

## SWISS EXTRACT PROSPECTUS

### INSTITUTIONAL CASH SERIES plc

The BlackRock logo, featuring the word "BLACKROCK" in a bold, white, sans-serif font, with a registered trademark symbol (®) to the upper right of the word. The logo is set against a solid black rectangular background.

(An umbrella investment company with variable capital and having segregated liability between its Funds incorporated with limited liability in Ireland under registration number 298213)

Institutional Euro Government Liquidity Fund  
Institutional Sterling Government Liquidity Fund  
Institutional US Treasury Fund  
Institutional Euro Liquidity Fund  
Institutional Euro Assets Liquidity Fund  
Institutional Sterling Liquidity Fund  
Institutional US Dollar Liquidity Fund  
Institutional Euro Ultra Short Bond Fund  
Institutional Sterling Ultra Short Bond Fund  
Institutional US Dollar Ultra Short Bond Fund

THIS IS AN EXTRACT OF THE PROSPECTUS FOR INSTITUTIONAL CASH SERIES PLC. THIS EXTRACT OF THE PROSPECTUS IS AN EXTRACT FOR DISTRIBUTION TO NON-QUALIFIED INVESTORS IN SWITZERLAND ONLY AND IT DOES NOT CONSTITUTE A PROSPECTUS FOR THE PURPOSES OF IRISH APPLICABLE LAW. THIS EXTRACT OF THE PROSPECTUS REFERS TO THE OFFERING OF THE FUNDS LISTED HEREIN.

31 January 2018

If you are in any doubt about the contents of this Prospectus, you should consult your stockbroker, solicitor, accountant or other independent financial adviser.

The Directors of the Company, whose names appear under the heading “Directory”, are the persons responsible for the information contained in this Prospectus and accept responsibility accordingly. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

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# **INSTITUTIONAL CASH SERIES plc**

*(An umbrella investment company with variable capital  
and having segregated liability between its Funds  
incorporated with limited liability in Ireland  
under registration number 298213)*

## **SWISS EXTRACT PROSPECTUS**

**Institutional Euro Government Liquidity Fund  
Institutional Sterling Government Liquidity Fund  
Institutional US Treasury Fund  
Institutional Euro Liquidity Fund  
Institutional Euro Assets Liquidity Fund  
Institutional Sterling Liquidity Fund  
Institutional US Dollar Liquidity Fund  
Institutional Euro Ultra Short Bond Fund  
Institutional Sterling Ultra Short Bond Fund  
Institutional US Dollar Ultra Short Bond Fund**

## **MANAGER**

**BlackRock Asset Management Ireland Limited**

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This Prospectus replaces the Prospectus dated 29 December 2017.

The date of this Prospectus is 31 January 2018.

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## INSTITUTIONAL CASH SERIES plc

### IMPORTANT INFORMATION

This Prospectus comprises information relating to Institutional Cash Series plc (the “Company”), an investment company with variable capital organised under the laws of Ireland. It qualifies and is authorised in Ireland by the Central Bank of Ireland (the “Central Bank”) as a UCITS for the purposes of the Regulations. The Company is structured as an umbrella fund. Shares are available in respect of the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund and the Institutional US Treasury Fund (the “Sovereign Funds”), the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund, the Institutional Sterling Liquidity Fund, and the Institutional US Dollar Liquidity Fund (the “Liquidity Funds”) and the Institutional Euro Ultra Short Bond Fund, the Institutional Sterling Ultra Short Bond Fund and the Institutional US Dollar Ultra Short Bond Fund (the “Ultra Short Bond Funds”). Each Fund is in turn divided into a number of Classes. The current Classes of the Funds are set out in Appendix V.

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

This Prospectus contains particulars of the offering of Shares in each of the Liquidity Funds, the Sovereign Funds and the Ultra Short Bond Funds. The offer proceeds will be invested by the Company in accordance with the investment objectives for these Funds contained in this Prospectus, as amended from time to time.

The Directors may create new Funds or issue further Classes of Shares in accordance with the requirements of the Central Bank. Either this Prospectus will be updated or a separate supplemental prospectus relating to Shares of any new Class or comprising any new Fund of the Company will be issued by the Directors at the time of the establishment of that Class or Fund. Each supplemental prospectus shall form part of, and should be read in conjunction with, this Prospectus.

Statements made in this Prospectus are, except where otherwise stated, based on the law and practice currently in force in Ireland, which may be subject to change.

Distribution of this Prospectus is not authorised unless it is accompanied by a copy of the latest half-yearly report and unaudited accounts and/or annual report of the Company and audited accounts (as the case may be). These reports will form part of this Prospectus.

No person has been authorised to give any information or to make any representation in connection with the offering or placing of Shares other than those contained in this Prospectus and the reports referred to above and, if given or made, such information or representation must not be relied upon as having been authorised by the Company. The delivery of this Prospectus (whether or not accompanied by the reports) or any issue of Shares shall not, under any circumstances, create any implication that the affairs of the Company have not changed since the date of this Prospectus.

The distribution of this Prospectus and the offering and placing of Shares in certain jurisdictions may be restricted and, accordingly, persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe such restrictions.

Authorised intermediaries which offer, recommend or sell Shares in the Funds must comply with all laws, regulations and regulatory requirements applicable to them. Also, such intermediaries should consider such information about the Funds as is made available by the Manager or Investment Manager for the purposes of the EU’s product governance regime under MiFID II including, without limitation, target market information.

This Prospectus does not constitute an offer or solicitation to anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

Potential investors should inform themselves as to:

- a) the legal requirements within the countries of their nationality, citizenship, residence, ordinary residence or domicile for the acquisition of Shares;
- b) any foreign exchange restrictions or exchange control requirements which they might encounter on the acquisition, redemption, conversion or sale of Shares; and
- c) the income tax and other taxation consequences which might be relevant to the acquisition, holding, redemption, conversion or disposal of Shares.

The contents of this Prospectus have been approved solely for the purposes of the Financial Services and Markets Act 2000 by the Company's Principal Distributor, BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL (which is regulated by the FCA in the conduct of investment business in the UK). The Company has obtained the status of "recognised scheme" for the purposes of the UK Financial Services and Markets Act 2000. Some or all of the protections provided by the UK regulatory system will not apply to investments in the Company. Compensation under the UK Investors Compensation Scheme will generally not be available. The Company provides the facilities required by the regulations governing such schemes at the offices of BlackRock Investment Management (UK) Limited. An applicant for Shares will not have the right to cancel his application under the UK Financial Services Compensation Scheme.

As a result of the FCA's Retail Distribution Review, neither the Manager nor the Principal Distributor will be permitted to pay initial or renewal commission or rebate of the annual management charge to authorised intermediaries or to third party distributors or agents in respect of any subscriptions for, or holdings of, units for any UK retail investors in respect of investments made as a result of the investor having received a personal recommendation on or after 31 December 2012.

Shares in the Company are and will continue to be made widely available. Each Fund is available for investment by the general public but is intended for institutional investors and will be marketed and made widely available in a manner appropriate to attract these investors.

The Shares have not been, and will not be, registered under the 1933 Act or the securities laws of any of the states of the United States and the Company has not been, and will not be, registered under the 1940 Act or the laws of any of the states of the United States. The Shares may be offered outside the United States pursuant to the exemption from registration under Regulation S promulgated under the 1933 Act and inside the United States in reliance on Regulation D promulgated under the 1933 Act and Section 4(a)(2) thereof. The Company is exempt from registration under the 1940 Act pursuant to Section 3(c)(7) thereof. Accordingly the Shares may not be offered or sold, directly or indirectly, in the United States or to or for the account or benefit of any US Person, except pursuant to an exemption from, or in a transaction not subject to the regulatory requirements of the 1933 Act, the 1940 Act and any applicable federal and state securities laws. There will be no public offering of the Shares in the United States. Only Core Shares will be available to US Persons provided they are both "accredited investors" as defined in Rule 501 (a) of Regulation D promulgated under the 1933 Act and "qualified purchasers" within the meaning of Section 2(a)(51) of the 1940 Act ("Qualified US Persons") and provided they make certain representations. Any re-offer or resale of any of the Shares in the United States or to US Persons may constitute a violation of US law. In the absence of such exemption or transaction, each applicant for Shares will be required to certify that it is not a US Person. To ensure that these requirements are maintained, the Directors may compulsorily redeem Shares owned by US Persons.

Qualified US Persons will be required to declare that they are both “accredited investors” as defined in Rule 501 (a) of Regulation D promulgated under the 1933 Act and “qualified purchasers” within the meaning of Section 2(a)(51) of the 1940 Act. Such investors will be required to notify the Administrator immediately in the event that they cease to be both “accredited investors” and “qualified purchasers” for the purposes of the aforementioned legislation. Where the Company becomes aware that any Shares are directly or beneficially owned by a US Person that is not a Qualified US Person, it may redeem the Shares so held compulsorily and may also impose a fee on each such person who is not a Qualified US Person to compensate the Company for any loss it has suffered (or may suffer) in respect of such holding of Shares.

The Company will not accept subscriptions from employee benefit plans subject to Part 4 of Title I of the US Employee Retirement Income Security Act of 1974, as amended (“ERISA”), plans or accounts subject to section 4975 of the US Internal Revenue Code of 1986, as amended, or entities whose underlying assets include “plan assets” as defined by ERISA and the regulations thereunder.

Any losses in the Company will be borne solely by Shareholders and not by BlackRock Group, PNC Group or any of their respective affiliates or subsidiaries; therefore, BlackRock's, PNC Group's and their respective affiliates' and subsidiaries' losses in the Company will be limited to losses attributable to any ownership interest in the Company held by BlackRock Group, PNC Group and their respective affiliates and subsidiaries in their capacity as investors in the Company or as beneficiaries of a restricted profits interest held by BlackRock Group, PNC Group or any of their respective affiliates or subsidiaries.

The Funds have not been, nor will they be, qualified for distribution to the public in Canada as no prospectus for the Fund has been filed with any securities commission or regulatory authority in Canada or any province or territory thereof. This document is not, and under no circumstances is to be construed, as an advertisement or any other step in furtherance of a public offering of Shares in Canada. No Canadian resident may purchase or accept a transfer of Shares unless he is eligible to do so under applicable Canadian or provincial laws.

Pursuant to Isle of Man regulations, the address of the place in the Isle of Man where scheme facilities for the public and for complaints will be maintained and the address in the Isle of Man of the person authorised to accept on behalf of the Company any process or any notices or other documents required or authorised to be served in accordance with Paragraph 1(5)(a) of Schedule 4 to the Collective Investment Schemes Act 2008 is Cains Fiduciaries, Fort Anne, Douglas, Isle of Man IM1 5PD. The Company is a recognised scheme in the Isle of Man under Paragraph 1 of Schedule 4 to the Collective Investment Schemes Act 2008. The Prospectus has been prepared in accordance with the Collective Investment Schemes (Recognised Schemes) Regulations 2015. Isle of Man investors in the Company are not protected by the Isle of Man Authorised Collective Investment Schemes (Compensation) Regulations 2008.

The address of the place in the United Kingdom where scheme facilities will be maintained is c/o BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London EC2N 2DL, United Kingdom.

Shareholders in Italy may be charged additional fees and expenses by local paying agents or other entities responsible for processing Share transactions for them and on their behalf. Details of such additional fees and expenses will be provided in the annex to the Subscription Form for Italy. Investors in Italy may confer to the local paying agent a specific mandate empowering the latter to act in its own name and on behalf of the same investors. Under such mandate, the local Paying Agent in its own name and on behalf of the investors in Italy shall (i) transmit in aggregated form to the Company subscription/redemption/conversion orders; (ii) hold the Shares in the Shareholders' register of the Company and (iii) carry out any other administrative activity under the investment contract. Further details of such mandate will be provided in the Subscription Form for Italy.

It is intended that application will be made in other jurisdictions (where appropriate) to enable the Shares of the Funds of the Company to be marketed in those jurisdictions.

The Funds are not authorised or recognised by the Monetary Authority of Singapore ("MAS") and Shares are not allowed to be offered to the retail public in Singapore. Moreover, this Prospectus which relates to the offer of Shares is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses would not apply. Potential investors should consider carefully whether the investment is suitable for them.

This Prospectus has not been registered as a prospectus by the MAS, and the offer of the Shares is made pursuant to the exemptions under Sections 304 and 305 of the SFA. Accordingly, the Shares may not be offered or sold, nor may the Shares be the subject of an invitation for subscription or purchase, nor may this Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase of the Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than under exemptions provided in the SFA for offers made (a) to an institutional investor (as defined in Section 4A of the SFA) pursuant to Section 304 of the SFA, (b) to a relevant person (as defined in Section 305(5) of the SFA), or any person pursuant to an offer referred to in Section 305(2) of the SFA, and in accordance with the conditions specified in Section 305 of the SFA or (c) otherwise pursuant to, and in accordance with, the conditions of any other applicable provision of the SFA.

Where the Shares are acquired by persons who are relevant persons specified in Section 305A of the SFA, namely:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

the shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Shares pursuant to an offer made under Section 305 of the SFA except:

- (i). to an institutional investor or to a relevant person as defined in Section 305(5) of the SFA, or which arises from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 305A(3)(i)(B) of the SFA (in the case of that trust);
- (ii). where no consideration is or will be given for the transfer; or
- (iii). where the transfer is by operation of law.

The offer, holding and subsequent transfer of Shares are subject to restrictions and conditions under the SFA. Potential investors should consider carefully whether they are permitted (under the SFA and any laws or regulations applicable to them) to make an investment in the Shares and whether any such investment is suitable for them and such potential investors should consult with their legal or professional advisor if in doubt.

The offer or invitation of Shares is regulated under the laws of Ireland relating to undertakings for collective investment and is subject to the supervision of the Central Bank. The contact details of the Central Bank are as follows:

Address: Block D, Iveagh Court, Harcourt Road, Dublin 2, Ireland  
Telephone No.: (+353) 1 224 6000



Facsimile No.: (+353) 1 478 2196

The Investment Manager of the Company, BlackRock Investment Management (UK) Limited, is regulated by the Financial Conduct Authority in the United Kingdom. The contact details of the Financial Conduct Authority are as follows:

Address: 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom  
Telephone No.: (+44) 20 7676 1000

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

Investors should read and consider the Section entitled “Risk Factors” before investing in the Shares of the Company.

While the Ultra Short Bond Funds may invest in "commodity interest " positions (including, without limitation, certain FDI and security futures positions) for efficient portfolio management purposes and subject to the conditions and within the limits as set out in Appendix II, the Manager is exempt from the requirements applicable to a commodity pool operator (“CPO”) registered with the Commodity Futures Trading Commission (“CFTC”) pursuant to CFTC Rule 4.13(a)(3). Therefore, unlike a non-exempt CPO, the Manager is not required to provide prospective Shareholders with a CFTC compliant disclosure document, nor is it required to provide Shareholders with certified annual reports that satisfy the requirements of CFTC Rules applicable to registered CPOs. The Company does, however, intend to provide Shareholders with annual audited financial statements. This Prospectus is not required to be and has not been reviewed or approved by or filed with the CFTC. The CFTC has not reviewed or passed upon the merits of investing in the Ultra Short Bond Funds or upon the adequacy or accuracy of the Prospectus.

The CFTC Rule 4.13(a)(3) exemption is available with respect to each of the Ultra Short Bond Funds because it (i) limits Shareholders to persons who are “accredited investors” as defined in Rule 501(a) of Regulation D promulgated under the 1933 Act, trusts that are not accredited investors but were formed by accredited investors for the benefit of family members, “qualified eligible persons” as defined in Rule 4.7 under the Commodity Exchange Act, and “knowledgeable employees” as defined in the 1940 Act and the rules thereunder and (ii) engages in a limited amount of commodity interest transactions. In accordance with the requirements of Rule 4.13(a)(3), each of the Ultra Short Bond Funds will limit its commodity interest positions such that at the time such Fund enters into such a position:

- (a) the aggregate initial margin, premiums and minimum security deposit required to establish the Fund's positions in commodity interests do not exceed 5% of the liquidation value of the Fund's portfolio (after taking into account the unrealised profits and unrealised losses on any such contracts); or
- (b) the aggregate net notional value of the Fund's positions in commodity interests do not exceed 100% of the liquidation value of the Fund's portfolio (after taking into account the unrealised profits and unrealised losses on any such positions).

#### **Listing on the Irish Stock Exchange and on the Xetra trading platform of the Frankfurt Stock Exchange**

Certain Shares of the Funds are listed on one or more stock exchanges. Shares of the Funds which are admitted to listing on the Official List and trading on the Main Securities Market of the Irish Stock Exchange as at the date of this Prospectus are set out at [www.blackrock.com/cash](http://www.blackrock.com/cash). Further applications may be made

for other Share Classes of the Funds to be admitted to listing on the Irish Stock Exchange from time to time. An application may also be made for certain Shares to be listed on the Xetra electronic trading platform of the Frankfurt Stock Exchange (“Xetra”). For more up to date information, please refer to the websites of the Irish Stock Exchange and the Deutsche Börse Xetra.

The Directors do not anticipate that an active Secondary Market will develop in any of the Shares admitted to listing and trading on the Irish Stock Exchange. However, an active Secondary Market may develop in respect of Shares listed on Xetra.

