priority as between the Shareholders over all other claims.

The ICAV acting through the Directors is empowered under the Instrument of Incorporation to purchase and maintain for the benefit of persons who are or were at any time Directors or officers of the ICAV insurance against any liability incurred by such persons in respect of any act or omission in the execution of their duties or exercise of their powers.

## **10.7 Material Contracts**

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

### **10.7.1 AIFM Agreement**

Pursuant to the AIFM Agreement the AIFM will be entitled to receive fees as set out in the AIFM Agreement. The AIFM Agreement may be terminated by either party on giving not less than 90 days' prior written notice to the other party. The AIFM Agreement may also be terminated forthwith by either party giving notice in writing to the other party upon certain breaches as outlined in the AIFM Agreement or upon the insolvency of a party (or upon the happening of a like event).

In the absence of negligence, fraud or wilful default, on the part of the AIFM or any act constituting a breach of the obligations of the AIFM under the AIFM Agreement, the AIFM shall not be liable to the ICAV 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 ICAV, out of the assets of the relevant Sub-Fund, shall hold harmless and indemnify the AIFM, its directors, officers, employees and delegates from and against all direct liabilities, actions, claims, demands, losses and damages, and reasonable and proper costs and expenses ("Loss") which may be brought against, suffered or incurred by the AIFM in the performance of its duties pursuant to the terms of the AIFM Agreement, other than due to the negligence, fraud or wilful default, of the AIFM, its employees, delegates or agents in the performance of its obligations pursuant to the terms of the AIFM Agreement or by reason of any action constituting a breach of the obligations of the AIFM under the AIFM Agreement.

### **10.7.2 Investment Management Agreement**

Pursuant to the Investment Management Agreement, the Investment Manager will manage the assets of the ICAV. The Investment Management Agreement provides that the appointment of the Investment Manager will continue unless and until terminated by a party giving not less than 90 days' written notice to the other party. The Investment Management Agreement may also be terminated forthwith by either party giving notice in writing to the other party upon certain circumstances as outlined in the Investment Management Agreement.

The Investment Manager accepts responsibility for and shall indemnify the AIFM and the ICAV and any of their respective directors, officers or employees against all direct liabilities, actions, claims, demands, losses and damages and reasonable and proper costs and expenses ("Losses") suffered or incurred by the AIFM or the ICAV to the extent that Losses are due to the negligence, fraud or wilful default in the performance of the Investment Manager's obligations or duties under the Investment Management Agreement and will not otherwise be liable for Losses suffered or incurred by the ICAV and/or the AIFM.

The AIFM and/or the ICAV, out of the assets of the relevant Sub-Fund, shall indemnify the Investment Manager, its employees, delegates and agents from and against all Losses which may be brought against, suffered or incurred by the Investment Manager, its employees, delegates or agents in the performance of its duties under this Agreement other than due to the negligence, fraud or wilful default of the Investment Manager, its employees, delegates or agents in the performance of its obligations thereunder.

In the absence of negligence fraud, bad faith or wilful default, and notwithstanding any other provisions of the Investment Management Agreement, in no case shall any party be liable for indirect, special or consequential loss or damage incurred by another party.

### **10.7.3 Administration Agreement**

Pursuant to the Administration Agreement, the Administrator will provide certain administrative, registrar and transfer agency services to the ICAV.

The Administration Agreement provides that the appointment of the Administrator will continue unless and until terminated by either party giving to the other not less than 90 days' written notice although in certain circumstances the Administration Agreement may be terminated forthwith by notice in writing by either party to the other. The Administration Agreement contains certain indemnities payable out of the assets of the relevant Sub-Fund in favour of the Administrator (its officers, employees and authorised representatives)

which are restricted to exclude matters arising by reason of the negligence, wilful default or fraud on the part of the Administrator, its directors, servants, employees or agents, in the performance of its duties.

#### 10.7.4 Depositary Agreement

Pursuant to the Depositary Agreement, the Depositary was appointed as depositary of the ICAV's assets subject to the terms and conditions thereof. Under the Depositary Agreement, the ICAV has agreed to indemnify, out of the assets of the relevant Sub-Fund, and hold harmless the Depositary and its sub-custodians from and against all or any losses (as described therein) which the Depositary itself or acting through a sub-custodian may suffer or incur in acting as depositary on behalf of the relevant Sub-Fund save where the Depositary has been negligent or has intentionally failed to properly fulfil its obligations pursuant to AIFMD.

The Depositary Agreement may be terminated by a party giving ninety (90) calendar days' (or such shorter period as such other parties may agree to accept) prior written notice to the other parties, and in certain circumstances with immediate effect, subject to the requirements of the Central Bank. The IOI and the Depositary Agreement specify the conditions required to be met with respect to the replacement of the Depositary with another depositary and contain provisions seeking to ensure the protection of Shareholders in the event of any such replacement. Any successor depositary must be an entity approved by the Central Bank. If no successor depositary acceptable to the ICAV and the AIFM and approved by the Central Bank has been appointed at the end of the abovementioned notice period, the Depositary may request the ICAV to convene an extraordinary general meeting of the Shareholders at which there shall be proposed an ordinary resolution to appoint a liquidator to wind up the ICAV in accordance with the provisions of the IOI. If passed, the Directors shall apply in writing to the Central Bank for revocation of the ICAV's authorisation. Notwithstanding any other provisions of the Depositary Agreement, the Depositary may not retire nor may its appointment be terminated unless and until the appointment of a replacement depositary has been approved by the Central Bank or the authorisation of the ICAV has been revoked by the Central Bank. The Central Bank may replace the Depositary with another depositary in accordance with the terms of AIFMD.

The Depositary may only delegate certain of its functions to third parties in accordance with the requirements of AIFMD. The liability of the Depositary will not be affected by the fact that it has so delegated to a third party. The Depositary will be liable to the relevant Sub-Fund and its Shareholders for any loss of "financial instruments held in custody" by the Depositary or any of its sub-custodians. In the event of any such loss of "financial instruments held in custody", the Depositary will return financial instruments of identical type or the corresponding amount to the relevant Sub-Fund without undue delay. Notwithstanding the foregoing, the Depositary may discharge itself of liability to the relevant Sub-Fund and its Shareholders in case of a loss of a "financial instrument held in custody" by a sub-custodian provided that such discharge of liability has been made pursuant to the requirements of AIFMD. The AIFM or the ICAV will disclose to investors before they invest in any Sub-Fund any arrangement made by the Depositary to contractually discharge itself of liability. Shareholders will be informed of any changes with respect to the Depositary's liability and any increase to the Depositary's fees being charged as a result without delay.

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

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

#### 10.7.5 Additional Contracts.

In addition to the above, the ICAV may enter into additional contracts with Paying Agents as may be required in connection with an offer of Shares into a particular jurisdiction from time to time. The provision of such services shall be on arm's length commercial terms for the ICAV for which fees shall be charged at normal commercial rates and expenses are to be reimbursed.

#### 10.7.6 Access to Documents

Copies of the Instrument of Incorporation, the current Prospectus and the latest periodical reports may be obtained free of charge, during normal office hours at the registered office of the ICAV.

The latest Net Asset Value of each Sub-Fund, together with the historical performance and the latest Net Asset Value of the Shares of each Class may be obtained from the AIFM or the Investment Manager.

## **10.8 Periodic and regular disclosure of information to Shareholders**

- 10.8.1 The AIFM will periodically (and on at least an annual basis) make available to Shareholders the following information, which shall be available by contacting the ICAV at its registered office as set out in the section of this Prospectus entitled "Directory".
- 10.8.2 The current risk profile of the relevant Sub-Fund and the risk management systems employed by the AIFM to manage those risks, including (i) measures to assess the sensitivity of the Sub-Fund's portfolio to the most relevant risks to which the Sub-Fund is or could be exposed; (ii) if risk limits set by the AIFM have been or are likely to be exceeded and where these risk limits have been exceeded, a description of the circumstances and the remedial measures taken; (iii) any change to the risk management systems employed by the AIFM and the anticipated impact of the change on the Sub-Fund and the Shareholders.
- 10.8.3 If applicable and as required under AIFMD, information on any changes to the AIFM's liquidity management systems and procedures for the ICAV; the terms under which redemptions are permitted and circumstances determining when management discretion applies; and any voting or other restrictions exercisable.
- 10.8.4 The total amount of leverage actually employed by the relevant Sub-Fund, calculated in accordance with the gross and commitment methods as required under AIFMD.
- 10.8.5 If applicable and as required under AIFMD, information on changes to the maximum level of leverage which the AIFM may employ on behalf of the relevant Sub-Fund as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangements.
- 10.8.6 If applicable, the percentage of a Sub-Fund's assets which are subject to special arrangements arising from their illiquid nature.
- 10.8.7 The AIFM shall include the following information in the periodic reports to Shareholders.
- 10.8.8 If applicable, the total amount of leverage employed by the relevant Sub-Fund calculated in accordance with the gross and commitment methods as required under AIFMD.
- 10.8.9 If applicable and as required under AIFMD, information on changes to the maximum level of leverage which the AIFM may employ on behalf of the relevant Sub-Fund as well as any right of the reuse of collateral or any guarantee granted under the leveraging arrangements.
- 10.8.10 The AIFM, employs an appropriate liquidity management system and has adopted procedures which enable it to monitor the liquidity risk of the ICAV and each Sub-Fund and to ensure that the liquidity profile of the investments of each Sub-Fund complies with its underlying obligations. The liquidity management system ensures that each Sub-Fund maintains a level of liquidity appropriate to their underlying obligations based on an assessment of the relative liquidity of the Sub-Fund's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors. The AIFM monitors the liquidity profile of the portfolio of assets having regard to the profile of the investor base of the Sub-Fund, the relative size of investments and the redemption terms to which these investments are subject. The AIFM implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of positions and intended investments which have a material impact on the liquidity profile of the portfolio of the Sub-Fund's assets to enable their effects on the overall liquidity profile to be appropriately measured and considers and puts into effect the tools and arrangements necessary to manage the liquidity of the ICAV.

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## 11 RISK FACTORS

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### 11.1 General

All financial investments involve an element of risk to both income and capital.

There are risks associated with investment in the ICAV and in the Shares of each Sub-Fund.

The risks described in this Prospectus should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Sub-Fund. Potential investors should be aware that an investment in a Sub-Fund may be exposed to other risks from time to time.

Different risks may apply to different Sub-Funds and/or Classes. Details of specific risks attaching to a particular Sub-Fund or Class which are additional to those described in this section will be disclosed in the relevant Supplement.

Investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or other matters. If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the ICAV or a Sub-Fund or the suitability for you of investing in the ICAV or a Sub-Fund, you should consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser.

As the price of Shares in each Sub-Fund may fall as well as rise, the ICAV shall not be a suitable investment for an investor who cannot sustain a loss on his investment. Due to the potential for above-average risk, such investment is suitable only for sophisticated investors who are in a position to understand and take such risks and who satisfy themselves that such investment is appropriate for them.

Past performance of the ICAV or any Sub-Fund should not be relied upon as an indicator of future performance.

The possible imposition of a Redemption Charge and the difference at any one time between the sale and redemption price of shares in a Sub-Fund, means that an investment should be viewed as medium to long term.

The liability of a Shareholder is limited to any unpaid amount of the nominal value of its Shares and all Shares in the ICAV will only be issued on a fully paid basis. However, under the account opening form and the Instrument of Incorporation (to which each

Shareholder will subscribe as a member), investors will be required to indemnify the ICAV and its associates for certain matters.

### 11.2 Investment Risks

#### 11.2.1 General Investment Risk

The securities and instruments in which the Sub-Funds invest 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 assurance that a Sub-Fund will achieve its investment objective. The value of Shares may rise or fall, as the capital value of the securities in which a Sub-Fund invests may fluctuate. The investment income of each Sub-Fund is based on the income earned on the securities it holds, less expenses incurred. Therefore, the Sub-Fund's investment income may be expected to fluctuate in response to changes in such expenses or income.

#### 11.2.2 Credit Risk

There can be no assurance that issuers of the securities or other instruments in which a Sub-Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments (as well as any appreciation of sums invested in such securities).

#### 11.2.3 Changes in Interest Rates Risk

The value of Shares may be affected by substantial adverse movements in interest rates.

#### 11.2.4 Currency Risk

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

*Currency of Assets/Base Currency:* Assets of a Sub-Fund may be denominated in a currency other than the Base Currency of the Sub-Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation

of the value of the Sub-Fund's assets as expressed in the Base Currency. Depending on the investment objective of the Sub-Fund, the AIFM may (but is not obliged to) seek to mitigate this exchange rate risk by using FDI. No assurance, however, can be given that such mitigation will be successful.

*Base Currency/Denominated Currency of Classes:* Classes of Shares in a Sub-Fund may be denominated in currencies other than the Base Currency of the Sub-Fund and changes in the exchange rate between the Base Currency and the denominated currency of the Class may lead to a depreciation of the value of the investor's holding as expressed in the Base Currency even in cases where the Class is hedged. No assurance, however, can be given that such mitigation will be successful. Investors' attention is drawn to the section of this Prospectus entitled "**Hedged Classes**" for further information. Where the Class is unhedged a currency conversion will take place on subscription, redemption, exchange and distributions at prevailing exchange rates.

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

Investors' attention is drawn to the section of this Prospectus entitled "**Hedged Classes**" for further information.

#### 11.2.5 Derivatives and Securities Financing Transactions Risk

*General:* The use of derivatives may result in greater returns but may entail greater risk for your investment. Derivatives may be used as a means of gaining indirect exposure to a specific asset, rate or index and/or as part of a strategy designed to reduce exposure to other risks, such as interest rate or currency risk. Use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other investments. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index.

Investing in a derivative instrument could cause the Sub-Fund to lose more than the principal amount invested. Also, suitable derivative transactions may not be available in all circumstances and there can be no assurance that the Sub-Fund will engage in these transactions to reduce exposure to other risks when that would be beneficial.

The prices of derivative instruments are highly volatile. Price movements of 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, changes in local laws and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of derivatives also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates; (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged; (3) the fact that skills needed to use these instruments are different from those needed to select the Sub-Fund's securities; and (4) the possible absence of a liquid market for any particular instrument at any particular time.

*Securities Lending Risk:* As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. A

securities lending transaction will involve the receipt of collateral. However there is a risk that the value of the collateral may fall and the Sub-Fund suffer loss as a result.

*Repurchase Agreements:* A Sub-Fund may enter into repurchase arrangements. Accordingly, the Fund will bear a risk of loss in the event that the other party to the transaction defaults on its obligation and the Sub-Fund is delayed or prevented from exercising its rights to dispose of the underlying securities. The Sub-Fund will, in particular, be subject to the risk of a possible decline in the value of the underlying securities during the period in which the Sub-Fund seeks to assert its right to them, the risk of incurring expenses associated with asserting those rights and the risk of losing all or a part of the income from the agreement.

*Absence of Regulation; Counterparty Risk:* In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on recognised exchanges. OTC derivatives lack transparency as they are privately negotiated contracts and any information concerning them is usually only available to the contracting parties. While measures are being introduced under Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories ("**EMIR**") that aim to mitigate risks involved in investing in OTC derivatives and improve transparency, these types of investments continue to present challenges in clearly understanding the nature and level of risks involved. In addition, many of the protections afforded to participants on some recognised exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions.

OTC options are generally not regulated. OTC options are non-exchange traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific firm involved in the transaction rather than an exchange and accordingly the bankruptcy or default of a counterparty with which the Sub-Fund trades OTC options could result in substantial losses to the Sub-Fund. In addition, a counterparty may refrain from settling 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 the Sub-Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Sub-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. Regardless of the measures the Sub-Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Sub-Fund will not sustain losses on the transactions as a result.

*Credit Risk and Counterparty Risk:* Sub-Funds will be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in derivative instruments. To the extent that a counterparty defaults on its obligation and the Sub-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. Regardless of the measures the Sub-Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Sub-Fund will not sustain losses on the transactions as a result.

*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.