The Shares that are listed on one or more stock exchanges are not available to US Persons. Accordingly, each person acquiring Shares through such an exchange will be deemed to have represented and warranted to and for the benefit of the Company that such person is not in the United States and is not (and is not acquiring the Shares for the benefit of) a US Person.

## DEFINITIONS

*“Account Opening Form”*, such account opening form or application form (as the context requires) as the Directors may prescribe, to be completed by Shareholders for the purposes of opening a Primary Market dealing account in relation to the Company and/or relevant Fund.

*“Accumulating Shares”*, those Shares of any Class designated as being “Accumulating Shares” in Appendix V and in respect of which the net income and insofar as applicable net realised capital gains thereof will be rolled-up and will not be distributed.

*“Administrator”*, JP Morgan Administration Services (Ireland) Limited, a limited liability company incorporated in Ireland acting as administrator, registrar and transfer agent.

*“Administration Agreement”*, the agreement dated 30 April 2010 between the Manager and the Administrator, as may be amended.

*“Admin I Shares”*, Shares intended for purchase only (unless otherwise agreed by the Manager) by Distributors (and their clients) approved by the Manager and in respect of which the Manager may pay to such Distributors such distribution fees as may be agreed from time to time provided always that the Voluntary Cap in respect of such Shares shall not exceed 0.25% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).

*“Admin II Shares”* Shares intended for purchase only (unless otherwise agreed by the Manager) by Distributors (and their clients) approved by the Manager and in respect of which the Manager may pay to such Distributors such distribution fees as may be agreed from time to time provided always that the Voluntary Cap in respect of such Shares shall not exceed 0.30% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).

*“Admin III Shares”*, Shares intended for purchase only (unless otherwise agreed by the Manager) by Distributors (and their clients) approved by the Manager and in respect of which the Manager may pay to such Distributors such distribution fees as may be agreed from time to time provided always that the Voluntary Cap in respect of such Shares shall not exceed 0.45% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).

*“Admin IV Shares”* Accumulating Shares intended for purchase only (unless otherwise agreed by the Manager) by Distributors (and their clients) approved by the Manager and in respect of which the Manager may pay to such Distributors such distribution fees as may be agreed from time to time provided always that the Voluntary Cap in respect of such Shares shall not exceed 0.70% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).

*“Agency Shares”*, Shares intended for purchase only (unless otherwise agreed by the Manager) by Discretionary Investment Management Clients and employees of the BlackRock Group.

*“Articles”*, the Articles of Association of the Company as amended from time to time.

*“Auditors”*, PricewaterhouseCoopers, Chartered Accountants and Registered Auditors, Dublin.

*“BlackRock Group”*, the BlackRock group of companies, the ultimate holding company of which is BlackRock, Inc.

*“Business Day”*,:

- (a) in relation to the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund and the Institutional Euro Ultra Short Bond Fund, every weekday on which banks and relevant markets are open for business in London or on

which the Target System is open, except for a weekday which is any one of the following in Ireland: Easter Monday, St. Stephen's Day or the public holiday in respect of St. Stephen's Day if it falls on a Saturday or Sunday;

- (b) in relation to the Institutional Sterling Government Liquidity Fund, Institutional Sterling Liquidity Fund and the Institutional Sterling Ultra Short Bond Fund every weekday on which banks and relevant markets are open for business in London, except for a weekday which is any of the following in Ireland: Easter Monday, St. Stephen's Day or the public holiday in respect of St. Stephen's Day if it falls on a Saturday or Sunday; and
- (c) in relation to the Institutional US Treasury Fund, the Institutional US Dollar Liquidity Fund and the Institutional US Dollar Ultra Short Bond Fund, every weekday on which banks and relevant markets are open for business in New York.

"Central Bank", the Central Bank of Ireland or any successor thereto.

"Central Bank UCITS Regulations", the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as may be amended from time to time, and any guidance published thereunder.

"Class" or "Classes", such class or classes of Shares in a Fund as the Directors may from time to time designate; the current classes in respect of each of the Funds being those as set out in Appendix V.

"Company", Institutional Cash Series plc, an open-ended investment company with variable capital organised under the laws of Ireland.

"Core Shares", Shares in a Fund of the Company designated as one in respect of which the Voluntary Cap in respect of such Shares shall not exceed 0.20% per annum of the Net Asset Value of that Class (see the section headed "Voluntary Cap" in this Prospectus).

"Cut-Off Time", the point in time on each Dealing Day up until which subscriptions, switches, share transfers and redemptions will be accepted for execution on that Dealing Day as set out in the table below, or such other times as the relevant exchanges and/or markets or the Directors may determine and notify to Shareholders, provided always that such time is before the Valuation Point:

Fund	Time Zone	Cut-Off Time on the Dealing Day		
		All save those indicated to the right	prior to 25 December	prior to 1 January
Institutional Euro Government Liquidity Fund	Ireland	10.30 am	10.30 am	10.00 am
Institutional Sterling Government Liquidity Fund	Ireland	10.30 am	10.30 am	10.00 am
Institutional US Treasury Fund <sup>X</sup>	New York	5.00 pm	5.00 pm	12 noon
Institutional Euro Liquidity Fund <sup>X</sup>	Ireland	1.00 pm	11.30 am	10.00 am
Institutional Euro Assets Liquidity Fund <sup>X</sup>	Ireland	1.00 pm	11.30 am	10.00 am
Institutional Sterling Liquidity Fund <sup>X</sup>	Ireland	1.00 pm	11.30 am	10.00 am
Institutional US Dollar Liquidity Fund <sup>X</sup>	New York	5.00 pm	5.00 pm	12 noon
Institutional Euro Ultra Short Bond Fund <sup>X</sup>	Ireland	2.00 pm	11.30 am	11.30 am
Institutional Sterling Ultra Short Bond Fund <sup>X</sup>	Ireland	2.00 pm	11.30 am	11.30 am
Institutional US Dollar Ultra Short Bond Fund <sup>X</sup>	Ireland	2.00 pm	2.00 pm	2.00 pm

- X: Investors that deal in Shares via clearing systems and other intermediaries should note that such clearing systems and intermediaries may have their own dealing requirements and that these may include deadlines for receipt of instructions different to those set out above. Details of these are available from the relevant clearing system or intermediary.

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*“Dealing Day”*, such Business Day as the Directors may from time to time determine in the case of any Fund and which, in respect of the Funds, shall be each Business Day, provided always that there shall be at least two Dealing Days in each calendar month.

*“Depositary”*, J.P. Morgan Bank (Ireland) plc and/or such other person as may be appointed, with the prior approval of the Central Bank, to act as depositary to the Company

*“Depositary and Custodian Agreement”*, the agreement dated 30 April 2010 between the Company and the Depositary, as amended by a supplemental depositary and custodian agreement on 13 October 2016.”

*“Directive”*, Directive No. 2009/65/EC of the Council and of the European Parliament of 13 July 2009, as amended by Directive No. 2014/91/EU and as may be amended or replaced from time to time.”

*“Directors”*, the directors of the Company or any duly authorised committee thereof.

*“Discretionary Investment Management Clients”*, clients of the Investment Manager or any of its Group Companies who have entered into a discretionary investment management agreement with the Investment Manager or a relevant Group Company and in respect of which no investment management fee is charged to the assets attributable to the shares purchased by such client.

*“Distributing Shares”*, those Shares of any Class designated as being “Distributing Shares” in Appendix V and in respect of which the net income and insofar as applicable net realised capital gains thereof will be distributed.

*“Distribution Agreement”*, the agreement dated 16 December 1999, as amended and novated from time to time, between the Manager, the Principal Distributor and the Company.

*“Distributor”* or *“Distributors”*, any broker-dealer, financial institution or other industry professional appointed in writing by the Company and/or the Manager to distribute Shares, and/or to provide certain ongoing services to their clients in respect of Shares.

*“Duties and Charges”*, in relation to any Fund, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the relevant Fund or the creation, issue, sale, conversion or repurchase of Shares or the sale or purchase of Investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable. Such duties and charges include, for the avoidance of doubt, those incurred when calculating subscription and redemption prices any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the Net Asset Value and the estimated price at which such assets shall be bought as a result of a subscription and sold as a result of a redemption) but shall not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the Net Asset Value of Shares in the relevant Fund.

*“EMU”*, Economic and Monetary Union as described in the Treaty on European Union signed at Maastricht in February 1992 and ratified in November 1993.

*“Euro”* or *“euro”* or *“€”*, the single European currency unit referred to in Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the Euro.

*“Eurozone”*, the nineteen Member States which at the date of this Prospectus are participating in EMU (being Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Latvia,

Lithuania, Luxembourg, Malta, The Netherlands, Portugal, Slovakia, Slovenia and Spain) together with such other Member States as may subsequently participate.

*“FA Class shares”*, Shares intended for purchase only (unless otherwise agreed by the Manager) by Distributors (and their clients) approved by the Manager and in respect of which the Manager may pay to such Distributors such distribution fees as may be agreed from time to time provided always that the Voluntary Cap in respect of such Shares shall not exceed 0.20% per annum of the Net Asset Value of that Class (see the section headed *“Voluntary Cap”* in this Prospectus).

*“FDI”*, financial derivative instruments.

*“FCA”*, the United Kingdom Financial Conduct Authority or any other regulator(s) responsible for regulation of financial services in the United Kingdom from time to time.

*“FCA Rules”*, the rules made from time to time by the FCA.

*“Fund”*, a fund of assets established (with the prior approval of the Central Bank) for one Class or more of Shares which is invested in accordance with the investment objectives applicable to such Fund and as at the date of this Prospectus includes the Liquidity Funds, the Sovereign Funds, and the Ultra Short Bond Funds.

*“Fund Cash Collection Account”* a cash collection account opened in the name of a Fund which is considered to be highly leveraged.

*“G Shares”*, Shares intended (unless otherwise agreed by the Manager) for distribution through selected Distributors (and their clients) chosen by the Manager being G Accumulating Shares, G Accumulating II Shares, G Accumulating IV Shares, G Distributing Shares, G Distributing I Shares, G Distributing II Shares, G Distributing III Shares, G Distributing IV Shares, GI Accumulating Shares, GT Shares and DAP Shares.

*“Group Company” or “Group Companies”*, BlackRock, Inc. and any of its subsidiaries.

*“Heritage Shares”*, Shares in a Fund of the Company designated as one in respect of which the Voluntary Cap in respect of such Shares shall not exceed 0.125% per annum of the Net Asset Value of that Class (see the section headed *“Voluntary Cap”* in this Prospectus).

*“Initial Offer Period”*, any period set by the Directors in relation to any Fund as the period during which Shares of any Class of such Fund are initially on offer (which period can be extended or shortened by the Directors and notified to the Central Bank).

*“Investment”*, any investment authorised by the Memorandum of Association of the Company which is permitted by the Regulations and the Articles.

*“Investment Manager”*, BlackRock Investment Management (UK) Limited, the investment manager in respect of the Institutional Euro Government Liquidity Fund, Institutional Sterling Government Liquidity Fund, Institutional Euro Liquidity Fund, Institutional Euro Assets Liquidity Fund, Institutional Sterling Liquidity Fund, Institutional Euro Ultra Short Bond Fund and the Institutional Sterling Ultra Short Bond Fund.

*“Investment Management Agreement”*, the agreement dated 14 December 1998 as amended and novated from time to time between the Manager and the Investment Manager.

*“Irish Stock Exchange”*, the Irish Stock Exchange plc.

“*KIID*”, the key investor information document issued in respect of each Share Class pursuant to the Regulations, as may be amended from time to time in accordance with the Central Bank UCITS Regulations.

“*Liquidity Funds*”, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund, the Institutional Sterling Liquidity Fund and the Institutional US Dollar Liquidity Fund. The Liquidity Funds are “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds” and the investment objective of each of the Liquidity Funds is intended to comply with this classification.

“*Management Agreement*”, the agreement dated 30 April 2010 between the Company and the Manager, as may be amended from time to time.

“*Manager*”, BlackRock Asset Management Ireland Limited, a limited liability company incorporated in Ireland.

“*Member State*”, a member state of the European Union; the Member States at the date of this Prospectus being Austria, Belgium, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, The Netherlands and the United Kingdom.

“*MiFID II*”, EU Directive 2014/65/EU on markets in financial instruments, as may be amended, modified or supplemented from time to time.

“*Minimum Initial Subscription*”, a minimum initial subscription for Shares of any Fund or Class as set out in Appendix V, or as may be determined from time to time by the Directors.

“*N Class shares*”, Shares intended for purchase only (unless otherwise agreed by the Manager) by Distributors (and their clients) approved by the Manager and in respect of which the Manager may pay to such Distributors such distribution fees as may be agreed from time to time provided always that the Voluntary Cap in respect of such Shares shall not exceed 0.20% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).

“*Net Asset Value*” or “*NAV*”, in respect of any Fund or Class within a Fund, the net asset value of Shares determined in accordance with the Articles. For further details, see the section headed “Calculation of Net Asset Value” in this Prospectus.

“*Net Asset Value per Share*”, the Net Asset Value divided by the number of Shares of the relevant Fund in issue or deemed to be in issue subject to such adjustment as may be required (if any) where there is more than one Class of Shares in the Fund.

“*Non-Stable NAV Shares*”, Shares in respect of which the NAV will not remain at a stable price, the details of which are set out in Appendix V.

“*Premier Shares*”, Shares in a Fund of the Company designated as one in respect of which the Voluntary Cap in respect of such Shares shall not exceed 0.10% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).

“*PNC Group*”, The PNC group of companies, the ultimate holding company of which is The PNC Financial Services Group, Inc.

“*Primary Market*”, the off exchange market whereon Shares are subscribed for and redeemed directly with the Company.

*“Principal Distributor”*, BlackRock Investment Management (UK) Limited, a company incorporated in England and Wales under registered number 2020394.

*“Qualified Holder”*, any person, corporation or entity other than (i) a US Person which is not a Qualified US Person; (ii) any person, corporation or entity which cannot acquire or hold Shares without violating laws or regulations applicable to it; (iii) any person, corporation or entity which cannot acquire or hold Shares without jeopardising tax exemptions associated with the Company or without exposing the Company or its Shareholders to any regulatory, pecuniary, legal or taxation consequences; or (iv) a custodian, nominee or trustee for any person, corporation or entity described in (i) to (iii) above.

*“Qualified US Person”*, a US Person who is both an “accredited investor” as defined in Rule 501 (a) of Regulation D promulgated under the 1933 Act and a “qualified purchaser” within Section 2(a)(51) of the 1940 Act. Only Core Shares will be available to Qualified US Persons.

*“Recognised Clearing System”*, means a recognised clearing system within the meaning of section 246A of the Taxes Act. The following is a list of all clearing systems that are Recognised Clearing Systems on the date of this Prospectus: (i) Central Moneymarkets Office; (ii) Clearstream Banking SA; (iii) Clearstream Banking AG; (iv) CREST; (v) Depository Trust Company of New York; (vi) Deutsche Bank AG, Depository and Clearing System; (vii) Euroclear; (viii) Japan Securities Depository Center (JASDEC); (ix) Monte Titoli SPA; (x) Netherlands Centraal Instituut voor Giraal Effectenverkeer BV; (xi) National Securities Clearing System; (xii) Sicovam SA; (xiii) SIS Sega Intersect AG; (xiv) The Canadian Depository for Securities Ltd; (xv) VPC AB (Sweden); and (xvi) BNY Mellon Central Securities Depository SA/NV. Shareholders should be aware that this list of Recognised Clearing Systems may be subject to change after the date of this Prospectus because: (a) clearing systems referred to above may cease to be Recognised Clearing Systems; and (b) additional clearing systems may be designated as Recognised Clearing Systems.

*“Redemption Price”*, the price at which Shares can be redeemed as calculated in the manner set out herein.

*“Regulated Markets”*, the stock exchanges and/or regulated markets in a Member State or in a non-Member State which operate regularly, are recognised and are open to the public provided that the choice of stock exchange or market is permitted by the Articles. A current list of such markets for the Funds is set out in Appendix I.

*“Regulations”*, the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

*“Remuneration Policy”*, the policy as described in the section entitled “The Manager” including, but not limited to, a description as to how remuneration and benefits are calculated and identification of those individuals responsible for awarding remuneration and benefits.

*“S Shares”*, Shares intended (unless otherwise agreed by the Manager) for distribution through selected Distributors (and their clients) chosen by the Manager being the S (Acc) Shares.

*“SEC”*, the United States Securities and Exchange Commission.

*“Secondary Market”*, a market on which Shares are traded between investors rather than with the Company itself, which may take place on a recognised stock exchange.

*“Select Shares”*, Shares in a Fund of the Company designated as one in respect of which the Voluntary Cap in respect of such Shares shall not exceed 0.15% per annum of the Net Asset Value of that Class (see the section headed “Voluntary Cap” in this Prospectus).



“*Share*”, the shares of each of the Funds of no par value, the details of which are set out in Appendix V, or shares of any other Class as the Directors may from time to time designate and “*Shares*” shall mean more than one of them as the context requires.

“*Shareholder*”, the registered holder of a Share.

“*Sovereign Funds*”, the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund and the Institutional US Treasury Fund. The Sovereign Funds are “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds” and the investment objective of each of the Sovereign Funds is intended to comply with this classification.