*Collateral Risk:* Collateral or margin may be passed by the Sub-Fund to a counterparty or broker in respect of OTC FDI transactions. Assets deposited as collateral or margin with brokers may not be held in segregated accounts by the brokers and may therefore become available to the creditors of such brokers in the event of their insolvency or bankruptcy. Where collateral is posted to a counterparty or broker by way of title transfer, the collateral may be re-used by such counterparty or broker for their own purposes, thus exposing the Sub-Fund to additional risk.

*Forward Trading:* Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardised. Rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated. There is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make

markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Sub-Fund.

*Foreign Exchange Transactions:* Where a Sub-Fund utilises derivatives which alter the currency exposure characteristics of securities held by the Sub-Fund the performance of the Sub-Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Sub-Fund may not correspond with the securities positions held.

*Futures and Options Trading is Speculative and Volatile:* Substantial risks are involved in trading futures, forward and option contracts and various other instruments in which a Sub-Fund may trade. Certain of the instruments in which a Sub-Fund may invest are sensitive to interest rates and foreign exchange rates, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. The Sub-Fund's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations in market interest rates and foreign exchange rates, and to utilise appropriate strategies to maximise returns to the Sub-Fund, while attempting to minimise the associated risks to its investment capital. Variance in the degree of volatility of the market from the Sub-Fund's expectations may produce significant losses to the Sub-Fund.

*Legal Risk:* The use of OTC derivatives, such as forward contracts, swap agreements and contracts for difference, will expose the Sub-Funds to the risk that the legal documentation of the relevant OTC contract may not accurately reflect the intention of the parties.

*Liquidity of Futures Contracts:* Futures positions may be illiquid because certain exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as "daily price fluctuation limits" or "daily limits". Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent a Sub-Fund from liquidating unfavourable positions.

*Liquidity Risk:* Liquidity risk exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be

possible to initiate a transaction or liquidate a position at an advantageous time or price.

*Designated Investments Risk:* Designated Investments may be less liquid positions and/or positions without a readily ascertainable market value, which therefore may be subject to the same risks as other types of illiquid investments, including the likelihood that the Sub-Fund will be unable to sell such Designated Investments at a favourable time or price. The fair value of a Designated Investment may differ materially from its actual or realisable value. As a result, there can be no assurance that Shareholders will not experience substantial or complete losses upon the Disposition of Designated Investments. In addition, Shareholders may not redeem their Designated Class Shares prior to Disposition of the underlying Designated Investments, and therefore may have to retain their interests in such investments for years after they have otherwise entirely redeemed from the relevant Sub-Fund and irrespective of changes in their own or general economic conditions. Further, in cases where Designated Class Shares are redeemed for cash prior to the Disposition of the underlying Designated Investments, this will increase the illiquidity of the remaining Shareholders' investments by increasing their proportional participation in the Designated Investments owned by the relevant Sub-Fund, and may result in the redeeming Shareholder receiving redemption proceeds that are less than the full value that may be realisable over time by the relevant Investment Manager from the applicable Designated Investments.

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

*Necessity for Counterparty Trading Relationships:* Participants in the OTC currency market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the ICAV believes that it will be able to establish the necessary counterparty business relationships to permit a Sub-Fund to effect transactions in the OTC markets, there can be no assurance that it will be able to do so. An inability to establish such relationships would limit a Sub-

Fund's activities and could require a Sub-Fund to conduct a more substantial portion of such activities in the cash or exchange traded markets. Moreover, the counterparties with which a Sub-Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to a Sub-Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

#### *EMIR*

On 16 August 2012, EMIR entered into force. EMIR introduces certain requirements in respect of derivative contracts, which will apply primarily to "financial counterparties" such as EU authorised investment firms, credit institutions, UCITS and alternative investment funds managed by EU authorised alternative investment fund managers, and "non-financial counterparties" which are entities established in the EU which are not financial counterparties. Broadly, EMIR's requirements in respect of derivative contracts are (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts. Where provided for in the Supplement, a Sub-Fund may enter into forward foreign exchange contracts in the context of its investment activity and/or for efficient portfolio management purposes and this may give rise to variation margin requirements under EMIR. However, it should be noted that the EMIR variation margin rules will not apply to foreign exchange contracts characterised as spot trades in accordance with Commission Delegated Regulation (EU) 2017/565. This includes foreign exchange contracts with up to T+5 settlement terms where the main purpose of the contract is in connection with the sale or purchase of investments by the Sub-Fund and this corresponds with the standard settlement period for such investments.

#### 11.2.6 Emerging Markets Risk

Where a Sub-Fund invests in securities in emerging markets, additional risks may be encountered. These include:

*Accounting Standards:* in emerging markets there is an absence of uniform accounting, auditing and financial reporting standards and practices.

*Business Risks:* in some emerging markets, crime and corruption, including extortion and fraud, pose a risk to businesses. Property and employees of underlying investments may become targets of theft, violence and/or extortion.

*Country Risk:* the value of the Sub-Fund's assets may be affected by political, legal, economic and

fiscal uncertainties. Existing laws and regulations may not be consistently applied.

*Currency Risk:* the currencies in which investments are denominated may be unstable, may be subject to significant depreciation and may not be freely convertible.

*Custody Risk:* custodians may not be able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Sub-Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian.

*Disclosure:* less complete and reliable fiscal and other information may be available to investors.

*Legal:* the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. Risks associated with many emerging market legal systems include (i) the untested nature of the independence of the judiciary and its immunity from economic, political or nationalistic influences; (ii) inconsistencies among laws, presidential decrees and governmental and ministerial orders and resolutions; (iii) the lack of judicial and administrative guidance on interpreting applicable laws; (iv) a high degree of discretion on the part of government authorities; (v) conflicting local, regional and federal laws and regulations; (vi) the relative inexperience of judges and courts in interpreting new legal norms; and (vii) the unpredictability of enforcement of foreign judgements and foreign arbitration awards. There is no guarantee that further judicial reform aimed at balancing the rights of private and governmental authorities in courts and reducing grounds for re-litigation of decided cases will be implemented and succeed in building a reliable and independent judicial system.

*Market Characteristics/ Liquidity and Settlement Risks:* in general, emerging markets are still in the early stages of their development, have less volume, are less liquid and experience greater volatility than more established markets and many emerging markets are not highly regulated. When seeking to sell emerging market securities, little or no market may exist for the securities. The combination of price volatility and the less liquid nature of securities markets in emerging markets may, in certain cases, affect a Sub-Fund's ability to acquire or dispose of securities at the price and time it wishes to do so, and consequently may have an adverse impact on the investment performance of the Sub-Fund. Settlement of transactions may be subject to delay and administrative uncertainties. A Sub-Fund will be

exposed to a credit risk on parties with whom it trades and may also bear the risk of settlement default. Market practices in relation to the settlement of securities transactions and the custody of assets could provide increased risks. The AIFM may instruct the Depositary to settle transactions on a delivery free of payment basis in circumstances where to do so is market practice in the relevant jurisdiction. Shareholders should be aware however, that this may result in a loss to a Sub-Fund if a transaction fails to settle and the Depositary will not be liable to the Sub-Fund or to the Shareholders of such Sub-Fund for such a loss.

*Political Risk:* the risk of government intervention is particularly high in the emerging markets because of both the political climate in many of these countries and the less developed character of their markets and economies. Government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the value of securities in a Sub-Fund's portfolio.

*Tax:* The taxation system in some emerging market countries is subject to varying interpretations, frequent changes and inconsistent enforcement at the federal, regional and local levels. Tax laws and practices in some emerging market countries are at an initial stage of development and are not as clearly established as in more developed countries.

*Frontier Markets Risk:* Investing in the securities of issuers operating in frontier emerging markets carries a high degree of risk and special considerations not typically associated with investing in more traditional developed markets. In addition, the risks associated with investing in the securities of issuers operating in emerging market countries are magnified when investing in frontier emerging market countries. These types of investments could be affected by factors not usually associated with investments in more traditional developed markets, including risks associated with expropriation and/or nationalisation, political or social instability, pervasiveness of corruption and crime, armed conflict, the impact on the economy of civil war, religious or ethnic unrest and the withdrawal or non-renewal of any licence enabling a Sub-Fund to trade in securities of a particular country, confiscatory taxation, restrictions on transfers of assets, lack of uniform accounting, auditing and financial reporting standards, less publicly available financial and other information, diplomatic development which could affect investment in those countries and potential difficulties in enforcing contractual obligations. These risks and special considerations make investments in securities in frontier emerging market countries highly speculative in nature and,

accordingly, an investment in a Sub-Fund's shares must be viewed as highly speculative in nature and may not be suitable for an investor who is not able to afford the loss of their entire investment. To the extent that a Sub-Fund invests a significant percentage of its assets in a single frontier emerging market country, a Sub-Fund will be subject to heightened risk associated with investing in frontier emerging market countries and additional risks associated with that particular country.

#### 11.2.7 Efficient Portfolio Management Risk

The ICAV on behalf of a Sub-Fund may employ techniques and /or other financial instruments (including FDI) in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising derivatives, as disclosed in the section entitled "**Derivatives Risk**" above, will be equally relevant when employing such efficient portfolio management techniques. In addition to the sub-section entitled "*General*", particular attention is drawn to the sub-sections entitled "**Credit Risk and Counterparty Risk**" and "**Collateral Risk**". Investors should also be aware that from time to time, a Sub-Fund may engage with redemption/reverse redemption agreements counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the ICAV. Such engagement may on occasion cause a conflict of interest with the role of the Depositary or other service provider in respect of the ICAV. Please refer to the section of the Prospectus entitled "**Conflicts of Interest**" for further details on the conditions applicable to any such related party transactions.

#### 11.2.8 Equity Risks

The price of equity securities fluctuates based on changes in a company's financial condition and overall market and economic conditions. Prices of equities fluctuate daily dependent on market conditions. Markets can be influenced by a series of factors such as political and economic news, corporate earnings reports, demographic trends, catastrophic events and wider market expectations. The value of equities can fall as well as rise. Potentially a Sub-Fund investing in equities could incur significant losses.

Investing in equity securities may offer a higher rate of return than those investing in short term and longer term debt securities. 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. As a result, the market value of the equity securities that it invests in may go down and the relevant Sub-Fund may suffer

losses. Factors affecting the equity securities are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, and the business and social conditions in local and global marketplace. Securities exchanges typically have the right to suspend or limit trading in any security traded on the relevant exchange; a suspension will render it impossible to liquidate positions and can thereby expose the relevant Sub-Fund to losses

#### 11.2.9 Depository Risk

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

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

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

The Sub-Funds enjoy a strong level of protection in terms of Depository liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater the proportion of a Sub-Fund invested in categories of Non-Custody Assets, the greater the risk that any loss of such assets that

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

#### 11.2.10 Exchange Control and Repatriation

It may not be possible for Sub-Funds to repatriate capital, dividends, interest and other income from certain countries, or it may require government consents to do so. Sub-Funds could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

#### 11.2.11 Investing in Fixed Income Securities Risk - General

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower rated securities will usually offer higher yields than higher rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry.

Investors should note that credit ratings may not necessarily reflect the true risk of an investment and that the AIFM may use its own set of credit rating criteria to perform its credit analysis, which may differ from the criteria used by the credit rating agencies.

#### 11.2.12 Sovereign Bonds

A Sub-Fund may invest in debt obligations issued or guaranteed by governments or their agencies (sovereign bonds). The governmental entity that controls the repayment of sovereign bonds may not be able or willing to repay the principal and/or interest when due in accordance with the terms of such debt. A governmental entity's willingness or ability to repay principal and interest due in a timely manner may be affected by, among other factors, its cash flow situation, the extent of its foreign reserves, the availability of sufficient foreign exchange on the date a payment is due, the relative size of the debt

service burden to the economy as a whole, the governmental entity's policy towards the International Monetary Fund and the political constraints to which a governmental entity may be subject. Governmental entities may also be dependent on expected disbursements from foreign governments, multilateral agencies and others abroad to reduce principal and interest arrearage on their debt. The commitment on the part of these governments, agencies and others to make such disbursements may be conditioned on a governmental entity's implementation of economic reforms and/or economic performance and the timely service of such debtor's obligations. Failure to implement such reforms, achieve such levels of economic performance or repay principal or interest when due may result in the cancellation of such third parties' commitments to lend funds to the governmental entity, which may further impair such debtor's ability or willingness to service its debt on a timely basis. Consequently, governmental entities may default on their sovereign bonds.

Holders of sovereign bonds may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities. There is no bankruptcy proceeding by which sovereign bonds, on which a governmental entity has defaulted, may be collected in whole or in part.

#### 11.2.13 Corporate Bonds

A Sub-Fund may invest in corporate bonds. Corporate bonds are subject to the risk of the issuer's inability to meet principal and interest payments on the obligation 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. When interest rates rise, the value of corporate bonds can be expected to decline. Corporate bonds with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

#### 11.2.14 Structured Notes

A Sub-Fund may invest in structured notes, which may be issued by banks, brokerage firms, insurance companies and other corporations. Structured notes may not be listed and are subject to the terms and conditions imposed by their issuer. These terms may lead to delays in implementing an Investment Manager's investment strategy due to restrictions on the issuer acquiring or disposing of the securities underlying the structured notes. Investment in structured notes can be illiquid as there is no active market in structured notes. In order to meet realisation requests, the Sub-Fund relies upon the counterparty issuing the structured notes to quote a price to unwind any part of the structured notes.

This price will reflect the market liquidity conditions and the size of the transaction.

By seeking exposure to investments in securities through structured notes, a Sub-Fund is exposed to the credit risk of the issuer of the structured notes. There is a risk that the issuer will not settle a transaction due to a credit or liquidity problem, thus causing the Sub-Fund to suffer a loss. In addition, in the case of a default, the Sub-Fund could become subject to adverse market movements while replacement transactions are executed.

An investment in a structured note entitles the holder to certain cash payments calculated by reference to the securities to which the structured note is linked. It is not an investment directly in the securities themselves. An investment in structured notes does not entitle the holder of structured notes to the beneficial interest in the securities nor to make any claim against the company issuing the securities.

#### 11.2.15 Sub-Investment Grade/High Yield

A Sub-Fund may invest in sub-investment grade/high yield securities. These fixed income securities (rated BB+ or lower by Standard & Poor's, Ba1 or lower by Moody's or an equivalent rating from any other recognised rating agency) typically are subject to greater market fluctuations and to greater risk of loss of income and principal, due to default by the issuer, than are higher rated fixed income securities. Lower rated fixed income securities' values tend to reflect short term corporate, economic and market developments and investor perceptions of the issuer's credit quality to a greater extent than lower yielding higher rated fixed income securities' values. In addition, it may be more difficult to dispose of, or to determine the value of, high yield fixed income securities. There are fewer investors in lower rated securities, and it may be harder to buy and sell securities at an optimum time. Fixed income securities rated BB+ or Ba1 or lower, or an equivalent rating from any other recognised rating agency, are described by the ratings agencies as "predominantly speculative with respect to capacity to pay interest and repay principal in accordance with the terms of the obligation. While such debt will likely have some quality and protective characteristics, these are outweighed by large uncertainties or major risk exposures to adverse conditions".

#### 11.2.16 Distressed Debt Securities

A Sub-Fund may invest in distressed debt securities. Investment in such distressed debt securities (which qualify as transferable securities) involves purchases of obligations of companies that are experiencing significant financial or business distress, including companies involved in

bankruptcy or other reorganisation and liquidation proceedings. Acquired investments may include senior or subordinated debt securities, bank loans, promissory notes and other evidences of indebtedness, as well as payables to trade creditors. Although such purchases may result in significant investor returns, they involve a substantial degree of risk and may not show any return for a considerable period of time. In fact, many of these investments ordinarily remain unpaid unless and until the company reorganises and/or emerges from bankruptcy proceedings, and as a result may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial distress is unusually high. There is no assurance that the AIFM will correctly evaluate the nature and magnitude of the various factors that could affect the prospects for a successful reorganisation or similar action. In any reorganisation or liquidation proceeding relating to a company in which a Sub-Fund invests, an investor may lose its entire investment or may be required to accept cash or securities with a value less than the original investment. Under such circumstances, the returns generated from the investment may not compensate a Sub-Fund adequately for the risks assumed.