“*Special Resolution*”, shall have the meaning given to it by Section 191 of the Companies Act 2014 of Ireland.

“*Stable NAV Shares*”, shares in respect of which the Net Asset Value per Share will be €1, £1 or US\$1 the details of which are set out in Appendix V.

“*Sterling*” or “*£*”, the lawful currency of the United Kingdom.

“*Subscriber Shares*”, shares of £1 each in the capital of the Company designated as “Subscriber Shares” in the Articles and held by or on behalf of the Manager.

“*Subscription Price*”, the price at which Shares can be subscribed as calculated in the manner set out herein.

“*Target System*”, the Trans-European Automated Real-Time Gross Settlement Express Transfer system, which is the real-time gross settlement system for the Euro.

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

“*UCITS*”, an undertaking for collective investment in transferable securities established pursuant to the Directive.

“*Ultra Short Bond Funds*”, the Institutional Euro Ultra Short Bond Fund, the Institutional Sterling Ultra Short Bond Fund and the Institutional US Dollar Ultra Short Bond Fund. The Ultra Short Bond Funds are “Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds” and the investment objective of each of the Ultra Short Bond Funds is intended to comply with this classification.

“*Umbrella Cash Collection Account*”, a cash collection account at umbrella level opened in the name of the Company.

“*United Kingdom*” and “*UK*”, the United Kingdom of Great Britain and Northern Ireland.

“*United States*” and “*US*”, the United States of America, its territories, possessions, any State of the United States and the District of Columbia.

“*US Dollars*” or “*US\$*”, the lawful currency of the United States.

“*US Investment Manager*”, BlackRock Capital Management Inc., the investment manager of the Institutional US Dollar Liquidity Fund, the Institutional US Treasury Fund and the Institutional US Dollar Ultra Short Bond Fund.

*“US Investment Management Agreement”*, the agreement dated 27 September 2006 as amended and novated from time to time between the Manager and the US Investment Manager.

*“US Person”*, any person who either (i) is a “US person” within the meaning of Regulation S under the 1933 Act or (ii) is not a “Non-United States person” within the meaning of CFTC Rule 4.7 under the Commodity Exchange Act.

For purposes of Regulation S under the 1933 Act, the term “US person” includes any natural person resident in the United States; any partnership or corporation organised or incorporated under the laws of the United States; any estate of which any executor or administrator is a US Person; any trust of which any trustee is a US Person; any agency or branch of a foreign entity located in the United States; any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and any partnership or corporation if: (i) organised or incorporated under the laws of any non-US jurisdiction; and (ii) formed by a US Person principally for the purposes of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) under the 1933 Act) who are not natural persons, estates or trusts. The following are not US Persons: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US Person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a US Person if (a) an executor or administrator of the estate who is not a US Person has sole or shared investment discretion with respect to the assets of the estate and (b) the estate is governed by foreign law; (iii) any trust of which any professional fiduciary acting as trustee is a US Person if a trustee who is not a US Person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US Person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a US Person located outside the United States if (x) the agency or branch operates for valid business reasons and (y) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) the International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies, affiliates and pension plans. US Persons shall also include any other person or entity deemed from time to time to be a “US Person” under Rule 902(k) of Regulation S of the 1933 Act.

For purposes of CFTC Rule 4.7 under the Commodity Exchange Act, the term “Non-United States person” includes (i) a natural person who is not resident in the United States; (ii) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a jurisdiction outside the United States and which has its principal place of business in a jurisdiction outside the United States; (iii) an estate or trust, the income of which is not subject to United States income tax regardless of source; (iv) an entity organised principally for passive investment such as a pool, investment company or other similar entity; provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons represent in the aggregate less than 10% of the beneficial interest in the entity, and that such entity was not formed principally for the purpose of facilitating investment by persons who do not qualify as Non-United States persons in a pool with respect to which the operator is exempt from certain requirements of part 4 of the CFTC’s rules by virtue of its participants being Non-United States persons; and (v) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

*“Valuation Point”*;

- (a) 4.00 pm (Irish time) on each Dealing Day in respect of the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund and the Institutional Sterling Liquidity Fund;
- (b) 5.00 pm (Irish time) on each Dealing Day, in respect of the Institutional Sterling Ultra Short Bond Fund and the Institutional Euro Ultra Short Bond Fund;
- (c) 5.00 pm (New York time) on each Dealing Day and in respect of the Institutional US Treasury Fund, the Institutional US Dollar Liquidity Fund and the Institutional US Dollar Ultra Short Bond Fund.

*“1933 Act”*, the United States Securities Act of 1933, as amended.

*“1940 Act”*, the United States Investment Company Act of 1940, as amended.

## **DIRECTORY**

### **Directors**

Paul McNaughton  
Jessica Irschick  
Paul McGowan  
David Moroney  
Barry O'Dwyer  
Teresa O'Flynn

### **Registered Office**

JP Morgan House  
International Financial  
Services Centre  
Dublin 1  
Ireland

### **Secretary**

Sanne  
4<sup>th</sup> Floor  
76 Baggot Street Lowe  
Dublin 2  
Ireland

### **Manager**

BlackRock Asset  
Management Ireland  
Limited  
JP Morgan House  
International Financial  
Services Centre  
Dublin 1  
Ireland

### **Investment Manager and Principal Distributor**

BlackRock Investment  
Management (UK) Limited  
12 Throgmorton Avenue  
London EC2N 2DL  
United Kingdom

### **US Investment Manager**

BlackRock Capital  
Management Inc.  
100 Bellevue Parkway  
Wilmington  
Delaware 19809  
USA

### **Depository**

JP Morgan Bank (Ireland)  
plc  
JP Morgan House  
International Financial  
Services Centre  
Dublin 1  
Ireland

### **Administrator, Registrar and Transfer Agent**

JP Morgan Administration Services  
(Ireland) Limited  
JP Morgan House  
International Financial Services  
Centre  
Dublin 1  
Ireland

### **Auditors**

PricewaterhouseCoopers  
Chartered Accountants and  
Registered Auditors  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

### **Legal Advisers to the Company**

Matheson  
70 Sir Rogerson's Quay  
Dublin 2  
Ireland

### **Irish Sponsoring Broker**

J & E Davy  
Davy House  
49 Dawson Street  
Dublin 2  
Ireland

## SUMMARY INFORMATION

The following is a summary only and is qualified in its entirety by the more detailed information appearing elsewhere in this Prospectus and in the Articles, which should be read by prospective investors prior to making any decision to invest.

### **The Company**

The Company is an open-ended investment company with variable capital. It has an umbrella fund structure. It is incorporated in Ireland as a public limited company and has been authorised as a UCITS.

Shares are currently available in respect of ten Funds, the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund, the Institutional US Treasury Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund, the Institutional Sterling Liquidity Fund, the Institutional US Dollar Liquidity Fund, the Institutional Euro Ultra Short Bond Fund, the Institutional Sterling Ultra Short Bond Fund and the Institutional US Dollar Ultra Short Bond Fund. The assets of each Fund will be invested in accordance with the investment objectives and policies applicable to that Fund. Each Fund will constitute a separate sub-fund within the Company's umbrella fund structure. Particulars in relation to each Fund are set out in this Prospectus.

### **Share Classes**

Each Fund is, in turn, divided into different Classes of Shares. The current Classes of the Funds are set out in Appendix V. Certain Classes are listed on recognised stock exchanges, details of which are set out at [www.blackrock.com/cash](http://www.blackrock.com/cash).

### **Share Rights**

The Shares of each Class in a Fund will rank pari passu with all other Shares of any other Class in the same Fund and income and capital will be attributed equally to Shareholders of whatever Class proportionate to their participation in the Fund. However, different Classes may differ as to their dividend entitlement, the level of fees (as explained in the Prospectus) to be charged to each Class, the Minimum Subscriptions applicable to each Class and the number of decimal places to which Shares may be allotted in each Class.

### **Institutional Euro Government Liquidity Fund**

The investment objective of the Institutional Euro Government Liquidity Fund is to seek a moderate level of current income as is consistent with liquidity and stability of principal. In pursuit of its investment objective, the Institutional Euro Government Liquidity Fund may invest in a broad range of transferable securities and money market instruments, including securities, instruments and obligations issued or guaranteed by the Governments of countries which were members of the Euro at the time of purchase such as Treasury Bills, Government Bonds and other obligations of the Governments of member countries of the Euro that may be available in the relevant markets; these are further described in Appendix IV. These types of securities, instruments and obligations shall be denominated in Euro.

### **Institutional Sterling Government Liquidity Fund**

The investment objective of the Institutional Sterling Government Liquidity Fund is to seek a moderate level of current income as is consistent with the liquidity and stability of principal. In pursuit of its investment objective, the Institutional Sterling Government Liquidity Fund may invest in a broad range of transferable securities and money market instruments (which will generally be traded or listed on the stock

exchanges or regulated markets listed in Appendix I), including securities, instruments, obligations or debt issued or guaranteed by the United Kingdom Government or another sovereign Government, such as Gilts, fixed or floating rate Government Bonds and Treasury Bills guaranteed by those Governments; these are further described in Appendix IV. These types of securities, instruments and obligations shall be denominated in Sterling.

**Institutional US Treasury Fund**

The investment objective of the Institutional US Treasury Fund is to seek a moderate level of current income as is consistent with liquidity and stability of principal. In pursuit of its investment objective, the Institutional US Treasury Fund may invest in a broad range of transferable securities and money market instruments, including securities, instruments and obligations issued or guaranteed by the US Government such as US Treasury Bills, notes, trust receipts and other obligations of the US Treasury that may be available in the relevant markets; these are further described in Appendix IV. These types of securities, instruments and obligations shall be denominated in US Dollars.

**Institutional Euro Liquidity Fund**

The investment objective of the Institutional Euro Liquidity Fund is to maximise current income consistent with preservation of principal and liquidity by the maintenance of a portfolio of high quality short term “money market” instruments. In pursuit of its investment objective, the Institutional Euro Liquidity Fund may invest in a broad range of transferable securities such as securities, instruments and obligations that may be available in the relevant markets; these are further described in Appendix IV. These types of securities, instruments and obligations may be issued by both Eurozone and non-Eurozone issuers, but shall be denominated in euros.

**Institutional Euro Assets Liquidity Fund**

The investment objective of the Institutional Euro Assets Liquidity Fund is to provide a return in line with money market rates consistent with preservation of principal and liquidity by the maintenance of a portfolio of high quality short term “money market” instruments. In pursuit of its investment objective, the Institutional Euro Assets Liquidity Fund may invest in a broad range of transferable securities such as securities, instruments and obligations that may be available in the relevant markets; these are further described in Appendix IV. These types of securities, instruments and obligations may be issued by both Eurozone and non-Eurozone issuers, but shall be denominated in euros.

**Institutional Sterling Liquidity Fund**

The investment objective of the Institutional Sterling Liquidity Fund is to maximise current income consistent with preservation of principal and liquidity by the maintenance of a portfolio of high quality short term “money market” instruments. In pursuit of its investment objective, the Institutional Sterling Liquidity Fund may invest in a broad range of transferable securities such as securities, instruments and obligations that may be available in the relevant markets; these are further described in Appendix IV. These types of securities, instruments and obligations may be issued by both UK and non-UK issuers, but shall be denominated in Sterling.

**Institutional US Dollar Liquidity Fund**

The investment objective of the Institutional US Dollar Liquidity Fund is to maximise current income consistent with preservation of principal and

liquidity by the maintenance of a portfolio of high quality short term “money market” instruments. In pursuit of its investment objective, the Institutional US Dollar Liquidity Fund may invest in a broad range of transferable securities such as securities, instruments and obligations that may be available in the relevant markets; these are further described in Appendix IV. These types of securities, instruments and obligations may be issued by both US and non-US issuers, but shall be denominated in US Dollars.

**Institutional Euro Ultra Short Bond Fund**

The investment objective of the Institutional Euro Ultra Short Bond Fund is to generate current income and a reasonable degree of liquidity consistent with the low volatility of principal, through the maintenance of a portfolio of high quality money market and fixed income instruments including floating rate securities. In pursuit of its investment objective, the Institutional Euro Ultra Short Bond Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available on the relevant markets (both within and outside the Eurozone); these are further described in Appendix IV. Instruments denominated in Euro may include securities, instruments and obligations issued or guaranteed by the Governments of Member States (whether or not participating in the EMU) or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers.

**Institutional Sterling Ultra Short Bond Fund**

The investment objective of the Institutional Sterling Ultra Short Bond Fund is to generate current income and a reasonable degree of liquidity consistent with the low volatility of principal, through the maintenance of a portfolio of high quality money market and fixed income instruments including floating rate securities. In pursuit of its investment objective, the Institutional Sterling Ultra Short Bond Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available on the relevant markets (both within and outside the UK); these are further described in Appendix IV. Instruments denominated in Sterling may include securities, instruments and obligations issued or guaranteed by the UK Government or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers.

**Institutional US Dollar Ultra Short Bond Fund**

The investment objective of the Institutional US Dollar Ultra Short Bond Fund is to seek to maximise current income consistent with the preservation of principal and a reasonable degree of liquidity through the maintenance of a portfolio of high quality short to medium-term fixed income instruments including money market, floating rate and asset backed securities. In pursuit of its investment objective, the Institutional US Dollar Ultra Short Bond Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available on the relevant markets (both within and outside the US); these are further described in Appendix IV. Instruments denominated in US Dollars may

include securities, instruments and obligations issued or guaranteed by the US Government or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers.

**Management of the Company**

The Company's assets are managed by BlackRock Asset Management Ireland Limited which has engaged BlackRock Investment Management (UK) Limited and BlackRock Capital Management Inc. as investment managers.

**Offer**

It is expected that the Net Asset Value per Share of each Stable NAV Share will at all times be €1 in the case of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund, £1 in the case of the Institutional Sterling Government Liquidity Fund and the Institutional Sterling Liquidity Fund, and US\$1 in the case of the Institutional US Treasury Fund and the Institutional US Dollar Liquidity Fund. The Subscription Price of each class of Non-Stable NAV Shares will be the Net Asset Value per Share on the relevant Dealing Day.

**Applications**

Applications to become a Shareholder on the Primary Market must be made on the Account Opening Form and sent in original form or by facsimile (with the original copy sent by post immediately thereafter) to the address stated on the Account Opening Form.

**Dealing**

Applications for subscription, switch or redemptions of Shares by Shareholders on the Primary Market may be sent by fax or by telephone at the discretion of the applicant or by such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank. Further details relating to dealing on the Primary Market are set out in the section "Procedure for Dealing on the Primary Market".

The procedure relating to the purchase of Shares on the Secondary Market via a broker/dealer or intermediary are set out in the section "Procedure for Dealing on the Secondary Market".

**Dealing Day**

The Dealing Days for the Funds shall be every Business Day (as defined in Definitions).

**Minimum Initial Subscriptions on the Primary Market**

The Minimum Initial Subscription amount may be satisfied by the aggregated subscriptions of applicants which are companies within the same economic group.

The Minimum Initial Subscription amounts, which, except in the case of G Shares and S Shares, an applicant may satisfy by aggregated subscriptions across all Classes and Funds, are set out in Appendix V, or will be such amounts as determined from time to time by the Directors.

There is no minimum amount for holdings, redemptions or subsequent subscriptions.



**Redemptions on the Primary Market**

Shareholders may redeem Shares of a Fund on the Primary Market upon request on any Dealing Day at the Net Asset Value thereof next determined after receipt of the redemption request. Redemption proceeds will normally be transmitted by telegraphic transfer on the day the redemption is effected to the bank account designated by the Shareholder (provided all necessary documentation has been received). Further details relating to dealing on the Primary Market are set out in the section “Procedure for Dealing on the Primary Market”.

The procedure relating to the sale of Shares on the Secondary Market via a broker/dealer or intermediary are set out in the section “Procedure for Dealing on the Secondary Market”.

**Switching between Funds**

Shareholders may switch between Funds and Classes of Shares (subject to the Shareholder’s eligibility to invest in the Funds and Classes of Shares).

**Fees and Expenses**

The Manager has agreed with the Company to limit the annual expenses of each Class within a Fund to 1% per annum of the Net Asset Value of such Class or to such lesser amount as the Manager may agree for any Class within a Fund. The said 1% maximum charge may be increased only with prior approval of Shareholders of the relevant Class. As of the date of this Prospectus, the Manager has agreed that the Annual Expenses (as defined in the section headed “Fees And Expenses”) of each Class will be capped as set out under the heading “Fees and Expenses”.

**Net Asset Value**

The Net Asset Value of each Fund and Class will be available to Shareholders on request (unless the determination of the Net Asset Value of any Fund or Class has been postponed or suspended). The Net Asset Value of each Fund shall be expressed in its base currency.

**Investor Restrictions**

The Shares may not be purchased or held by or for the account of US Persons (other than Core Shares which will be available to Qualified US Persons) or other persons who are not Qualified Holders.