Investing in distressed debt can also impose duties on the AIFM which may conflict with duties which it owes to a Sub-Fund. A specific example of where the AIFM may have a conflict of interest is where it invests the assets of a Sub-Fund in a company in serious financial distress and where that investment leads to the AIFM investing further amounts of the Sub-Fund's assets in the company or taking an active role in managing or advising the company, or one of the AIFM's employees becomes a director or other officer of the company. In such cases, the AIFM or its employee may have duties to the company and/or its members and creditors which may conflict with, or not correlate with, the interests of the Shareholders of that Sub-Fund. In such cases, the AIFM may also have discretion to exercise any rights attaching to the Sub-Fund's investments in such a company. The AIFM will take such steps as it considers necessary to resolve such potential conflicts of interest fairly.

#### 11.2.17 Convertible Bonds

Investments in convertible bonds may, in addition to normal bond risks and fluctuations, be subject to fluctuations in response to numerous factors, including but not limited to, variations in the periodic operating results of the issuer, changes in investor perceptions of the issuer, the depth and liquidity of the market for convertible bonds and changes in actual or forecasted global or regional economic

conditions. In addition, the global bond markets have from time to time experienced extreme price and volume fluctuations. Any such broad market fluctuations may adversely affect the trading price of convertible bonds.

#### 11.2.18 Securitised Bonds

Certain Sub-Funds may have exposure to a wide range of asset-backed securities (including asset pools in credit card loans, auto loans, residential and commercial mortgage loans, collateralised mortgage obligations and collateralised debt obligations), agency mortgage pass-through securities and covered bonds. The obligations associated with these securities may be subject to greater credit, liquidity and interest rate risk compared to other fixed income securities such as government issued bonds. Asset-backed securities and mortgage backed securities are securities that entitle the holders thereof to receive payments that are primarily dependent upon the cash flow arising from a specified pool of financial assets such as residential or commercial mortgages, motor vehicle loans or credit cards. Asset-backed securities and mortgage backed securities are often exposed to extension and prepayment risks that may have a substantial impact on the timing and size of the cash flows paid by the securities and may negatively impact the returns of the securities. The average life of each individual security may be affected by a large number of factors such as the existence and frequency of exercise of any optional redemption and mandatory prepayment, the prevailing level of interest rates, the actual default rate of the underlying assets, the timing of recoveries and the level of rotation in the underlying assets. Prepayment risk is typically greater when interest rates are declining as mortgages and loans are prepaid. This may negatively impact the return of any Sub-Fund investing in such security as the income generated will have to be reinvested at the lower prevailing interest rates. Conversely, extension risk tends to increase when interest rates rise as the prepayment rate decreases causing the duration of asset-backed securities and mortgage backed securities to lengthen and expose investors to higher interest rate risk.

A Sub-Fund may gain exposure to mortgage backed securities by purchasing "**To Be Announced**" securities ("**TBAs**"). TBAs are forward settling contracts on mortgage pass-through securities issued by government agencies. At the time of purchase, the exact securities are not known, but their main characteristics are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. Purchasing TBAs involves a risk of loss if the value of the securities to be purchased declines prior to the

settlement date. Investing in TBAs may expose the Sub-Fund to various risks as listed under the section "**Derivatives - General**".

#### 11.2.19 Local Currency Securities

A Sub-Fund may invest in local currency securities. Such investments will be subject to the risks related to investing in emerging market securities as described above. In addition, when purchasing local currency securities, exchange rate fluctuations may occur between the trade date for a transaction and the date on which the currency is acquired to meet settlement demands.

#### 11.2.20 Subordinated Debts

A Sub-Fund may invest in subordinated debt. Subordinated debt is debt which, in the case of insolvency of the issuer, ranks after other debts in relation to repayment. Because subordinated debt is repayable after senior debts have been re-paid, the chance of receiving any repayment on insolvency is reduced and therefore subordinated debt represents a greater risk to the investor.

#### 11.2.21 Contingent Convertibles

A Sub-Fund may invest in contingent convertibles ("**CoCos**"). CoCos are Tier 1 and Tier 2 subordinated debt securities issued by financial institutions. CoCos generally contain loss absorption mechanisms, or "bail-in" clauses, to avoid public sector intervention to keep the issuer of such securities from insolvency or bankruptcy. Additionally, CoCo investors may suffer losses prior to investors in the same financial institution holding equities or bonds ranking pari passu or junior to the CoCo bond holders. CoCos terms may vary from issuer to issuer and bond to bond and may expose investors to:

- Trigger risk in the event that (i) the issuer falls below pre-determined capital ratio threshold levels or (ii) at the request of a financial regulator with supervisory authority causing CoCos to convert into equity or to be permanently written down. In the first case, the trigger event calculations may also be affected by changes in applicable accounting rules, the accounting policies of the issuer or its group and the application of these policies. In the event of a security being converted to equity, investors may suffer a loss depending on the conversion rate. Were the securities to be written down, the principal may be fully lost with no payment to be recovered. Some CoCos may be written back up to par over time, but the issuer may be under no obligation to fully do

so. Following a trigger event, losses may not reflect the waterfall of subordination and in some circumstances CoCo bond holders may suffer losses prior to investors in the same financial institution holding equity or bonds ranking pari passu or junior to the CoCo instruments. Independent from the trigger risk, a financial regulator with supervisory authority may at any time deem the issuer to have reached a point of non-viability, meaning that public intervention would be needed to keep the issuer out of bankruptcy, causing losses across the capital structure for equity and bondholders alike. Under these circumstances CoCo bondholders would suffer losses in line with the subordination of the CoCo host instrument.

- Extension risk as there may be no incentive, in the form of a coupon step-up, for the issuer to redeem the securities issued. This would cause the securities' duration to lengthen and to expose investors to higher interest rate risk; and
- Coupon payment risk whereby coupon payments may be indefinitely deferred or cancelled with no interest accumulation and potentially no restriction on the issuer to pay dividends to equity holders or coupons to bond holders which rank pari passu or junior to the CoCo bond holders.

CoCos tend to have higher price volatility and greater liquidity risk than other securities which do not expose investors to the aforementioned risks.

#### 11.2.22 Leverage Risk

A Sub-Fund may engage in leverage for investment purposes or as part of a hedging strategy, as will be outlined in the relevant Supplement, if applicable. The use of leverage creates special risks and may significantly increase the Sub-Fund's investment risk. Leverage will create an opportunity for greater yield and total return but, at the same time, will increase the Sub-Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the Net Asset Value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the Net Asset Value of the Shares may decrease more rapidly than would otherwise be the case.

### 11.2.23 Credit Ratings Risk

The ratings of fixed-income securities by Moody's and Standard & Poor's are a generally accepted barometer of credit risk. They are, however, subject to certain limitations from an investor's standpoint. The rating on an issuer or a security is heavily weighted by past performance and does not necessarily reflect probable future conditions. There is frequently a lag between the time the rating is assigned and the time it is updated. In addition, there may be varying degrees of difference in credit risk of securities within each rating category. In the event of a down-grading of the credit rating of a security or an issuer relating to a security, the value of a Sub-Fund investing in such security may be adversely affected.

### 11.2.24 Liquidity Risk

Not all securities or instruments invested in by the Sub-Funds will be listed or rated and consequently liquidity may be low. Moreover, the accumulation and disposal of holdings in some investments may be time consuming and may need to be conducted at unfavourable prices. The Sub-Funds may also encounter difficulties in disposing of assets at their fair price due to adverse market conditions leading to limited liquidity.

Some of the markets in which a Sub-Fund invests may be less liquid and more volatile than the world's leading stock markets and this may result in the fluctuation in the price of the securities. As a result, the Sub-Fund may suffer losses and the Net Asset Value of the Sub-Fund may be adversely affected.