**Taxation**

As the Company is an investment undertaking as defined in Section 739B of the Taxes Act, the Company is not subject to Irish tax on its gains or income and the Company will not be required to account for any Irish tax in respect of Shareholders who hold Shares through a Recognised Clearing System or who are not Irish Resident and not Irish Ordinary Resident (as defined in the section headed “Taxation”) for taxation purposes provided that the appropriate statutory declarations are in place. The Company may be required to account for Irish tax payments in respect of Shareholders who hold Shares other than through a Recognised Clearing System and who are Irish Resident or Irish Ordinary Resident in Ireland for tax purposes. No Irish stamp duty or capital duty is payable on subscriptions for Shares or on transfers, switches or redemptions of such Shares.

**Listing**

Details of the Shares which have been admitted to the Main Securities Market of the Irish Stock Exchange and/or Xetra as at the date of this Prospectus are set out at [www.blackrock.com/cash](http://www.blackrock.com/cash). For more up to date details please refer to the websites of the Irish Stock Exchange and Deutsche Börse Xetra.

**Financial Year-End**

30 September.

## **INSTITUTIONAL CASH SERIES plc**

### **Introduction**

Institutional Cash Series plc is an open-ended investment company with variable capital organised under the laws of Ireland. The Company has been approved as a UCITS within the meaning of the Regulations and, pursuant to those Regulations, is authorised by the Central Bank. The Investment Manager is the current promoter of the Company.

The Company is structured as an umbrella fund in that different classes of Shares (each allocated to a particular Fund) may be issued from time to time by the Directors with the prior consent of the Central Bank. In addition, each Fund may be further divided into a number of different Classes allocated to it. The current Classes of the Funds are set out under the heading “Important Information”. The Shares of each Class in a Fund will rank *pari passu* with all other Shares of any other Class in the same Fund, except as to the dividend entitlement of the Class (see the section headed “Dividend Policy” in this Prospectus), the level of fees and expenses to be charged to each Class (see the section headed “Fees and Expenses” in this Prospectus), the Minimum Initial Subscriptions applicable to each Class (see the section headed “Minimum Initial Subscriptions” in this Prospectus) and the number of decimal places to which Shares may be allotted in each Class (see the “Fractions” sub-section in the section headed “Subscriptions” in this Prospectus).

The assets of each Fund will be separate from one another and will be invested in accordance with the investment objectives applicable to each such Fund. Particulars relating to the Funds are set out in this Prospectus. New Funds may be created with the prior approval of the Central Bank in which case a revised prospectus or supplemental prospectuses incorporating provisions relating to those Funds will be issued by the Company.

The base currency of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund and the Institutional Euro Ultra Short Bond Fund is Euro, of the Institutional Sterling Government Liquidity Fund, the Institutional Sterling Liquidity Fund and the Institutional Sterling Ultra Short Bond Fund is Sterling, and of the Institutional US Treasury Fund, the Institutional US Dollar Liquidity Fund and Institutional US Dollar Ultra Short Bond Fund is US Dollars. The base currency of any new Funds will be determined by the Directors.

### **Investment Objectives and Policies**

#### **General**

The specific investment objectives and policies for each new Fund will be formulated by the Directors at the time of the creation of that Fund. The investment objectives and policies and other specific details for each of the Funds are set out in Appendix IV.

The stock exchanges and markets in which the Funds may invest are set out in Appendix I. These stock exchanges and markets are set out in accordance with the requirements of the Central Bank, it being noted that the Central Bank does not issue a list of approved exchanges or markets.

Any alteration to the investment objectives or material alteration to the investment policies of any Fund at any time will be subject to the prior approval in writing of a majority of the Shareholders of such Fund, or, if a general meeting of the Shareholders of such Fund is convened, by a majority of the votes cast at such meeting. Shareholders shall be given reasonable notice prior to the implementation of any such change, to enable them to redeem should they wish to do so.

#### **Investment Objective**

##### ***Sovereign Funds***

The investment objective of each Sovereign Fund is to seek a moderate level of current income as is consistent with liquidity and stability of principal.

### ***Liquidity Funds***

The investment objective of each Liquidity Fund (save the Institutional Euro Assets Liquidity Fund) is to maximise current income consistent with preservation of principal and liquidity by the maintenance of a portfolio of high quality short-term “money market” instruments. The investment objective of the Institutional Euro Assets Liquidity Fund is to provide a return in line with money market rates consistent with preservation of principal and liquidity by the maintenance of a portfolio of high quality short term “money market” instruments.

### ***Ultra Short Bond Funds***

The investment objective of each of the Institutional Euro Ultra Short Bond Fund and the Institutional Sterling Ultra Short Bond Fund is to generate current income and a reasonable degree of liquidity consistent with low volatility of principal, through the maintenance of a portfolio of high quality money market and fixed income instruments including floating rate securities.

The investment objective of the Institutional US Dollar Ultra Short Bond Fund is to seek to maximise current income consistent with the preservation of principal and a reasonable degree of liquidity through the maintenance of a portfolio of high quality short to medium-term fixed income instruments including money market, floating rate and asset backed securities.

### **Investment Policy**

Each Fund will attempt to accomplish the objective using the investment policies set out in Appendix IV. In practice the Directors will operate certain Funds as shall be necessary to maintain the ratings referred to in the section below headed “Rating”. In addition to the policies set out in Appendix IV, each Fund may, subject to its individual investment policy and to the conditions set out in Appendix III, invest in other collective investment schemes and/or Funds of the Company. Further details of the investment policy of each Fund are contained in Appendix IV.

In addition to the specific investment policies set out in Appendix IV, the Investment Manager or the US Investment Manager, as appropriate, shall ensure that the Funds invest only in:

- (a) high quality money-market instruments, as determined by the Investment Manager or the US Investment Manager, that comply with the criteria for money-market instruments as set out in the Regulations; and
- (b) deposits with credit institutions specified in Regulation 7 of the Central Bank UCITS Regulations.

The Investment Manager or the US Investment Manager, as appropriate, shall follow a credit analysis process in determining the quality of a relevant investment. This process takes into account and documents the assessment of at least the following factors:

- (a) the credit quality of the instrument;
- (b) external credit ratings, the methodologies for which can be found on the relevant credit rating agency’s website;
- (c) the nature of the asset class represented by the instrument;

- (d) in the case of a structured financial instrument, the operational and counterparty risk associated with the instrument; and
- (e) the liquidity profile of the instrument.

For the purpose of taking into account the credit quality of such instrument, where a money-market instrument:

- (a) was subject to a credit rating by an agency registered and supervised by the European Securities and Markets Authority (“ESMA”) that rating shall be taken into account by the Investment Manager or the US Investment Manager in the credit assessment process; and
- (b) where a money-market instrument is downgraded below the two highest short-term credit ratings by the credit rating agency referred to above, this shall result in a new credit assessment being conducted of the instrument without delay by the Investment Manager or the US Investment Manager, as appropriate.

The Investment Manager or the US Investment Manager, as appropriate, shall also ensure that the credit quality of each of the Funds’ investments are monitored on an ongoing basis.

### **Typical Investor**

The Funds are suitable for both retail and professional investors seeking to achieve investment objectives which align with those of the relevant Fund in the context of the investor’s overall portfolio.

Investors are expected to be able to make an investment decision based on the information set out in this prospectus and the relevant Fund’s key investor information document (KIID) or, alternatively, to obtain professional advice. Investors should also be able to bear capital and income risk and view investment in a Fund as a short to medium term investment.

### **Investment in FDI**

#### ***Efficient Portfolio Management***

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities (as set out in Appendix II) for hedging purposes (to protect an asset of a Fund against, or minimise liability from, fluctuations in market value or foreign currency exposures) or for efficient portfolio management purposes (with a view to achieving a reduction in risk, a reduction in costs or an increase in capital or income returns to the Fund provided such transactions are not speculative in nature). Investment in FDI which give exposure to foreign exchange will only be used for hedging purposes. Such techniques and instruments may include investments in exchange-traded or over-the-counter financial derivative instruments, such as futures and currency forwards (which may be used to manage market and currency risk respectively), options (including call and put options which may be used to achieve cost efficiencies) and swaps, including credit default swaps (which may be used to manage interest rate and credit risk respectively).

Investors should refer to Appendix VII for details of each Fund’s usage of securities lending, total return swaps, contracts for difference, repurchase, and reverse repurchase agreements.

#### ***Direct Investment***

A Fund may also invest in the FDI as part of its investment strategy where such intention is disclosed in the Fund’s investment policy. None of the Funds currently invests in FDI for direct investment purposes.

### ***Risk Management Process and Leverage***

Where a Fund does intend to engage in transactions in relation to FDI under any circumstances, the Company shall employ a risk management process to enable it to monitor and measure, on a continuous basis, the risk of all open derivative positions and their contribution to the overall risk profile of the Fund's portfolio. New techniques and instruments may be developed which may be suitable for use by the Company and the Company may (subject as aforesaid and in accordance with the requirements of the Central Bank and without further notification to the Shareholders) employ such techniques and instruments.

The Investment Manager employs a risk management process in respect of the Funds in accordance with the requirements of the Central Bank to enable it to accurately monitor, measure and manage, the global exposure from FDIs ("global exposure") which each Fund gains. The Investment Manager uses a methodology known as the Commitment Approach in order to measure the global exposure of the Funds and manage the potential loss to them due to market risk.

The Commitment Approach is a methodology that aggregates the underlying market or notional values of FDIs to determine the degree of global exposure of a Fund to FDIs. In accordance with the requirements of the Central Bank, in the event that a Fund uses leverage in the future, the global exposure for such a Fund must not exceed 100% of that Fund's Net Asset Value.

### **Investment and Borrowing Restrictions**

Investment of the assets of each Fund must comply with the Regulations and the Central Bank UCITS Regulations. A detailed statement of the general investment and borrowing restrictions applying to each Fund is set out in Appendix III.

If the investment limitations (other than those relating to borrowings) set out in the Regulations are exceeded for reasons beyond the control of the Company or as a result of the exercise of subscription rights, the Directors must adopt as a priority objective the remedying of that situation taking due account of the interest of the Shareholders.

The Directors may from time to time impose such further investment restrictions as may be compatible with or be in the interest of the Shareholders in order to comply with the laws and regulations of the countries where Shareholders of the Company are located or the Shares are marketed.

It is intended that the Company should, subject to compliance with any applicable restrictions which are imposed by the Irish Stock Exchange and/or Xetra (as applicable), have power to avail itself of any change in the investment restrictions laid down in the Regulations and the Central Bank UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment which, as at the date of this Prospectus, are restricted or prohibited under the Regulations and the Central Bank UCITS Regulations. The Company will give Shareholders at least four weeks prior written notice of its intention to avail itself of any such change which is material in nature.

### **Dividend Policy**

#### **Accumulating Shares**

The Accumulating Shares do not distribute dividends to the holders of these Shares. The income and other profits will be accumulated and reinvested on their behalf.

## **Distributing Shares of the Sovereign Funds and Liquidity Funds**

In order to stabilise the Net Asset Value per Share at €1 in the case of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund, £1 in the case of the Institutional Sterling Government Liquidity Fund and the Institutional Sterling Liquidity Fund and US\$1 in the case of the Institutional US Treasury Fund and the Institutional US Dollar Liquidity Fund, dividends will be declared out of that proportion of net income of the Fund as is attributable to such Shares on each Dealing Day and will be allocated to Shareholders who hold Stable NAV Shares in proportion to the number of such Shares held by them. Net income for dividend purposes shall at all times be determined by the Directors and shall normally consist of the relevant proportion of the Fund's net investment income and net realised and unrealised capital gains (i.e. realised and unrealised capital gains net of all realised and unrealised losses). Net income earned on a day which is not a Business Day will be declared (subject as aforesaid) as a dividend on the immediately preceding Business Day. No interest will be paid on accrued but unpaid dividends and the benefit thereof will, pending payment, accrue to the relevant Class within a Fund.

Dividends in respect of Stable NAV Shares accrued and declared up to and including the last day of the preceding calendar month will usually be paid on the first Business Day of each calendar month and will be automatically reinvested in additional Stable NAV Shares at the Net Asset Value per Share or, at the Shareholder's option, paid in cash, at the Shareholder's risk and expense, to the bank account or accounts designated on the Shareholder's Account Opening Form (provided all necessary original documentation has been received).

If a Shareholder redeems all of its Stable NAV Shares at any time during a calendar month, all dividends declared up to but not including the date of redemption will be paid to the Shareholder along with the redemption proceeds.

### ***Dividends under the Reverse Distribution Mechanism***

Upon implementation of the Reverse Distribution Mechanism, details of which are set out below under the section entitled "Reverse Distribution Mechanism - Redemption of Distributing Shares of the Sovereign Funds and Liquidity Funds", dividends will only be declared in respect of a Class on Dealing Days where there is net income attributable to that Class (for the purposes of this section a "Positive Yield Dealing Day"). On a Positive Yield Dealing Day, dividends will be declared in accordance with the provisions outlined above except that dividends are automatically reinvested daily in consideration for additional Stable NAV Shares at the Net Asset Value per Share. Dividends which, at the Shareholder's option, are paid in cash, will be accrued and paid in accordance with the provisions outlined in this section.

Dividends will not be declared in respect of a Class on Dealing Days where the net yield (i.e. the yield net of all costs and expenses) attributable to that Class is negative (for the purposes of this section, a "Negative Yield Dealing Day"). Please see the section entitled "Reverse Distribution Mechanism - Redemption of Distributing Shares of the Sovereign Funds and Liquidity Funds" for details of how a stable Net Asset Value per Share is maintained on Negative Yield Dealing Days.

At the date of this Prospectus, the Reverse Distribution Mechanism has been implemented in respect of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund, and the Institutional Sterling Government Liquidity Fund.

## **Distributing Shares in the Ultra Short Bond Funds**

Dividends in respect of all Distributing Shares in the Ultra Short Bond Funds will be declared out of that portion of the net income of the relevant Fund as is attributable to such Shares. Net income for dividend purposes shall at all times be determined by the Directors. The current policy is to distribute substantially all the investment income for the period after the deduction of expenses. For each Ultra Short Bond Fund,

dividends will be declared on the last Business Day of March and September and will usually be paid within six Business Days of the declaration date.

The Company is advised that such dividends, whether reinvested or not, are assessable to UK tax under section 378A ITTOIA 2005 (as inserted by section 39 Finance Act 2009) in the hands of UK shareholders subject to income tax and that UK shareholders subject to UK corporation tax are charged to tax on any increase in value on a mark to market basis in accordance with Chapter 3 Part 6 Corporation Tax Act 2009 (tax relief should be available for any decrease in value), irrespective of whether or not dividends are reinvested. Please see the section headed “United Kingdom Taxation”.

The Company may operate income equalisation arrangements in relation to all Distributing Shares in the Ultra Short Bond Funds, with a view to ensuring that the level of dividends payable on those Shares is not affected by the issue or redemption of those Shares during an accounting period. When the Company operates income equalisation, the price at which Shares are bought by a Shareholder may be deemed to include an amount of net accrued income and the first distribution which a Shareholder receives from the relevant Fund may therefore include a repayment of capital. Where a Shareholder sells Distributing Shares the redemption proceeds will be deemed to include an amount of net accrued income with the balance representing the capital value of the Shares.

### **Payment of Dividends in Cash**

Shareholders who choose to have their dividends paid in cash (by telegraphic transfer) must do so in respect of their entire shareholding and must notify the Manager in writing, such notification to be received 5 Business Days before the applicable dividend payment date. A Shareholder who elects to receive dividends in cash will be deemed to have made a similar election in respect of any further Stable NAV Shares or, as the case may be, Distributing Shares in an Ultra Short Bond Fund, acquired by the Shareholder until the Shareholder formally revokes the election by notice in writing in original form to the Manager, which notice must be received 5 Business Days before the applicable dividend payment date. Dividends will be declared to 9 decimal places of €1, £1, or US\$1, as the case may be, but where such dividends are paid in cash they will be paid to 2 decimal places only with the difference being retained for the benefit of the relevant Class within a Fund.

### **Rating**

As at the date of this Prospectus, the Company has obtained the following ratings:

<b>Rating:</b>	<b>Fund:</b>
Aaa-mf Money Market Fund Rating from Moody's Investor Service (“Moody's”)	<ul style="list-style-type: none"> <li>▪ Each of the Sovereign Funds</li> <li>▪ Each of the Liquidity Funds (with the exception of the Institutional Euro Assets Liquidity Fund)</li> </ul>
AAAm rating from Standard & Poor's Rating Group (“Standard & Poor's”)	<ul style="list-style-type: none"> <li>▪ Each of the Sovereign Funds</li> <li>▪ Each of the Liquidity Funds (with the exception of the Institutional Euro Assets Liquidity Fund)</li> </ul>
AAAmf rating from Fitch Ratings (“Fitch”)	<ul style="list-style-type: none"> <li>▪ Each of the Sovereign Funds (with the exception of the Institutional US Treasury Fund)</li> <li>▪ Each of the Liquidity Funds (with the exception of the Institutional Euro Assets Liquidity Fund and the Institutional US Dollar Liquidity Fund)</li> </ul>
AAbf rating from Standard & Poor's	<ul style="list-style-type: none"> <li>▪ Each Ultra Short Bond Fund</li> </ul>



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The Company currently intends to maintain these ratings but is not obliged to do so. No rating will be applied for from Moody's, Standard & Poor's or Fitch in respect of the Institutional Euro Assets Liquidity Fund. The Directors may remove or apply for other ratings for the Funds from time to time. Details of the current rating (if any) of each Fund are available from [www.blackrock.com/cash](http://www.blackrock.com/cash) and will be disclosed in each yearly and half-yearly accounts.