Due to market conditions the Sub-Funds may from time to time trade in transferable securities dealt on a permitted market that may become illiquid after they have been acquired or it may be difficult for a Sub-Fund to liquidate at an amount close to their fair value to meet its liquidity requirements or to respond to specific events such as a temporary disruption of a particular market. Certain securities may therefore be difficult or impossible to sell at the time that the seller would like or at the price that the seller believes the security is currently worth.

### 11.2.25 Real Asset Risk

A Sub-Fund may invest in real assets which creates certain specific risks including fluctuations of commodity prices, uncertainty of reserves, exploration and development risks, uncertainty in the developing of technology and governmental support and regulations.

### 11.2.26 Market Capitalisation Risk

Certain Sub-Funds may invest in the securities of small-to-medium-sized (by market capitalisation)

companies, or FDI related to such securities. Such securities may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports. Additional risk factors associated with companies whose market capitalisation is small or mid-cap may include but are not limited to the following: limited or unproven operating history; weak or leveraged balance sheets, limited borrowing capacity; low or negative profit margins; high concentration of sales from limited number of customers; competition from more established companies; and key-man management risk.

### 11.2.27 No Secondary Market

It is not anticipated that there will be an active secondary market for the Shares, and it is not expected that such a market will develop. Subject to certain conditions outlined herein, including when redemptions or the registration of transfers of Shares are suspended, Shareholders will, however, be able to realise their investment in a Sub-Fund by redeeming their Shares or by a transfer to an investor who an eligible transferee.

### 11.2.28 Recent Developments in Financial Markets

Recent developments in the global financial markets illustrate that the current environment is one of extraordinary and possibly unprecedented uncertainty. In light of such recent market turmoil and the overall weakening of the financial services industry, the ICAV, the AIFM and other financial institutions' financial condition may be adversely affected and they may become subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the ICAV's business and operations.

### 11.2.29 Reinvestment of Cash Collateral Risk

As a Sub-Fund may reinvest cash collateral received, a Sub-Fund reinvesting cash collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

### 11.2.30 Redemption Risk

Large redemptions of Shares in a Sub-Fund might result in a Sub-Fund being forced to sell assets at a time and price at which it would normally prefer not

to dispose of those assets which may be materially adverse to the Sub-Fund.

#### 11.2.31 Securities Lending Risk

There are risks associated with a Sub-Fund engaging in securities lending. 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. A securities lending transaction will involve the receipt of collateral. However there is a risk that the value of the collateral may fall and the Sub-Fund suffer loss as a result.

#### 11.2.32 OTC Counterparty Rating Downgrade Risk

The ICAV will enter into OTC transactions only with those counterparties that it believes to be sufficiently creditworthy.

If an OTC counterparty engaged by the ICAV, in respect of a Sub-Fund, is subject to a credit rating downgrade, this could potentially have significant implications for the relevant Sub-Fund from a commercial perspective. Regardless of the measures the ICAV, in respect of a Sub-Fund, may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the relevant Sub-Fund will not sustain losses on the transactions as a result.

#### 11.2.33 Investment in Collective Investment Schemes ("CIS")

A Sub-Fund may invest in one or more CIS including schemes managed by the AIFM or its affiliates. As a shareholder of another CIS, a Sub-Fund would bear, along with other shareholders, its pro rata portion of the expenses of the other CIS, including investment management and/or other fees. These fees would be in addition to the investment management fees and other expenses which a Sub-Fund bears directly in connection with its own operations.

CIS may have different settlement cycles than that of the Sub-Funds. Thus, there may be mismatch between the two settlement cycles causing the Sub-Funds to use borrowing to meet such obligations. This may result in charges being incurred by the relevant Sub-Fund. Further, each CIS may not be valued at the same time or on the same day as the relevant Sub-Fund and accordingly the net asset value of such CIS used in the calculation of the Net Asset Value of the relevant Sub-Fund will be the latest available net asset value of such CIS (further details on the calculation of the Net Asset Value are set out under the heading "**Valuation of Assets**").

CIS may be leveraged. This includes the use of borrowed funds and investments in FDI. Also, they may engage in short sales. While such strategies and techniques increase the opportunity to achieve higher returns on the amounts invested, they also increase the risk of loss. The level of interest rates generally, and the rates at which such funds may be borrowed in particular, could affect the operating results of the relevant Sub-Fund.

To the extent that the relevant Sub-Fund is invested in CIS, the success of the relevant Sub-Fund shall depend upon the ability of the CIS to develop and implement investment strategies that achieve the relevant Sub-Funds' investment objective. Subjective decisions made by the CIS may cause the relevant Sub-Fund to incur losses or to miss profit opportunities on which it could otherwise have capitalised. In addition, the overall performance of the relevant Sub-Fund will be dependent not only on the investment performance of the CIS, but also on the ability of the AIFM to select and allocate the Sub-Funds' assets among such CIS effectively on an ongoing basis. There can be no assurance that the allocations made by the AIFM will prove as successful as other allocations that might otherwise have been made, or as adopting a static approach in which CIS are not changed.

#### 11.2.34 Launch Phase and Wind-down Phase

Prospective investors should note that a Sub-Fund's investment policies may not be able to be fully implemented or complied with during the launch and wind-down phase of a Sub-Fund when initial investment positions are being established or final positions are being liquidated, as appropriate. In respect of the wind-down phase and in accordance with the terms of this Prospectus and the Instrument of Incorporation, Shareholders will be notified in advance of a Sub-Fund being wound-down. As a consequence, Shareholders may be exposed to different types of investment risk and may receive a return that is different to the return that would have been received if full compliance with the relevant investment policies and/or Regulations had been maintained (noting that there can be no assurance that any Sub-Fund will achieve its investment objective) during the launch and/or wind-down phase of a Sub-Fund.

#### 11.2.35 Unlisted Securities

A Sub-Fund may invest in unlisted securities. In general there is less governmental regulation and supervision of transactions in the unlisted securities markets than for transactions entered into on organised exchanges. In addition, many of the protections afforded to participants on some organised exchanges, such as the performance

guarantee of an exchange clearing house, may not be available in connection with unlisted securities. Therefore, any Sub-Fund investing in unlisted securities will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-Fund will sustain losses.

### **11.3 Accounting, Legal, Operational, Valuation and Tax Risks**

#### **11.3.1 Accounting, Auditing and Financial Reporting Standards**

The accounting, auditing and financial reporting standards of many of the countries in which a Sub-Fund may invest may be less extensive than those applicable in the European Union.

#### **11.3.2 Operational Risks**

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

The ICAV's service providers maintain global information technology systems. These systems could be subject to security breaches such as 'cyber crime' resulting in theft, a disruption in the ability to close out positions or the disclosure or corruption of sensitive and confidential information. Security breaches may also result in misappropriation of assets and could create significant financial and or legal exposure for the ICAV.

#### **11.3.3 Dependence on Key Personnel**

The investment performance of the Sub-Funds will be dependent on the services of certain key employees of the AIFM and its appointees. While contingency measures may be put in place, in the event of the death, incapacity or departure of any of these individuals, the performance of the Sub-Funds may be adversely affected.

#### **11.3.4 Financial Markets and Regulatory Change**

The laws and regulations affecting businesses continue to evolve in an unpredictable manner. Laws and regulations, particularly those involving taxation, investment and trade, applicable to the ICAV's activities can change quickly and unpredictably, and may at any time be amended, modified, repealed or replaced in a manner adverse to the interests of the

ICAV. The ICAV and the AIFM may be or may become subject to unduly burdensome and restrictive regulation. In particular, in response to significant recent events in international financial markets, governmental intervention and certain regulatory measures which have been or may be adopted in certain jurisdictions.

#### **11.3.5 AIFM Valuation Risk**

The AIFM determines the most appropriate valuation of certain investments and at all times valuations will be carried out in line with the provisions in the Prospectus and the valuation policy of the AIFM. The AIFM has in place pricing procedures which follows industry standard procedures for valuing unlisted investments and whilst there may be a conflict of interest between the involvement of the AIFM in determining the valuation price of a Sub-Fund's investments and the other duties or responsibilities of the AIFM in relation to the Sub-Fund (particularly as the AIFM fees may increase as the value of assets has in place pricing procedures which follows industry standard procedures for valuing unlisted Investments increase), the AIFM will at all times retain full discretion in determining the valuation of assets.