## **Risk Factors**

***The following factors do not purport to be a complete explanation of all the risk factors involved in investing in the Company. In particular, the Company's performance may be affected by changes in market and/or economic conditions, interest rates and in legal, regulatory and tax requirements.***

Potential investors should consider the following risk factors before investing in the Company:

### ***General***

- (a) There can be no assurance that the investment objective of any Fund or that the intention of maintaining a stable Net Asset Value of the Stable NAV Shares, will be attained.
- (b) Depending on an investor's base currency, currency fluctuations between an investor's base currency and the base currency of a Fund may adversely affect the value of an investment in one or more of the Funds.
- (c) The price of Shares and the income from them may go down as well as up and investors may not get back the amount originally invested.
- (d) Investors are reminded that in certain circumstances their right to redeem or switch Shares may be suspended (see the section headed "Suspensions and Deferrals" in this Prospectus).
- (e) A listing on the Irish Stock Exchange or Xetra (as applicable) will not necessarily provide liquidity to investors.
- (f) Laws and regulations introduced by Member States of the EU to implement MiFID II and the EU's Markets in Financial Instruments Regulation ("MiFIR"), which came into force on 3 January 2018 impose new regulatory obligations and costs on the Manager and the Investment Manager. The impact of MiFID II on the EU financial markets and on EU investment firms which offer financial services to clients is expected to be significant. The exact impact of MiFID II on the Funds, the Manager and Investment Manager remains unclear and will take time to quantify.

In particular, MiFID II and MiFIR will require certain standardised OTC derivatives to be executed on regulated trading venues. It is unclear how the OTC derivatives markets will adapt to these new regulatory regimes and how this will impact on the Funds.

MiFID II and MiFIR will introduce for the first time within the EU position limit and position reporting requirements in relation to certain commodity derivatives. The precise implication and scope of these requirements is not yet known, as the implementation measures are not yet finalised. However, it is possible that these measures will impose restrictions on the positions that the Company, and the Investment Manager on behalf of all accounts owned or managed by it, may hold in certain commodity derivatives and will require the Investment Manager to more actively monitor such positions. If the Company and or the Investment Manager's positions reach the position limit thresholds, they will be required to reduce those positions in order to comply with such limits.

In addition, MiFID II introduces wider transparency regimes in respect of trading on EU trading venues and with EU counterparties. Under MiFID II, pre- and post-trade transparency regimes are extended from equities traded on a regulated market to also cover equity-like instruments (such as depositary receipts, exchange-traded funds and certificates that are traded on regulated trading venues) and non-equities such as bonds, structured finance products, emission allowances and derivatives. The increased transparency regime under MiFID II, together with the restrictions on the use of other trading venues, may mean greater disclosure of information relating to price discovery becoming available and may have an adverse impact on trading costs.

- (g) Each Fund will be exposed to the risk of deterioration in the credit quality of the parties with whom it deals and may also bear the risk of settlement or counterparty default. In addition, investments of each Fund are subject to interest rate fluctuations which may affect both the yield and value of a Fund.
- (h) A Fund may be affected by changes in prevailing interest rates. Changes in market rates of interest will generally affect a Fund's asset values as the prices of fixed rate securities generally increase when interest rates decline and decrease when interest rates rise. Prices of shorter term securities generally fluctuate less in response to interest rate changes than do longer-term securities.
- (i) If there are unusually heavy redemption requests because of changes in interest rates or for any other reason, a Fund may have to sell a portion of its investment portfolio at a time when it may be disadvantageous to do so. A Fund may also have to sell a portion of its investment portfolio in similar circumstances where it is required to do so in order to meet unanticipated redemption requests. Selling portfolio securities under these circumstances may result in a lower yield for investors.
- (j) The Company is structured as an umbrella fund with segregated liability between its Funds. As a matter of Irish law, the assets of one Fund will not be available to meet the liabilities of another. However, the Company is a single legal entity that may operate or have assets held on its behalf or be subject to claims in other jurisdictions that may not necessarily recognise such segregation.
- (k) The Company could be adversely affected by an economic recession which may effect the financial condition of the issuer and the market value of the securities of the issuer held by the Company.
- (l) The Company could be adversely affected if the arrangements relating to EMU do not continue (for example, the EMU participants experience significant unexpected political or economic difficulties). In addition, if one of the members of the European Union participating in EMU withdraws from EMU, the value of any holdings of a Fund of the Company issued by issuers from the country or with significant operations in that country could be adversely affected.
- (m) Potential investors' attention is drawn to the taxation risks associated with investing in any Fund of the Company. Please see the section headed "Taxation".
- (n) *Money Market Instruments* - The Funds invest a significant amount of their net asset value in money-market instruments and in this regard investors might compare the funds to regular deposit accounts. Investors should however note that holdings in the Funds are subject to the risks associated with investing in a collective investment scheme, in particular the fact that the principal sum invested is capable of fluctuation as the net asset value of the Funds fluctuates.

- (o) *Sovereign Debt* - Certain developing countries are especially large debtors to commercial banks and foreign governments. Investment in debt obligations (“Sovereign Debt”) issued or guaranteed by developing governments or their agencies and instrumentalities (“governmental entities”) involves a high degree of risk. The governmental entity that controls the repayment of Sovereign Debt 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 arrears 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 Debt. Holders of Sovereign Debt, including a Fund, may be requested to participate in the rescheduling of such debt and to extend further loans to governmental entities.
- (p) *Fixed Income Transferable Securities* - Debt securities are subject to both actual and perceived measures of creditworthiness. The “downgrading” of a rated debt security or adverse publicity and investor perception, which may not be based on fundamental analysis, could decrease the value and liquidity of the security, particularly in a thinly traded market.
- (q) *Delayed Delivery Transactions* - Funds that invest in fixed income transferable securities may purchase “To Be Announced” securities (“TBAs”). This refers to the common trading practice in the mortgage-backed securities market in which a security is to be bought from a mortgage pool (Ginnie Mae, Fannie Mae or Freddie Mac) for a fixed price at a future date. At the time of purchase the exact security is not known, but the main characteristics of it are specified. Although the price has been established at the time of purchase, the principal value has not been finalised. Purchasing a TBA involves a risk of loss if the value of the security to be purchased declines prior to the settlement date. Risks may also arise upon entering into these contracts from the potential inability of counterparties to meet the terms of their contracts.

Although the Funds will generally enter into TBA purchase commitments with the intention of acquiring securities, the Funds may also dispose of a commitment prior to settlement if it is deemed appropriate to do so. Proceeds of TBA sales are not received until the contractual settlement date. During the time a TBA sale commitment is outstanding, equivalent deliverable securities, or an offsetting TBA purchase commitment (deliverable on or before the sale commitment date), are held as cover for the transaction.

If the TBA sale commitment is closed through the acquisition of an offsetting purchase commitment, the Fund realises a gain or loss on the commitment without regard to any unrealised gain or loss on the underlying security. If the Fund delivers securities under the commitment, the Fund realises a gain or loss from the sale of the securities upon the unit price established at the date the commitment was entered into.

- (r) *Financial Markets, Counterparties and Service Providers* – Firms may be exposed to finance sector companies which act as a service provider or as a counterparty for financial contracts. In times of extreme market volatility, such companies may be adversely affected, with a consequent adverse effect on the activities of the Funds.
- (s) *Counterparty Risk* – The Company will be exposed to the credit risk of the parties with which it transacts and may also bear the risk of settlement default. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. This would include the counterparties to any FDI, repurchase/reverse repurchase agreement or securities lending agreement that it enters into. Trading in FDI which have not been collateralised gives rise to direct counterparty exposure. The Company mitigates much of its credit risk to its counterparties by receiving collateral with a value at least equal to the exposure to each counterparty but, to the extent that any FDI is not fully collateralised, a default by the counterparty may result in a reduction in the value of the Fund. A formal review of each new counterparty is completed and all approved counterparties are monitored and reviewed on an ongoing basis. The Company maintains an active oversight of counterparty exposure and the collateral management process.
- (t) *Counterparty Risk to the Depositary and other depositaries* – The Company will be exposed to the credit risk of the Depositary, any depository used by the Depositary or any third party custodian where cash or other assets are held by the Depositary, other depositaries or a third party custodian. Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company. The Company may enter into additional arrangements (for example, placing cash in other money market collective investment schemes) in order to mitigate such credit exposure and may be exposed to other risks as a result. In the event of the insolvency of the Depositary, other depositaries or third party custodian, the Company will be treated as a general creditor in relation to cash holdings of the Company. To the extent reasonably practicable, the Company has sought to protect its proprietary interests in securities by requiring the Depositary to segregate such securities from the assets of the Depositary or its sub-custodians

To mitigate the Company's exposure to the Depositary, the Investment Manager employs specific procedures to ensure that the Depositary is a reputable institution and that the credit risk is acceptable to the Company. If there is a change in Depositary then the new custodian will be eligible as such pursuant to the Central Bank's requirements and will be a regulated entity subject to prudential supervision or with high credit ratings assigned by international credit rating agencies.

- (u) *FDI Risks* – Each Fund may use FDI for the purposes of efficient portfolio management or, where stated in the investment policy of a Fund, for direct investment purposes. Such instruments involve certain special risks and may expose investors to an increased risk of loss. These risks may include credit risk with regard to counterparties with whom the Fund trades, the risk of settlement default, lack of liquidity of the FDI, possible lack of correlation between the value of the instrument and the underlying asset and greater transaction costs than investing in the underlying assets directly.

In accordance with standard industry practice when purchasing FDI, a Fund may be required to secure its obligations to its counterparty. For non-fully funded FDI, this may involve the placing of initial and/or variation margin assets with the counterparty. For FDI which require a Fund to place initial margin assets with a counterparty, such assets may not be segregated from the counterparty's own assets and, being freely exchangeable and replaceable, the Fund may have a right to the return of equivalent assets rather than the original margin assets deposited with the counterparty. These deposits or assets may exceed

the value of the relevant Fund's obligations to the counterparty in the event that the counterparty requires excess margin or collateral. In addition, as the terms of an FDI may provide for one counterparty to provide collateral to the other counterparty to cover the variation margin exposure arising under the FDI only where that exposure exceeds a certain threshold amount, the Fund may have an uncollateralised risk exposure to a counterparty under an FDI up to such threshold amount.

Additional risks associated with investing in FDI may include a counterparty breaching its obligations to provide collateral, or due to operational issues (such as time gaps between the calculation of risk exposure to a counterparty's provision of additional collateral or substitutions of collateral or the sale of collateral in the event of a default by a counterparty), there may be instances where a Fund's credit exposure to its counterparty under a FDI is not fully collateralised but each Fund will continue to observe the limits set out in Appendix III. The use of FDI may also expose a Fund to legal risk, which is the risk of loss due to the unexpected application of a law or regulation, or because a court declares a contract not legally enforceable.

- (v) *Cybersecurity* – The Company or any of its service providers, including the Manager, the Investment Manager, and the US Investment Manager, may be subject to risks resulting from cybersecurity incidents and/or technological malfunctions. A cybersecurity incident is an event that may cause a loss of proprietary information, data corruption or a loss of operational capacity. Cybersecurity incidents can result from deliberate cyber attacks or unintentional events. Cyber attacks include, but are not limited to, gaining unauthorised access to digital systems (e.g. through hacking or malicious software coding) for the purposes of misappropriating assets or sensitive information, corrupting data, releasing confidential information without authorisation or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorised access, such as causing denial-of-service attacks on websites, which may make network services unavailable to intended users. The issuers of securities and counterparties to other financial instruments in which the Company invests may also be subject to cybersecurity incidents.

Cybersecurity incidents may cause the Company to suffer financial losses, interfere with the Company's ability to calculate its NAV, impede trading, disrupt the ability of investors to subscribe for, exchange or redeem their Shares, violate privacy and other laws and incur regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Cyber-attacks may render records of assets and transactions of a Fund, Shareholder ownership of Shares, and other data integral to the functioning of the Company inaccessible, inaccurate or incomplete. In addition, substantial costs may be incurred in order to prevent any cybersecurity incidents in the future which may adversely impact the Company.

While the Manager, the Investment Manager, and the US Investment Manager have established business continuity plans and risk management strategies to seek to prevent cybersecurity incidents, there are inherent limitations in such plans and strategies, including the possibility that certain risks have not been identified given the evolving nature of the threat of cyber-attacks. Furthermore, none of the Company, the Manager, the Investment Manager or the US Investment Manager can control the business continuity plans or cybersecurity strategies put in place by other service providers to the Company or issuers of securities and counterparties to other financial instruments in which the Company invests. The Company relies on its third party service providers for many of its day-to-day operations and will be subject to the risk that the protections and policies implemented by those service providers will be ineffective to protect the Company from cyber-attack.

(w) *Risk Factors Specific to the Ultra Short Bond Funds* - The Company may, on behalf of the Ultra Short Bond Funds, use derivative instruments for efficient portfolio management subject to the limits and conditions set out in Appendix II. Such derivative instruments may include options and futures contracts. These derivative positions may be executed either on exchange or over the counter. The primary risks associated with the use of such derivatives are (i) failure to predict accurately the direction of the market movements and (ii) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of the Fund's derivatives. These techniques may not always be possible or effective in enhancing returns or mitigating risk. The Fund's investment in over the counter derivatives is subject to the risk of counterparty default. In addition, the Company may have to transact with counterparties on standard terms which it may not be able to negotiate and may bear the risk of loss because a counterparty does not have the legal capacity to enter into a transaction, or if the transaction becomes unenforceable due to relevant legislation and regulation. To the extent that the Company invests in derivatives the Company may take a credit risk with regard to parties with whom it trades and may also bear the risk of settlement default.

(x) *Tax Considerations* - Any change in the Company's tax status or in taxation legislation could affect the value of the Investments held by the Company and affect the Company's ability to provide investor returns. Potential investors and Shareholders should note that the statements on taxation which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely. The attention of potential investors is drawn to the tax risk associated with investing in the Company. See section headed "Taxation".

A. The availability and value of any tax relief available to Shareholders depend on the individual circumstances of Shareholders. The information in the "Taxation" section is not exhaustive and does not constitute legal or tax advice. Prospective investors are urged to consult their tax advisors with respect to their particular tax situations and the tax effects of an investment in the Company.

B. In addition, where a Fund invests in a jurisdiction where the tax regime is not fully developed or is not sufficiently certain, for example jurisdictions in the Middle East, the relevant Fund, the Manager, the Investment Manager, the US Investment Manager, the Principal Distributor, the Depositary and the Administrator shall not be liable to account to any Shareholder for any payment made or suffered by the relevant Fund in good faith to a fiscal authority for taxes or other charges of the Fund notwithstanding that it is later found that such payments need not or ought not have been made or suffered. Conversely, where through fundamental uncertainty as to the tax liability, adherence to best or common market practice (to the extent that there is no established best practice) that is subsequently challenged or the lack of a developed mechanism for practical and timely payment of taxes, the relevant Fund pays taxes relating to previous years, any related interest or late filing penalties will likewise be chargeable to the Fund. Such late paid taxes will normally be debited to the Fund at the point the decision to accrue the liability in the Fund accounts is made.

C. Shareholders should also read the information set out under the heading "FATCA and other cross-border reporting systems", particularly in relation to the consequences of the Company being unable to comply with the terms of such reporting systems.

(y) *Interest Rate Movements* - The Ultra Short Bond Funds may invest in securities with a weighted average maturity of 180 days or less, a weighted average life of 1 year or less and a residual maturity of 2 years or less at time of purchase, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days and reset to a money market rate or index. Accordingly, the portfolios of the Ultra Short Bond Funds may have greater sensitivity to interest rate movements than the Liquidity Funds and/or the Sovereign Funds, each of which will maintain a weighted average maturity of 60 days or less, a weighted average life of 120 days or less and will only invest in securities with a residual maturity of 397 days or less.

(z) *Global Financial Market Crisis and Governmental Intervention* – Since 2007, global financial markets have undergone pervasive and fundamental disruptions and significant instability which has led to extensive governmental intervention. Regulators in many jurisdictions have implemented or proposed a number of emergency regulatory measures. Government and regulatory interventions have sometimes been unclear in scope and application, resulting in confusion and uncertainty which in itself has been detrimental to the efficient functioning of financial markets. It is impossible to predict with certainty what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Investment Manager's and the US Investment Manager's ability to implement the Funds' investment objectives.

Whether current undertakings by governing bodies of various jurisdictions or any future undertakings will help stabilise the financial markets is unknown. The Investment Manager cannot predict how long the financial markets will continue to be affected by these events and cannot predict the effects of these – or similar events in the future – on the Funds', the European or global economy and the global securities markets. The Investment Manager is monitoring the situation. Instability in the global financial markets or government intervention may increase the volatility of the Funds and hence the risk of loss to the value of your investment.

(aa) *Potential Implications of Brexit* – In a referendum held on 23 June 2016, the electorate of the United Kingdom resolved to leave the European Union. The result has led to political and economic instability, volatility in the financial markets of the UK and more broadly across Europe. It may also lead to weakening in consumer, corporate and financial confidence in such markets as the UK negotiates its exit from the EU. The longer term process to implement the political, economic and legal framework between the UK and the EU is likely to lead to continuing uncertainty and periods of exacerbated volatility in both the UK and in wider European markets. In particular, the decision made in the British referendum may lead to a call for similar referendums in other European jurisdictions which may also cause increased economic volatility in wider European and global markets.

Currency volatility resulting from this uncertainty may mean that the returns of the Funds and their investments are adversely affected by market movements, potential decline in the value of the British Pound and/or Euro, and any downgrading of UK sovereign credit rating.

This mid to long term uncertainty may have an adverse effect on the economy generally and on the ability of the Funds and their investments to execute their respective strategies and to receive attractive returns, and may also result in increased costs to the Funds.

(bb) *Reverse Distribution Mechanism* – Where, upon the provision of 14 days' notice to holders of Shares of the relevant Fund or Class, the Directors determine in their sole discretion to implement the Reverse Distribution Mechanism described in the section entitled "Reverse Distribution Mechanism - Redemption of Distributing Shares of the Sovereign Funds and Liquidity Funds", Shares will be cancelled and the value of those Shares will be retained by the relevant Class. In such circumstances, the Net Asset Value per Share of the Class

will remain stable but the pro-rata number of Shares held by each Shareholder will be reduced, reflecting a loss of capital to Shareholders.

- (cc) *Secondary Market Listing* - Although certain Shares of a Fund may be listed on the Irish Stock Exchange and/or on Xetra, there can be no assurance that an active trading market for such Shares will develop or be maintained. Trading in Shares on a stock exchange, if any, may be halted due to market conditions or for reasons that, in the view of the relevant stock exchange, make trading in Shares inadvisable. In addition, there can be no assurance that the requirements of a stock exchange necessary to maintain the listing of a Fund will continue to be met or will remain unchanged or that the Shares will trade with any volume, or at all, on any stock exchange. Furthermore, any securities that are listed and traded on stock exchanges can also be bought or sold by members of those exchanges to and from each other and other third parties on terms and prices that are agreed on an “over-the-counter” basis and may also be bought or sold on other multi-lateral trading facilities or platforms. The Company has no control over the terms on which any such trades may take place.

Investors must buy and sell Shares on a Secondary Market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value per Share when buying Shares on the Secondary Market and may receive less than the current Net Asset Value per Share when selling them. Shares purchased on the Secondary Market can be sold back to the Company by the registered Shareholder (e.g., the investor’s intermediary) but they cannot be sold directly by the investor back to the Company.

The Shares that are listed on the Irish Stock Exchange and/or on Xetra are not available to US Persons. Accordingly, each person acquiring Shares through such an exchange will be deemed to have represented and warranted to and for the benefit of the Company that such person is not in the United States and is not (and is not acquiring the Shares for the benefit of) a US Person.

- (dd) *Subscription and Redemption Collection Accounts* - Subscriptions monies received in respect of a Fund in advance of the issue of Shares will be held in the Umbrella Cash Collection Account or Fund Cash Collection Accounts, as applicable, in the name of the relevant Fund, as applicable. Investors will be unsecured creditors of such Fund with respect to the amount subscribed until such Shares are issued, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other shareholder rights (including dividend entitlement) until such time as Shares are issued. In the event of an insolvency of the Fund or the Company, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full.

Payment by the Fund of redemption proceeds and dividends is subject to receipt by the Administrator of original subscription documents and compliance with all anti-money laundering procedures. Notwithstanding this, redeeming Shareholders will cease to be Shareholders, with regard to the redeemed Shares, from the relevant redemption date. Redeeming Shareholders and Shareholders entitled to distributions will, from the redemption or distribution date, as appropriate, be unsecured creditors of the Fund, and will not benefit from any appreciation in the Net Asset Value of the Fund or any other Shareholder rights (including further dividend entitlement), with respect to the redemption or distribution amount. In the event of an insolvency of the Fund or the Company during this period, there is no guarantee that the Fund or Company will have sufficient funds to pay unsecured creditors in full. Redeeming Shareholders and Shareholders entitled to distributions should therefore ensure that any outstanding documentation and information is provided to the Administrator promptly. Failure to do so is at such Shareholder’s own risk.



In respect of the Umbrella Cash Collection Account, in the event of the insolvency of another Fund of the Company, recovery of any amounts to which a Fund is entitled, but which may have transferred to such other Fund as a result of the operation of the Umbrella Cash Collection Account, will be subject to the principles of Irish trust law and the terms of the operational procedures for the Umbrella Cash Collection Account. There may be delays in effecting and / or disputes as to the recovery of such amounts, and the insolvent Fund may have insufficient funds to repay amounts due to the relevant Fund. Accordingly, there is no guarantee that such Fund or the Company will recover such amounts. Furthermore, there is no guarantee that in such circumstances such Fund or the Company would have sufficient funds to repay any unsecured creditors.

### **Exchange Control**

Under current legislation in Ireland, there are no exchange control laws or regulations in effect which would affect either the Company or its Shareholders.

### **MANAGEMENT AND ADMINISTRATION**

The Directors control the affairs of the Company and are responsible for the overall investment policy, which will be determined by them and given to the Manager from time to time. The Manager has delegated certain of its duties to the Investment Manager, the US Investment Manager and the Administrator.

#### **The Directors**

The Company shall be managed and its affairs supervised by the Directors whose details (including country of residence) are set out below. The Directors are all Non-Executive Directors of the Company. The address of the Directors is the registered office of the Company.

*Paul McNaughton (Chairman) (Irish):* Mr McNaughton has over 25 years' experience in the Banking/Finance, Fund Management & Securities Processing Industries. In addition Mr McNaughton spent 10 years with IDA (Ireland) both in Dublin and in the USA marketing Ireland as a location for multinational investment. He went on to establish Bank of Ireland's IFSC Fund's business before joining Deutsche Bank to establish their funds business in Ireland. He was overall Head of Deutsche Bank's Offshore Funds business, including their hedge fund administration businesses primarily based in Dublin and the Cayman Islands, before assuming the role of Global Head of Deutsche's Fund Servicing business worldwide. Mr McNaughton left Deutsche Bank in August 2004 after leading the sale of Deutsche's Global Custody and Funds businesses to State Street Bank and now acts as an advisor and non-executive director for several investment companies and other financial entities in Ireland including several alternative/hedge fund entities. Mr McNaughton holds an Honours Economics Degree from Trinity College Dublin. He was the founding Chairman of the Irish Funds Industry Association ("IFIA") and a member of the Irish Government Task Force on Mutual Fund Administration. He was instrumental in the growth of the funds business in Ireland both for traditional and alternative asset classes.

*Jessica Irschick (British):* Ms Irschick is a Managing Director at BlackRock and is the Global Head of Institutional Index business within ETF and Index Investments. Ms Irschick is responsible for the institutional product offering, pricing, and investment strategy for Equity Indexing and for coordinating with Global Fixed Income to have a globally consistent institutional client strategy for Fixed Income Indexing. In addition, she is the Global Head of Equity Index Product Strategy.

Ms Irschick joined BlackRock in November 2016 from Bank of America Merrill Lynch, where she was the Global Head of Sales Strategy of the Equity Division, based in London. Previously, Ms Irschick was the Global Head of Treasury and Trading for Norges Bank Investment Management (NBIM) where she

was responsible for Fixed Income and Equity trading, financing, securities lending and foreign exchange. Prior to her role at NBIM she worked at UBS, Morgan Stanley and Goldman Sachs for over 13 years in a variety of roles in equity trading, sales and client relationship management. Before these roles, Ms Irschick worked as the Global Head of Equity and Fixed Income trading at Wells Fargo Nikko Investment Advisors in San Francisco, one of the predecessor organizations of BlackRock. Ms Irschick started her career at Salomon Brothers, where she worked in Tokyo developing algorithms for the Fixed Income and Equity trading desks.

Ms Irschick graduated from Cornell University in 1987 with a Bachelor's degree in Operations Research and Economics.

*Paul McGowan (Irish):* Mr McGowan was a financial services tax partner in KPMG (Ireland) for more than 25 years and was Global Head of Financial Services Tax for KPMG (International). He is a former Chairman of both the Irish Funds Industry Association and the IFSC Funds Working Group. He currently holds a number of non-executive directorships including Chairman of AEGON Ireland PLC and Coronation Capital LTD and a Director of [The names of collective investments schemes which are not approved for distribution to non-qualified investors in or from Switzerland have been deleted]. He was appointed to the EU Arbitration Panel on transfer pricing by the Irish Government. Mr McGowan is a Fellow of the Institute of Chartered Accountants in Ireland and holds a business studies degree from Trinity College Dublin and a Diploma in Corporate Financial Management from Harvard Business School.

*David Moroney (Irish):* Non-Executive Director: Mr Moroney is a Managing Director at BlackRock and is the EMEA Product Head for ETF and Index Investments. Mr Moroney joined BlackRock in January 2017. Prior to assuming his current responsibilities, he worked at Royal Bank of Scotland since 2008 where he held positions including Global Head of Investor Product Structuring and Structured Funds and Chief Operating Officer of Capital Resolution UK. He has over 20 years of experience in securities, derivatives and regulated funds and has had responsibilities in trading, structuring, custom indices, risk and governance. Mr Moroney holds a Ph.D. in Electromagnetics from Trinity College Dublin, an M.Sc. from the University of Oxford and a B.A. in Mathematics also from Trinity College.

*Teresa O'Flynn (Irish):* Ms O'Flynn is a managing director who joined BlackRock in 2011 to establish the Renewable Power Infrastructure business, playing a leading role in the successful integration, fundraising for and overall development of the platform. As a Senior Portfolio Manager on the EMEA Investment team, she is responsible for originating and executing investment opportunities in addition to ongoing portfolio management of fund investments. Ms O'Flynn sits on the Global Renewable Power Group's Management and Leadership committees and is involved in setting and implementing the strategy for Renewable Power and Infrastructure more broadly. Prior to joining BlackRock in 2011, Ms O'Flynn spent eight years as a senior transaction executive both at NTR and its subsidiary companies, where she led over \$2.5 billion in US and European renewable energy transactions. Ms O'Flynn worked extensively with NTR's wind portfolio companies and her responsibilities included business and strategic planning, corporate equity fundraising, turbine procurement, power purchase agreement negotiation and power project acquisition. Ms O'Flynn was also a senior member of the Airtricity North American Management Team, leading the Project Finance team in originating, structuring and negotiating over \$1.5 billion of debt and tax equity transactions. Prior to joining Airtricity in 2004, Ms O'Flynn was a tax manager with KPMG, Dublin where she advised domestic and multinational clients across a range of industries including Manufacturing, Pharmaceuticals, Petroleum and Gas, Aircraft Leasing, and Bloodstock. Ms O'Flynn began her career at Arthur Andersen in 1998. Ms O'Flynn earned a BComm Degree, with first class honors and distinction, from University College Galway, Ireland in 1998. She is also a qualified Chartered Accountant (ACA), Tax Consultant (AITI) and a member of the Irish Taxation Institute.

*Barry O'Dwyer (Irish):* Mr O'Dwyer is a managing director at BlackRock. He is the Head of Fund Governance for BlackRock's European open-ended fund ranges and is the Chief Operating Officer for BlackRock's Irish business. He serves as a director on the boards of a number of BlackRock corporate, fund, and management companies domiciled in Ireland, Luxembourg, Switzerland and Germany and on the board of BlackRock's UK Life company. He was the chairman of the Irish Funds Industry

Association 2014-2015, is a board director of Financial Services Ireland and is a member of An Taoiseach's Financial Services Industry Advisory Committee. He joined BlackRock Advisors (UK) Limited in 1999 as head of risk management and moved to his present role in 2006. Prior to joining BlackRock Advisors (UK) Limited, Mr O'Dwyer worked as risk manager at Gartmore Investment Management and at HypoVereinsbank and National Westminster Bank. Mr O'Dwyer graduated from Trinity College Dublin with a degree in Business Studies and Economics in 1991. He holds a Chartered Association of Certified Accountants qualification and an MBA from London City University Business School.

The Directors have no unspent convictions, have never been declared bankrupt, nor have they been the subject of an individual voluntary arrangement or a receivership of any assets held by them. The Directors have not been directors with an executive function of any company at the time of or within the 12 months preceding its bankruptcy, receivership administration, liquidation administration, company voluntary arrangement or composition or arrangement with its creditors generally. The Directors have not been partners of any partnership at the time or within 12 months preceding its compulsory liquidation, administration or partnership voluntary arrangement. The Directors have not had a receiver appointed over any of their assets or of any of the assets of a partnership of which they were a partner within 12 months after they ceased to be a partner of that partnership. There have been no public criticisms of the Directors by any statutory or regulatory authority nor have the Directors ever been disqualified by a court from acting as directors of a company or from acting in the management or conduct of the affairs of any company.

### **The Manager**

The Company has appointed BlackRock Asset Management Ireland Limited as its manager pursuant to the Management Agreement. Under the terms of the Management Agreement, the Manager has responsibility for the management and administration of the Company's affairs and the distribution of the Shares, subject to the overall supervision and control of the Directors.

The Manager has adopted a Remuneration Policy which is consistent with and promotes sound and effective risk management. It includes a description as to how remuneration and benefits are calculated, a description of the remuneration committee, should one be formed, and identifies those individuals responsible for awarding remuneration and benefits. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or Articles of the Company and does not impair compliance with the Manager's duty to act in the best interest of Shareholders. The Remuneration Policy includes fixed and variable components of salaries and discretionary pension benefits. The Remuneration Policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls within the remuneration bracket of senior management and risk takers whose professional activities have a material impact on the risk profile of the Company. The Remuneration Policy is available on the individual pages at [www.blackrock.com](http://www.blackrock.com) (select the relevant Fund in the "Product" section and then select "All Documents") or a paper copy is available free of charge upon request from the registered office of the Manager.

The Manager has delegated the performance of the investment management functions in respect of the Company to the Investment Manager and the US Investment Manager and the administrative functions to the Administrator. Furthermore, under the Management Agreement, the Manager may appoint distributors in respect of the Shares.

The Manager is a private company limited by shares and was incorporated in Ireland on 19 January 1995. It is ultimately a subsidiary of BlackRock, Inc. The Manager has an authorised share capital of £1 million and an issued and fully paid up share capital of £125,000. The Manager's main business is the provision of fund management and administration services to collective investment schemes such as the Company. The Manager is also the Manager of a number of other funds including: iShares plc, iShares II plc, iShares III plc, iShares IV plc, iShares V plc, iShares VI plc, iShares VII plc, BlackRock Index Selection Fund, BlackRock Fixed Income Dublin Funds plc and BlackRock UCITS Funds, [The names of collective

investments schemes which are not approved for distribution to non-qualified investors in or from Switzerland have been deleted].. The secretary of the Manager is Sanne.

Barry O'Dwyer is a director of the Manager as well as the Company. The additional directors of the Manager are set out below.

*William Roberts (Chairman), (British nationality, Irish resident):* Mr Roberts was admitted as a lawyer in Scotland, Hong Kong, Bermuda and the Cayman Islands. From 1990 to 1999, he was Senior Assistant (1990-1994) and then Partner (1994-1999) with W.S. Walker & Company where he concentrated on collective investment vehicle formation and provided ongoing vehicle advice with particular focus on hedge and private equity funds. From 1996 to 1999 he served as a director of the Cayman Islands Stock Exchange. Between 1998 and 2000, he was Secretary to the International Bar Associations' sub-committee on specialised investment funds. Currently Mr Roberts serves as a director to a number of investment companies and investment management companies domiciled in Ireland and the Cayman Islands.

*Graham Bamping (British):* Mr Bamping currently serves as non-executive director on the boards of BlackRock UCITS and AIF management companies, with more than 13 years' experience in such roles. Until the end of 2015, Mr Bamping was a managing director at BlackRock and a member of its executive team for the Europe, the Middle East and Africa ("EMEA") region. In addition to his role as a director on management company boards, he served as chairman / member of several BlackRock governance committees. Until June 2012, he served as the Retail Investment Director for BlackRock EMEA, establishing and monitoring investment expectations for BlackRock retail funds in the EMEA region. Mr Bamping serves as chairman of the board of BlackRock Fund Managers Limited (a UK domiciled management company) and as a director of BlackRock Asset Management Ireland Limited, BlackRock (Luxembourg) SA, BlackRock Fund Management Company SA and BlackRock Channel Islands Limited, each of which is a management company for UCITS funds, AIFs, or a combination of both. Mr Bamping has over 37 years of investment experience. His service with BlackRock dates back to 1999, including his years with Merrill Lynch Investment Managers (MLIM), which merged with BlackRock in 2006. He joined MLIM as Director of Investment Communications, and assumed the role of Retail Investment Director in December 2001. Prior to joining MLIM, his career spanned more than 20 years at Morgan Grenfell Asset Management (Deutsche Asset Management). Over this period, his responsibilities covered a number of areas, including equity portfolio management, client relationship development, sales, marketing and product development. Mr Bamping has extensive experience of international mutual funds, not only as a portfolio manager, but also in various business management, product development and marketing/sales roles. Mr Bamping holds a master's degree in Economics from Cambridge University.