The AIFM has put in place safeguards for the functionally independent performance of the valuation task as required by AIFMD. Such safeguards include measures to prevent or restrain any person from exercising inappropriate influence over the way in which a person carries out valuation activities.

A Sub-Fund may invest some of its assets in unquoted securities or instruments. Such investments or instruments may be valued at their probable realisation value estimated with care and good faith by the AIFM, a connected delegate or a duly appointed external valuer. Such investments are inherently difficult to value and are 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 securities.

#### **11.3.6 Lack of Operating History**

The ICAV is a newly-formed entity and has no prior operating history. The past performance of any investments or investment funds managed by the AIFM or any of its affiliates cannot be construed as any indication of the future results of an investment in the ICAV or any of the Sub-Funds.

### 11.3.7 Alternative Investment Fund Managers Directive

AIFMD imposes new requirements in relation to funds managed or established in the European Union and in certain circumstances to other funds which are marketed in the European Union. There may be certain benefits for the ICAV resulting from compliance with AIFMD. In particular, a strong investor market may develop for AIFMD compliant products, and the ICAV may benefit from the use of the pan-European marketing passport available under AIFMD. However, the consequences for the ICAV are likely to include additional costs and more burdensome operational requirements.

### 11.3.8 Reliance on Management

Shareholders will not be entitled to participate in the management of the Sub-Funds. Accordingly, investors must be prepared to entrust management of a Sub-Fund to the Investment Manager.

The attention of Shareholders is drawn to the fact that the valuation of unlisted or illiquid securities depends on subjective factors and can be difficult to establish with accuracy. The Administrator may be relying on valuations of unlisted securities provided by the Investment Manager. This could lead to potential conflicts of interest on the part of the Investment Manager whose fees will, as will the return to Shareholders, increase as the value of the relevant Sub-Fund increases. However, the Investment Manager will endeavour to resolve such conflict by valuing such unlisted securities based on their probable realisation value with prudence and good faith.

When calculating the Net Asset Value of the Shares in accordance with any of the provisions of this Prospectus and the Instrument of Incorporation, or approving any methods of valuation determined by the Investment Manager, the Administrator and Depositary shall not be liable to any person for any loss, liability, claim, cost or expense suffered by any person as a result of the Administrator or the Depositary having relied upon any information, or the accuracy or completeness of information, supplied to it either by the Investment Manager, its directors, officers, employees or agents, or should the availability of the pricing information be delayed or not be provided by the Investment Manager or any third parties.

### 11.3.9 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 the ICAV or the relevant Sub-Fund (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 ICAV or the relevant Sub-Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

### 11.3.10 Segregated Liability

The ICAV is an umbrella Irish collective asset management vehicle with segregated liability between Sub-Funds. As a result, as a matter of Irish law, any liability attributable to a particular Sub-Fund may only be discharged out of the assets of that Sub-Fund and the assets of other Sub-Funds may not be used to satisfy the liability of that Sub-Fund. In addition, any contract entered into by the ICAV will by operation of law include an implied term to the effect that the counterparty to the contract may not have any recourse to assets of any of the Sub-Funds other than the Sub-Fund in respect of which the contract was entered into. These provisions are binding both on creditors and in any insolvency but do not prevent the application of any enactment or rule of law which would require the application of the assets of one Sub-Fund to discharge some, or all liabilities of another Sub-Fund on the grounds of fraud or misrepresentation. In addition, whilst these provisions are binding in an Irish court which would be the primary venue for an action to enforce a debt against the ICAV, these provisions have not been tested in other jurisdictions, and there remains a possibility that a creditor might seek to attach or seize assets of one Sub-Fund in satisfaction of an obligation owed in relation to another Sub-Fund in a jurisdiction which would not recognise the principle of segregation of liability between Sub-Funds.

### 11.3.11 Share Class Level Risk

While it is not intended to engage in any material investment management or trading activity at Share Class level within a Sub-Fund, other than for hedging purposes, it should be noted that any such activity may expose the Sub-Fund to cross contamination risk as it may not be possible to ensure (contractually or otherwise) that a counterparty's recourse in any such arrangements is limited to the assets of the relevant Class.

### 11.3.12 Tax Risks

Where a Sub-Fund invests in assets that are not subject to withholding tax at the time of acquisition, there can be no assurance that tax may not be withheld in the future as result of any change in applicable laws, treaties, rules or regulations or the interpretation thereof. The Sub-Fund may not be able to recover such withheld tax and so any change

may have an adverse effect on the Net Asset Value of the Shares.

The attention of potential investors is drawn to the taxation risks associated with investing in the ICAV. Please refer to the section of this Prospectus entitled "**Taxation**".

#### 11.3.13 FATCA

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

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

All Shareholders and prospective investors should consult with their own tax advisors regarding the possible FATCA implications of an investment in the ICAV.

#### 11.3.14 CRS

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

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

The ICAV is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the ICAV will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the

beneficial owners of the investor. The ICAV, or a person appointed by the ICAV, will report the information required to the Revenue Commissioners by 30 June in the year following the year of assessment for which a return is due. The Revenue Commissioners will share the appropriate information with the relevant tax authorities in participating jurisdictions.

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

#### 11.3.15 Eurozone Breakup / Failure of Euro

Concerns that the Eurozone sovereign debt crisis could worsen may lead to the reintroduction of national currencies in one or more Eurozone countries or, in particularly dire circumstances, the abandonment of the Euro. The departure or risk of departure from the Eurozone by one or more Eurozone countries and/or the abandonment of the Euro as a currency could have major negative effects on a Sub-Fund's investments as well as on the ability of a Sub-Fund's counterparties to fulfil their obligations. In addition, countries may impose capital control which could impact a Sub-Fund's ability to repatriate proceeds. Legal uncertainty may render hedging arrangements ineffectual.

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

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

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**DIRECTORY**

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**TWENTYFOUR ICAV**

32 Molesworth Street  
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**Directors**

Aogán Foley  
Helen Howell  
Bronwyn Wright

**AIFM**

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**Administrator**

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Ireland

**Investment Manager**

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United Kingdom

**Depository**

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Ireland

**Secretary**

MFD Secretaries Limited  
32 Molesworth Street  
Dublin 2  
Ireland

## AIFMD INFORMATION CARD

17 October 2023

### TwentyFour ICAV

This AIFMD Information Card contains information relating to TwentyFour ICAV (the "ICAV"), an umbrella Irish collective asset-management vehicle with segregated liability between sub-funds under the Irish Collective Asset-management Vehicles Act 2015 (the "ICAV Act") with registered number C430450 and authorised by the Central Bank pursuant to the ICAV Act and chapter 2 of the AIF Rulebook.

This AIFMD Information Card forms part of and should be read in the context of and in conjunction with the prospectus for the ICAV dated 17 October 2023 (the "Prospectus"). Capitalised terms not defined in this AIFMD Information Card have the same meaning as set out in the Prospectus.

To the best of the knowledge and belief of the Directors (whose names appear in the section of the Prospectus under the heading "Management of the ICAV – Directors" and who have taken reasonable care to confirm that such is the case) the information contained in the Prospectus is in accordance with the facts and does not in the Directors' judgment omit anything likely to materially affect the import of such information. The Directors accept responsibility for the information contained in the Prospectus accordingly.

This AIFMD Information Card has been prepared for the purpose of meeting the specific investor disclosure requirements contained in Article 23 of AIFMD.

#### 1. Description of the investment objective, policies and approach of each Sub-Fund

The sections of the relevant Supplement entitled "*Investment Objective*" and "*Investment Policies and Strategies*" contain a full account of the investment objective, policies and approach of the relevant Sub-Fund.

#### 2. Procedures to change the investment objective, policies and approach

The Prospectus provides that the investment objective of a Sub-Fund may not be altered, and material changes to the investment policy of a Sub-Fund may not be made, without prior approval of Shareholders. For further details, refer to the section of the Prospectus entitled "*Investment Objective and Policies*".