*Paul Freeman (British):* Mr Freeman currently serves as a director on the boards of a number of BlackRock Group companies and investment funds. He was until December 2015 a Managing Director of BlackRock, which he had joined in August 2005 (which then was Merrill Lynch Investment Managers). Up until July 2011 Mr Freeman was the Head of Product Development and Range Management for the EMEA region with responsibility for the development and ongoing product management of all funds domiciled in EMEA and distributed on a cross-border basis by BlackRock. Between July 2011 and December 2015 Mr Freeman worked closely with BlackRock's Government affairs team and served on various internal governance committees and on the boards of a number of group subsidiaries and managed funds. Mr Freeman has worked in the financial services industry for over 35 years and, prior to BlackRock, has held senior management positions at Schroders, Rothschild Asset Management, Henderson Investors and GT Management (now part of Invesco). Mr Freeman is a Chartered Accountant.

*Adele Spillane (Irish):* Ms Spillane is a Managing Director at BlackRock. She is a member of BlackRock's Institutional Client Business and is Head of BlackRock's Irish Institutional business. Ms. Spillane's service with the firm dates back to 1995, including her years with Barclays Global Investors (BGI), which merged with BlackRock in 2009. Prior to her current role she worked as a senior client

director in the Strategic Accounts team for the UK Institutional Business, where she had overall responsibility for 20 large institutional UK Pension Schemes with total scheme assets ranging from £500 million to £5 billion. Before that, she was in the Large Institutional Client team, also as a client director, which she joined in 2004. Prior to her client director role, Ms. Spillane was the head of the pooled funds group in the UK. Ms. Spillane worked within the Client Relationship Group in BGI's San Francisco office. In 1999 she formed and headed up the BGI US ClientConnect Team. Ms. Spillane earned a degree, with honours, in commerce from University College Dublin in 1993. She is a CFA charterholder and holds the Investment Management Certificate.

*Desmond Murray (Irish):* Mr Murray is a company Director and business consultant based in Dublin. Mr Murray was educated at University College, Dublin, graduating with a Bachelor of Commerce degree in 1976. He is a Fellow of the Irish Institute of Chartered Accountants and the Hong Kong Society of Accountants. Mr Murray was an Audit Partner in PricewaterhouseCoopers Hong Kong from 1987 until June 2000, initially specialising in Financial Services, and he was the lead Partner of the firm's Internal Audit and Corporate Governance practice until the same date. Mr Murray previously worked with Price Waterhouse in Dublin from 1976 to 1984. Mr Murray is a Director of a number of other investment funds domiciled in Ireland and the Cayman Islands. He is also a Director of a number of Irish domiciled companies and one Hong Kong listed company in which he acts as chairman of their audit committees and as an independent non-executive Director.

*Justin Mealy (Irish):* Mr Mealy is the Investment Director for BlackRock Asset Management Ireland Limited with responsibility for the day-to-day oversight, monitoring and control of investment policy, strategies and performance of funds domiciled within Ireland. Before joining BlackRock, Justin was Managing Director at Geneva Trading in Dublin for 8 years where, as Global Head of Risk and Head of European Offices, he was responsible for the risk and performance management of the firm's trading groups at locations in Europe, North America and Asia, engaged in a variety of strategies across major asset classes. Justin is a graduate of Business & Law at University College Dublin, 1997 and is a FRM Charter holder.

*Linda Silcock (British):* Ms Silcock is a Managing Director, EMEA Head of Investment Operations and Global Head of Asset Servicing in Aladdin Portfolio Services (APS) within BlackRock's Business Operations. Ms. Silcock is responsible for teams located in Edinburgh, Wilmington, Singapore, Tokyo and India. Asset Servicing comprises of two core functions; Cash and Asset Operations, and Corporate Actions. Ms Silcock is also a member of the Edinburgh Mobility Committee, Edinburgh Management Committee and EMEA Bus Ops Exco. Ms Silcock joined BlackRock in July 2015 and has more than 25 years financial services experience, including more than 15 years in managing large operational teams. Prior to joining BlackRock, she spent 10 years at National Australia Bank covering a number of roles including leading custody operations and global wholesale banking operations teams, and prior to that, delivering consulting services into financial services organisations. Ms Silcock earned a Bachelor of Business degree in Accounting from Swinburne University in Melbourne, Australia.

*Patrick Boylan (Irish):* Mr Boylan is Head of Risk Management for the Manager. Mr. Boylan is also responsible for the Global Risk Oversight of Infrastructure investing at BlackRock Alternative Investors. Mr. Boylan's service with BlackRock dates back to 2011. He was previously a member of BlackRock's Financial Markets Advisory Group (FMA) where he was responsible for EMEA Valuation and Risk Assessment. Prior to joining BlackRock, Mr. Boylan served in senior risk management positions at LBBW Asset Management and GE Capital. Mr. Boylan earned a BS degree in Finance and Msc. Investment & Treasury (MIT) from Dublin City University and is a FRM Charter holder.

The Management Agreement may be terminated by either party giving to the other not less than 180 days' written notice although in certain circumstances (e.g. the insolvency of either party, unremedied breach after notice, etc.) the said Agreement may be terminated forthwith by notice in writing by either party to the other. The Management Agreement contains provisions regarding the Manager's legal responsibilities and indemnities in favour of the Manager other than for matters arising by reason of its wilful misconduct, fraud, bad faith or negligence in the performance of its duties and obligations.

## **The Investment Manager and Principal Distributor**

The Manager has delegated responsibility for the investment and re-investment of the assets of the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund, the Institutional Sterling Liquidity Fund, the Institutional Euro Ultra Short Bond Fund and the Institutional Sterling Ultra Short Bond Fund to the Investment Manager, pursuant to the Investment Management Agreement. The Investment Manager (subject to the prior consent of the Company and the Manager and in accordance with the requirements of the Central Bank) has the discretion to appoint and replace advisers to the different Funds from time to time and may also delegate the investment decision making to such investment advisers provided such investments are made in accordance with the investment objectives and policies described in this Prospectus. The Investment Manager will be responsible to the Manager in regard to the management of the investment of the assets of the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Euro Assets Liquidity Fund, the Institutional Sterling Liquidity Fund, the Institutional Euro Ultra Short Bond Fund and the Institutional Sterling Ultra Short Bond Fund in accordance with the investment objectives, policies and strategies described in this Prospectus (as it may be amended or supplemented from time to time) subject always to the supervision and direction of the Directors and the Manager.

The Investment Manager was incorporated in England on 16 May 1986 and carries on the business of investment management. The Investment Manager is regulated by the FCA but the Company will not be a customer of the Investment Manager for the purposes of the FCA Rules and will accordingly not directly benefit from the protection of those Rules. The Investment Manager is an indirect wholly-owned subsidiary of BlackRock.

The Investment Manager is not registered as an investment adviser with the Securities and Exchange Commission.

BlackRock is a Delaware corporation, the principal shareholder of which is PNC Bank N.A. While PNC Group is represented on BlackRock's board of directors, BlackRock operates independently from the PNC Group and has an independent majority on its board of directors. As at 31 December 2015, BlackRock Inc. and its subsidiaries has US\$4.6 trillion of assets under management.

The Investment Management Agreement provides for the appointment of the Investment Manager for an initial period of two years and thereafter unless and until terminated by either party giving to the other not less than 90 days written notice although in certain circumstances (e.g. the insolvency of either party, unremedied breach after notice, etc.) the said Agreement may be terminated forthwith by notice in writing by either party to the other. The Investment Management Agreement contains provisions regarding the Investment Manager's legal responsibilities and indemnities in favour of the Investment Manager other than for matters arising by reason of its fraud, bad faith, wilful default, recklessness or negligence in the performance of its duties and obligations.

The Manager has also delegated responsibility for the distribution, promotion and marketing of the Shares to the Investment Manager (also defined as the "Principal Distributor"), on a non-exclusive basis, pursuant to the Distribution Agreement. The Principal Distributor will have responsibility for the distribution, promotion and marketing of the Shares in such territories and in such manner as the Manager and the Principal Distributor may agree from time to time.

The Distribution Agreement provides for the appointment of the Principal Distributor for an initial period of two years and thereafter unless and until terminated by either the Manager or the Principal Distributor giving not less than 90 days' notice in writing to the other, although in certain circumstances (e.g. the insolvency of either of the said parties, unremedied breach after notice etc) the said Agreement may be terminated forthwith by notice in writing by either party to the other. The Distribution Agreement contains provisions regarding the Principal Distributor's responsibilities and indemnities in

favour of the Principal Distributor other than due to fraud, negligence or wilful default of the Principal Distributor, its servants or agents.

### **The US Investment Manager**

The Manager has delegated responsibility for the investment and reinvestment of the assets of the Institutional US Dollar Liquidity Fund, the Institutional US Dollar Ultra Short Bond Fund and the Institutional US Treasury Fund to the US Investment Manager pursuant to the US Investment Management Agreement.

BlackRock Capital Management Inc. will be responsible to the Manager in regard to the management of the investment of the assets of the Institutional US Dollar Liquidity Fund, the Institutional US Dollar Ultra Short Bond Fund and the Institutional US Treasury Fund in accordance with the investment objectives, policies and strategy described in this Prospectus (as it may be amended or supplemented from time to time) subject always to the supervision and direction of the Directors and the Manager.

BlackRock Capital Management Inc. was incorporated on 19 November 1999 in Delaware and is an indirect wholly owned subsidiary of BlackRock. It is registered as an investment adviser with the Securities and Exchange Commission.

### **The Administrator**

The Manager has delegated its responsibilities as administrator, registrar and transfer agent to the Administrator, JP Morgan Administration Services (Ireland) Limited, pursuant to the Administration Agreement. The Administrator will have the responsibility for the administration of the Company's affairs including the calculation of the Net Asset Value and the maintenance of the records and accounts of the Company, subject to the overall supervision of the Manager and the Directors.

The Administrator, a limited liability company incorporated under the laws of Ireland on 28 May 1990, has agreed to act as administrator pursuant to the Administration Agreement. The Administrator is a wholly-owned subsidiary company of the Depositary, which is a supplier of processing and administration services to financial institutions.

The Manager may also delegate all or some of its administration functions with respect to any particular Fund to another administration company in accordance with the requirements of the Central Bank and details will be set out in this Prospectus.

The Administration Agreement provides that the appointment of the Administrator will continue in force unless and until terminated by any party giving to the other not less than three months' written notice although in certain circumstances (e.g. the insolvency of any party, unremedied breach after notice, etc.) the said Agreement may be terminated forthwith. The Administration Agreement contains provisions regarding the Administrator's responsibilities and indemnities in favour of the Administrator other than for matters resulting directly from negligence, wilful default or fraud of the Administrator in the performance of its duties and obligations.

### **The Depositary**

The Company has appointed J.P. Morgan Bank (Ireland) plc, as depositary of its assets for the purposes of the Directive to provide depositary, custodial, settlement and certain other associated services pursuant to the Depositary and Custodian Agreement.

The Depositary is a public company incorporated with limited liability in Ireland and is authorised as a credit institution by the Central Bank. Its business activities include the provision of custody and banking services, corporate finance and agency treasury management services. The Depositary has in excess of

US\$345 billion of assets under custody, as at 31 December 2015. The ultimate parent company of the Depositary is JP Morgan Chase & Co. incorporated in Delaware, U.S.A.

The Depositary and Custodian Agreement provides that the appointment of the Depositary will continue in force unless and until terminated by either party giving to the other not less than 90 days' written notice (or such shorter notice period as such other party may agree to accept) although in certain circumstances (e.g. the insolvency of either party or unremedied breach after notice) the Depositary and Custodian Agreement may be terminated forthwith or, in certain limited circumstances, on 30 days' notice by the Depositary where the Depositary, acting reasonably and in good faith and in accordance with its obligations to act solely in the best interests of the Company and Shareholders, determines that it cannot ensure the required standard of protection of investments due to investment decisions of the Manager or the Company.

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

The Depositary acts as the depositary of the Funds and, in doing so, shall comply with the provisions of the Directive. In this capacity, the Depositary's duties include, amongst others, the following:

- (i) ensuring that each Fund's cash flows are properly monitored and that all payments made by or on behalf of investors have been received;
- (ii) safekeeping the assets of the Funds, which includes (a) holding in custody all financial instruments that can be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (b) for other assets, verifying the ownership by the Company of such assets and the maintenance of a record accordingly (the "Safekeeping Function");
- (iii) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of each Fund are carried out in accordance with the applicable national law, the Directive, the Regulations and the Articles;
- (iv) ensuring that the value of the Shares of each Fund is calculated in accordance with the applicable national law, the Directive, the Regulations and the Articles;
- (v) carrying out the instructions of the Manager and the Company unless such instructions conflict with the applicable national law, the Directive, the Regulations and the Articles;
- (vi) ensuring that in transactions involving each Fund's assets any consideration is remitted to the relevant Fund within the usual time limits; and
- (vii) ensuring that the Funds' income is applied in accordance with the applicable national law, the Directive, the Regulations and the Articles.

Apart from cash (which shall be held and maintained in accordance with the terms of the Depositary and Custodian Agreement), all other financial assets of the Funds which are held in custody shall be segregated from the assets of the Depositary, its sub-custodians and from financial assets held as a fiduciary, custodian or otherwise by the Depositary or sub-custodians or both for other customers which are not UCITS customers. The Depositary shall maintain its records which relate to the assets attributable to each Fund so as to ensure that it is readily apparent that the assets are held solely on behalf of and belong to the Fund and do not belong to the Depositary or any of its affiliates, sub-custodians or delegates or any of their affiliates.

The Depositary may delegate the Safekeeping Function to one or more third parties as may be determined by the Depositary from time to time, subject to the requirements of the Directive. The liability of the Depositary will not be affected by any delegation of the Safekeeping Function to a third party. The list of sub delegates appointed by the Depositary is set out in Appendix VI hereto.

The Depositary must ensure that the sub-custodians:

- (i) have adequate structures and expertise;
- (ii) in circumstances where custody of financial instruments is delegated to them, are



- subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, as well as an external periodic audit to ensure that the financial instruments are in their possession;
- (iii) segregate the assets of the Depositary's clients from their own assets and from the assets of the Depositary for its own account in such a way that they can, at any time, be clearly identified as belonging to clients of a particular depositary;
- (iv) ensure that in the event of their insolvency, assets of the Depositary held by the sub-custodians are unavailable for distribution among, or realisation for the benefit of, creditors of the sub-custodians;
- (v) are appointed by way of a written contract and comply with the general obligations and prohibitions in the Directive and applicable national law, including with respect to the Safekeeping Function, reuse of assets and conflicts of interest.

Where the law of a third country requires that certain financial instruments be held in custody by a local entity and no local entities are subject to effective prudential regulation, including minimum capital requirements and supervision in the jurisdiction concerned, the Depositary may delegate its functions to such a local entity only to the extent required by the law of the third country and only for as long as there are no local entities that satisfy the aforementioned regulation, minimum capital and supervisions requirements. In the event that custody is delegated to such local entities, prior Shareholder notice will be provided advising of the risks involved in such delegation.

Please refer to the section of this Prospectus entitled "Conflicts of Interest" under "Statutory and General Information" for details of potential conflicts that may arise involving the Depositary.

The Depositary will ensure that the assets of the Company held in custody by the Depositary shall not be reused by the Depositary or by any third party to whom the depositary function has been delegated for their own account. Reuse comprises any transaction of assets of the Company held in custody including, but not limited to, transferring, pledging, selling and lending. Reuse of the assets of a Company held in custody is only allowed where:

- (i) the reuse of the assets is executed for the account of the Company
- (ii) the Depositary is carrying out the instructions of the Manager on behalf of the Company;
- (iii) the reuse is for the benefit of the Company; and
- (iv) the transaction is covered by high quality and liquid collateral received by the Company under a title transfer arrangement with a market value at least equivalent to the market value of the reused assets plus a premium.

The Depositary is liable to the Company and to Shareholders for the loss of financial instruments of the Company which are held in custody as part of the Depositary's Safekeeping Function (irrespective of whether or not the Depositary has delegated its Safekeeping Function in respect of such financial instruments to a third party), unless it can prove that the loss of such financial instruments held in custody 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. This standard of liability applies only to financial instruments capable of being registered in a financial instruments account opened in the Depositary's books or which can be physically delivered to the Depositary.

The Company will indemnify the Depositary and its sub-custodians and their respective nominees, directors, officers and employees engaged in the provision of the services set forth in the Depositary and Custodian Agreement (the "**J.P. Morgan Indemnified Persons**") against, and hold them harmless from, any liabilities, losses, claims, costs, damages, penalties, fines, obligations or expenses of any kind whatsoever (including, without limitation, reasonable attorneys', accountants', consultants' or experts' fees and disbursements) (together "**Liabilities**") that may be imposed on, incurred by or asserted against any of J.P. Morgan Indemnified Persons in connection with or arising out of (i) the Depositary's performance under the Depositary and Custodian Agreement, other than losses of financial instruments for which the Depositary is liable or as a result of J.P. Morgan Indemnified Persons' negligent or

intentional failure to properly fulfil its obligations pursuant to the Depositary and Custodian Agreement or the Regulations, Commission Delegated Regulation (EU) 2016/48 or the Central Bank UCITS Regulations, or (ii) any of J.P. Morgan Indemnified Persons' status as a holder of record of the Company's securities. Nevertheless, the Company will not be obligated to indemnify any J.P. Morgan Indemnified Person with respect to any Liability for which the Depositary is liable in certain circumstances, including where the Depositary is liable for losses to the Company as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to the Depositary and Custodian Agreement or the Directive, or where the Depositary is liable to the Company for the loss of a financial instrument held in custody or where the Depositary is liable for direct losses by the Company that result from certain failures by the sub-custodians as set out in the Depositary and Custodian Agreement.