#### 3. Legal implications of an investment in the ICAV

3.1 The main legal implications of the contractual relationship which you would enter into by investing in a Sub-Fund are as follows:

3.1.1 By completing and submitting the account opening form followed by the subscription form, you will have made an offer to subscribe for Shares which, once it is accepted by the ICAV and Shares are issued, has the effect of a binding contract.

3.1.2 The Shareholder will be obliged to make representations, warranties, declarations and certifications in the account opening form relating to its eligibility to invest in the Sub-Fund and its compliance with the applicable anti-money laundering laws and regulations.

3.1.3 Upon the issue of Shares, you will become a Shareholder in the relevant Sub-Fund and the Instrument of Incorporation will take effect as a statutory contract between you and the ICAV.

3.1.4 The Instrument of Incorporation is governed by, and construed in accordance with, the laws of Ireland. The account opening form is governed by, and construed in accordance with, the laws of Ireland. The Prospectus and any non-contractual obligations arising out of or in connection with it shall be governed by and construed in accordance with Irish law. With respect to any suit, action or proceedings relating to any dispute arising out of or in connection with the Prospectus (including any non-contractual obligations arising out of or in connection with it), each party irrevocably submits to the jurisdiction of the Irish courts.

3.1.5 In any proceedings taken in Ireland for the enforcement of a judgement obtained against the ICAV in the courts of a foreign (non-Irish) jurisdiction (a "**Foreign Judgement**"), the Foreign Judgement should be recognised and enforced by the courts of Ireland. To enforce such a Foreign Judgement in Ireland, it would be necessary to obtain an order of the Irish courts. Such an order will generally be granted on proper proof of the Foreign Judgement without any retrial or examination of the merits of the case, subject to the following qualifications: (i) that the foreign court had jurisdiction, according to the laws of Ireland; (ii) that the Foreign Judgement was not obtained by fraud; (iii) that the Foreign Judgement is not contrary to public policy or natural justice as understood in Irish law; (iv) that the Foreign Judgement is final and conclusive; (v) that the Foreign Judgement is for a definite sum of money; and (vi) that the procedural rules of the court giving the Foreign Judgement have been observed.

#### **4. Identity and duties of the AIFM, Depositary and other service providers and rights of investors**

4.1 For details of the identity and duties of the AIFM, Depositary and other service providers, refer to the section of the Prospectus entitled "*Management of the ICAV*".

4.2 Absent a direct contractual relationship between a Shareholder and a service provider to the ICAV, the 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 or the AIFM by the relevant service provider is the ICAV or AIFM.

#### **5. AIFM professional liability risk cover**

In order to cover professional liability risks resulting from activities which the AIFM may carry out on behalf of the ICAV, the AIFM holds additional funds and/or professional indemnity insurance against liability arising from professional negligence which is appropriate to the risks covered.

#### **6. Management function and safekeeping function delegation arrangements**

6.1 The ICAV has delegated the powers of determining investment policy and investment management of the Sub-Funds to the Investment Manager, pursuant to the Investment Management Agreement

6.2 The Depositary has power to delegate the whole or any part of its safekeeping functions but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The AIFM will inform investors before they invest in the ICAV of the presence and identity of any appointed delegates of the Depositary.

6.3 For details of any potential conflicts of interest that may arise as a result of such delegation arrangements referred to above, refer to the section of the Prospectus entitled "*Conflicts of Interest*".

#### **7. Liquidity policy of the AIFM; redemption procedures**

7.1 The AIFM employs an appropriate liquidity management system and has adopted procedures which enable it to monitor the liquidity risk of the ICAV and each Sub-Fund and to ensure that the liquidity profile of the investments of each Sub-Fund complies with its underlying obligations. The liquidity management system ensures that each Sub-Fund maintains a level of liquidity appropriate to their underlying obligations based on an assessment of the relative liquidity of the Sub-Fund's assets in the market, taking account of the time required for liquidation and the price or value at which those assets can be liquidated and their sensitivity to other market risks or factors. The AIFM monitors the liquidity profile of the portfolio of assets having regard to the profile of the investor base of the Sub-Fund, the relative size of investments and the redemption terms to which these investments are subject. The AIFM implements and maintains appropriate liquidity measurement arrangements and procedures to assess the quantitative and qualitative risks of positions and intended investments which have a material impact on the liquidity profile of the portfolio of the Sub-Fund's assets to enable their effects on the overall liquidity profile to be appropriately measured and considers and puts into effect the tools and arrangements necessary to manage the liquidity of the ICAV.

7.2 For details in relation to the procedures and conditions for the redemption of Shares, refer to the section of the Prospectus entitled "*Share Dealings; Redemption of Shares*".

## **8. Valuation procedures**

- 8.1 The Prospectus provides that the AIFM is responsible for ensuring that the Net Asset Value per Share is calculated and disclosed to Shareholders. The procedures and methodology for calculating the Net Asset Value per Share are summarised in the section of the Prospectus entitled "*Valuation of Assets; Calculation of Net Asset Value*". As part of its control function, the AIFM shall regularly verify and update as necessary these calculation procedures and methodologies.
- 8.2 The AIFM is responsible for ensuring that proper and independent valuation of the assets of the ICAV can be performed. The assets and liabilities of each Sub-Fund will be valued in accordance with the valuation policy of the AIFM consistent with the provisions outlined in the Prospectus.

## **9. Fees and expenses**

- 9.1 For details of the fees and expenses payable out of the assets of the ICAV, refer to the section of the Prospectus entitled "*Fees and Expenses*".
- 9.2 Details of the fees and expenses payable out of the assets of a specific Sub-Fund shall be disclosed in the relevant Supplement, in each case in the section entitled "*Fees and Expenses*".

## **10. Fair treatment of Shareholders**

- 10.1 The AIFM will ensure that its decision-making procedures and its organisational structure ensure the fair treatment of Shareholders in the ICAV. In discharging its role, the AIFM shall act honestly, fairly, professionally, independently and in the interests of the ICAV and the Shareholders.
- 10.2 The AIFM may enter into a side letter or similar agreement with certain Shareholders where those Shareholders are provided with a benefit that is not granted to other Shareholders in the relevant Sub-Fund. Further details of any preferential treatment afforded to Shareholders, in addition to those Shareholders' legal and economic links to the AIFM will be disclosed to investors before they invest in that Sub-Fund. Such preferential treatment may include (but is not limited to) altering, modifying or changing rights or restrictions which apply to (i) Shares, (ii) investment management/performance fees, (iii) obligations of the investor or Shareholder, or granting informational rights, such as estimated Net Asset Value prices and/or transparency information (including portfolio transparency/position level information) or (iv) the grant of capacity rights. Any such preferential treatment should not result in an overall material disadvantage to the other Shareholders in the relevant Sub-Fund as a whole.

## **11. Annual reports**

Audited accounts will be sent to Shareholders for the relevant Sub-Fund, where prepared, within 180 days after the conclusion of each Accounting Period (being a calendar year ending 31 December in each year).

The AIFM may send such reports and accounts electronically to Shareholders in accordance with the requirements of the Central Bank and where such Shareholders have consented to such receipt in their Application Form.

## **12. Subscription procedures**

For details in relation to the procedures and conditions for the sale of Shares, refer to the section of the Prospectus entitled "*Share Dealings; Subscription for Shares*".

## **13. Availability of Net Asset Value information**

The latest Net Asset Value of each Sub-Fund, together with the historical performance and the latest Net Asset Value of the Shares of each Class may be obtained from the ICAV. These Net Asset Values will be those prices applicable to the previous Valuation Point and are therefore only indicative after the relevant Valuation Point.

## **14. Availability of historical performance data**

The historical performance of each Sub-Fund will in due course be available from the ICAV before investors invest.

**15. Details of any prime brokers appointed**

Not applicable.

**16. Periodic and regular disclosure of information to Shareholders**

Please refer to the section of the Prospectus entitled "Periodic and regular disclosure of information to Shareholders."

**17. Any contractual discharge arrangements of the Depositary**

17.1 The AIFM will inform investors before they invest in the ICAV of any additional arrangement made by the Depositary (and not already disclosed in the Prospectus) to discharge itself contractually of any liability.

17.2 The AIFM will inform Shareholders of any changes with respect to the Depositary's liability without delay.