Up-to-date information regarding the Depositary including the duties of the Depositary, the delegation arrangements and any conflicts of interest that may arise shall be made available to investors upon request to the Manager.

### **Meetings**

Shareholders in the Company will be entitled to attend and vote at general meetings of the Company. The annual general meeting of the Company will normally be held in Ireland within six months of the end of each financial year.

### **Accounts and Information**

The Company's accounting period will end on 30 September in each year and half-yearly accounts will be prepared to each 31 March.

The Company will prepare an annual report and audited annual accounts within four months of the end of the financial period to which they relate which will be sent to Shareholders. Unaudited half-yearly reports will also be prepared within two months of the end of the half-year period to which they relate. Both of these reports will be sent to the Companies Announcements Office of the Irish Stock Exchange and/or to Xetra (as applicable) within the same time period.

Copies of this Prospectus and of the annual and half-yearly reports of the Company may be obtained from the Company or the Investment Manager at the addresses given in the Directory in this Prospectus.

## **VALUATIONS, SUBSCRIPTIONS AND REDEMPTIONS ON THE PRIMARY MARKET**

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

The Net Asset Value of each Fund is expressed in its base currency. The calculation of the Net Asset Value of each Fund and of each Class thereof will be carried out by the Administrator as delegate of the Manager in accordance with the requirements of the Articles, and details are set out under the heading "Statutory and General Information" below. Except when the determination of the Net Asset Value of any Fund has been suspended or postponed in the circumstances set out under the heading "Suspensions and Deferrals" below, the calculation of the Net Asset Value of each Fund, the Net Asset Value of each Class in a Fund and the Net Asset Value per Share will be prepared as at the relevant Valuation Point and will be available to Shareholders on request. The Net Asset Value per Share shall also be made public at the offices of the Investment Manager and the Administrator during normal business hours and will be published daily on, for Shares listed on the Irish Stock Exchange, the Irish Stock Exchange's website at [www.ise.ie](http://www.ise.ie) and, if applicable, for Shares listed on Xetra, the Deutsche Börse Xetra website at <http://www.xetra.com/xetra-en/> and will be kept up to date. The Net Asset Value per Share of the Shares listed on the Irish Stock Exchange will, upon calculation, be notified immediately by the Administrator to the Irish Stock Exchange.

The Net Asset Value of any Class within a Fund will be determined by deducting that Class' pro rata share of the liabilities of the Fund of which that Class forms part from that Class' pro rata share of the assets of such Fund, in all cases calculated by the Administrator in a manner determined by the Directors with the approval of the Investment Manager, the US Investment Manager (or the Manager) and the Depositary.

The Articles provide that the Directors shall be entitled to value the Shares of each Fund using the amortised cost method of valuation whereby the Investments of such Fund are valued at their cost of acquisition adjusted for amortisation of premium or accretion of discount on the Investments rather than at the current market value of the Investments. The Directors intend to use the amortised cost method of valuation in respect of all Investments of each Sovereign Fund and each Liquidity Fund. This will be operated in accordance with the Central Bank's requirements.

It is not intended that the Shares of the Ultra Short Bond Funds be valued using the amortised cost method of valuation. The principal method of valuation for the investments of the Ultra Short Bond Funds which are quoted, listed or normally dealt in on a Regulated Market shall (save in specific cases) be the most recent market price on such Regulated Market as at the Valuation Point or, in the absence of market transactions, be based on the mid-price for such investment last available to the Directors prior to the Valuation Point.

## **Dealing on the Primary Market and on the Secondary Market**

Subscriptions for Shares and redemptions of Shares in the Funds can be made directly with the Company and further details of this are set out below under “Procedure for Dealing on the Primary Market”.

Application may be made for certain Shares of the Funds to be listed on Xetra. Accordingly the procedure relating to the purchase and sale of Shares on the Secondary Market via a broker/dealer is set out below under “Procedure for Dealing on the Secondary Market”.

### **Procedure for Dealing on the Primary Market**

#### **Subscriptions**

##### **Offer - General**

Applicants may apply for Shares on any Dealing Day. In the case of Non-Stable NAV Shares, the Subscription Price will be the Net Asset Value per Share on the relevant Dealing Day calculated on the terms and in accordance with the procedures described below. In the case of the Stable NAV Shares, it is expected that the Net Asset Value per Share for Shares in the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund will be €1, for Shares in the Institutional Sterling Government Liquidity Fund and the Institutional Sterling Liquidity Fund the Net Asset Value per Share will be £1, and for Shares in the Institutional US Treasury Fund and the Institutional US Dollar Liquidity Fund the Net Asset Value per Share will be US\$1.

##### **Initial Subscriptions**

Prior to an initial subscription for Shares in the Company being made, receipt and acceptance on behalf of the Company of an Account Opening Form in the form prescribed by the Directors must have taken place and all relevant supporting documentation in relation to money laundering verification requirements must have been received. Failure to provide the relevant documentation may result in the processing of an Account Opening Form or a dealing application, including a redemption request, being delayed. See further details under the heading “Anti-Money Laundering Provisions”.

##### **Initial Offer Period**

The Initial Offer Period in respect of the share classes set out in the section headed “Initial Offer Shares” below may be shortened or extended by the Directors and notified to the Central Bank (the “Initial Offer Period”).

Applications for Shares during the Initial Offer Period must be received (together with cleared funds) during the Initial Offer Period. All applicants applying for Shares during the Initial Offer Period must complete (or arrange to have completed under conditions approved by the Directors) an Account Opening Form. If an applicant is already a Shareholder in the Company, they will not be required to complete an Account Opening Form and may apply for Shares during the Initial Offer Period by fax, telephone or other means in accordance with the procedures set out under the heading “Subsequent Subscriptions” in the Prospectus.

##### **Initial Offer Price**

The Initial Offer Price (i.e. the price for Shares during the Initial Offer Period) will be as set out in the section headed “Initial Offer Shares” below. The Initial Offer Prices as set out below may be varied at any time in the sole discretion of the Manager prior to subscriptions being received, provided that any new Initial Offer Price will be notified to investors at the time of their initial application for Shares during the Initial Offer Period.

## Initial Offer Shares

Fund	Share Class	Initial Offer Period	Initial Offer Price
Institutional Euro Government Liquidity Fund	Admin I (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£1
Institutional Euro Government Liquidity Fund	Admin II (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Government Liquidity Fund	Admin III (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Government Liquidity Fund	Agency (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Government Liquidity Fund	Select (Acc) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Government Liquidity Fund	FA Class	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Sterling Government Liquidity Fund	Admin I (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£1
Institutional Sterling Government Liquidity Fund	Admin II (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£1
Institutional Sterling Government Liquidity Fund	Admin III (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£1
Institutional Sterling Government Liquidity Fund	G Accumulating Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£10,000
Institutional Sterling Government Liquidity Fund	G Distributing Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£1
Institutional Sterling Government Liquidity Fund	Select (Acc) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Government Liquidity Fund	FA Class	9.00 am (Irish time) on 1 February 2018	£1

Fund	Share Class	Initial Offer Period	Initial Offer Price
		and ending at 5.00 pm (Irish time) on 1 August 2018	
Institutional US Treasury Fund	G Accumulating Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	\$10,000
Institutional US Treasury Fund	G Distributing Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional US Treasury Fund	Admin I (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional US Treasury Fund	Admin II (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional US Treasury Fund	N Class	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional Euro Liquidity Fund	GI Accumulating Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€10,000
Institutional Euro Liquidity Fund	FA Class	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Assets Liquidity Fund	Select (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Assets Liquidity Fund	Admin I (Acc) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Assets Liquidity Fund	Admin I (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Assets Liquidity Fund	Admin II (Acc) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Assets Liquidity Fund	Admin II (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€1
Institutional Euro Assets Liquidity Fund	Admin III (Dis) Shares	9.00 am (Irish time) on 1 February 2018	€1

Fund	Share Class	Initial Offer Period	Initial Offer Price
		and ending at 5.00 pm (Irish time) on 1 August 2018	
Institutional Euro Assets Liquidity Fund	Admin IV (Acc) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Assets Liquidity Fund	Agency (Acc) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Sterling Liquidity Fund	FA Class	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£1
Institutional US Dollar Liquidity Fund	DAP Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional US Dollar Liquidity Fund	GT Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional US Dollar Liquidity Fund	GI Accumulating Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$10,000
Institutional US Dollar Liquidity Fund	N Class	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$1
Institutional Euro Ultra Short Bond Fund	Admin II Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Ultra Short Bond Fund	G Accumulating Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€10,000
Institutional Euro Ultra Short Bond Fund	Core (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Ultra Short Bond Fund	Admin I	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Ultra Short Bond Fund	Heritage (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Euro Ultra Short Bond Fund	Agency (Dis) Shares	9.00 am (Irish time) on 1 February 2018	€100

<b>Fund</b>	<b>Share Class</b>	<b>Initial Offer Period</b>	<b>Initial Offer Price</b>
		and ending at 5.00 pm (Irish time) on 1 August 2018	
Institutional Euro Ultra Short Bond Fund	Select (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	€100
Institutional Sterling Ultra Short Bond Fund	Core (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Ultra Short Bond Fund	G Accumulating Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£10,000
Institutional Sterling Ultra Short Bond Fund	Admin I	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Ultra Short Bond Fund	Admin II	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Ultra Short Bond Fund	Admin III	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Ultra Short Bond Fund	Heritage Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Ultra Short Bond Fund	Heritage (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional Sterling Ultra Short Bond Fund	Select (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	£100
Institutional US Dollar Ultra Short Bond Fund	Core (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$100
Institutional US Dollar Ultra Short Bond Fund	Admin I	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$100
Institutional US Dollar Ultra Short Bond Fund	Admin III Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	US\$100
Institutional US Dollar Ultra Short Bond Fund	G Accumulating Shares	9.00 am (Irish time) on 1 February 2018	US\$10,000



Fund	Share Class	Initial Offer Period	Initial Offer Price
		and ending at 5.00 pm (Irish time) on 1 August 2018	
Institutional US Dollar Ultra Short Bond Fund	Heritage (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	USD\$100
Institutional US Dollar Ultra Short Bond Fund	Select (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	USD\$100
Institutional US Dollar Ultra Short Bond Fund	Agency (Dis) Shares	9.00 am (Irish time) on 1 February 2018 and ending at 5.00 pm (Irish time) on 1 August 2018	USD\$100

### Subscriptions after the Initial Offer Period

Subscriptions after the Initial Offer Period are effected at the Net Asset Value per Share next determined after receipt of a dealing application. If a dealing application is received before the Cut-Off Time, Shares will be issued at the Net Asset Value per Share applicable on that Dealing Day. If a dealing application is received after the Cut-Off Time, Shares will be issued at the Net Asset Value per Share applicable on the next Dealing Day.

The Manager has determined that the interest benefit that may arise as a result of the early settlement of Share subscriptions and late clearance of redemption proceeds may be set off against any interest obligation that the Manager may incur as a result of its arrangements to protect the Company from losses from the late settlement of Share subscriptions. Any additional credit interest will be for the benefit of the Company. As a result, an investor will not be entitled to interest on subscription monies received in circumstances where its dealing application is held until a subsequent Dealing Day.

A Shareholder may effect a subscription by making a subscription request and sending it to the Administrator in original form or, if a Shareholder has so elected in the Account Opening Form, by facsimile, telephone or other means to the address, facsimile or telephone number, as the case may be, stated on the Account Opening Form. Subscriptions may also be effected by such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank.

### Subsequent Subscriptions

Subsequent subscriptions for Shares may be made by fax, telephone or by other means at the discretion of the applicant provided the proper authorisation has been provided by the applicant. Dealing forms are available from the Manager to effect such subscriptions by fax. Subsequent subscriptions may also be effected by such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank.

Subscription requests may specify either the number of Shares of the Fund to be subscribed for or the value of Shares to be subscribed for.

The Company and the Manager acting on behalf of the Company reserve the right to reject any application for Shares for any reason in whole or in part, in which event any subscription monies or any part thereof will be returned (without interest) to the applicant by transfer to the applicant's account specified in the Account Opening Form.

## Currency of Payment

Subscription monies are payable in the base currency of the relevant Fund. However, the Company may accept payment in such other currencies as the Manager may agree at the prevailing exchange rate quoted by the Company's bankers. The cost and risk of converting currency will be borne by the applicant.

## Timing of Payment

Payment in respect of the Share Classes of the Funds must be received by the cut-off times set out below or as determined by the Manager at its discretion.

### Euro Denominated Funds

Institutional Euro Government Liquidity  
Institutional Euro Liquidity Fund  
Institutional Euro Assets Liquidity Fund  
Institutional Euro Ultra Short Bond Fund

Share Class	Cut-off time
Distributing Shares	4.00 pm (Irish time) on the relevant Dealing day <sup>1</sup>
Non-Stable NAV Shares and G Shares	4.00 pm (Irish time) on the Business Day immediately succeeding the relevant Dealing Day

### Sterling Denominated Funds

Institutional Sterling Government Liquidity Fund  
Institutional Sterling Liquidity Fund  
Institutional Sterling Ultra Short Bond Fund

Share Class	Cut-off time
Distributing Shares	4.00 pm (Irish time) on the relevant Dealing day <sup>2</sup>
Non-Stable NAV Shares and G Shares	4.00 pm (Irish time) on the Business Day immediately succeeding the relevant Dealing Day
S (Acc) Shares	4.00 pm (Irish time) on the third Business Day immediately succeeding the relevant Dealing Day

### US Dollar Denominated Funds

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<sup>1</sup> Save for the Distributing Shares in the Institutional Euro Ultra Short Bond Fund which are 4.00 pm (Irish time) on the Business Day immediately succeeding the relevant Dealing Day

<sup>2</sup> Save for the Distributing Shares in the Institutional Sterling Ultra Short Bond Fund which are 4.00 pm (Irish time) on the Business Day immediately succeeding the relevant Dealing Day

Institutional US Treasury Fund  
Institutional US Dollar Liquidity Fund  
Institutional US Dollar Ultra Short Bond Fund

Share Class	Cut-off time
Distributing Shares	6.00 pm (New York time) on the relevant Dealing day
Non-Stable NAV Shares and G Shares	6.00 pm (New York time) on the Business Day immediately succeeding the relevant Dealing Day

### **Late/Non-Payment of Subscriptions**

If payment in cleared funds in respect of a subscription has not been received by such times, the applicant will be liable for the cost incurred as a result of late or non-payment. In general these will be the overdraft charges levied to the Company by the Depositary. The Manager will have the right to redeem all or part of the applicant's holding of Shares in the relevant Fund or any other Fund of the Company in order to meet such costs. Non-issue, or a delay in issuing, of a contract note (see "Registration and Confirmations" further below) does not affect an applicant's liability to pay subscription monies by the time specified.

### **Credit of dividends/income**

In respect of applications received by the relevant Cut-Off Time on a Dealing Day, Shares issued in respect of such applications will be credited as follows:

- (a) with dividends declared on that date in the case of the Stable NAV Shares of the Sovereign Funds and the Liquidity Funds;
- (b) with that day's allocation of income on the Business Day immediately following the relevant Dealing Day in the case of the Non-Stable NAV Shares of the Sovereign Funds and the Liquidity Funds;
- (c) with that day's allocation of income on the first Business Day following the relevant Dealing Day in the case of the Shares of the Ultra Short Bond Funds.

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

The Company retains the right to seek such evidence of identity from investors as the Directors deem appropriate to comply with the Company's obligations under anti-money laundering legislation. In the absence of satisfactory evidence of identity, the processing of any Account Opening Form or dealing application may be delayed or the Account Opening Form and/or dealing application may be rejected. The Company and the Administrator will not be responsible for any delay in the processing of or any failure to process an Account Opening Form or dealing application in such circumstances.

### **Fractions**

Subscription monies representing less than the Subscription Price for a Share will not be returned to the applicant. 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 be

calculated to such number of decimal places as the Directors may determine. Subscription monies representing less than the fraction of a Share so determined by the Directors will not be returned to a Shareholder, but will be retained for the benefit of the relevant Class within a Fund.

### **Registration and Confirmations**

All Shares will be registered in inscribed form and evidenced by entry on the Company's register of Shareholders. Certificates will not be issued, unless a Shareholder makes a specific request in writing. Investors will receive a contract note confirming receipt by the Company of a subscription request but this should not be construed by investors as confirmation of settlement of subscription monies.

Deal confirmations, setting out details of the Shares which have been allotted and confirming ownership, will be sent to applicants following processing of their dealing application.

### **Subscription Price**

The Subscription Price per Share of each Class shall be ascertained by:

- (a) determining the Net Asset Value of the Shares of each Class in the relevant Fund calculated as at the Valuation Point on the relevant Dealing Day;
- (b) dividing the amount calculated under (a) above by the number of Shares of such Class of the relevant Fund in issue at the relevant Valuation Point; and
- (c) adding thereto such amount as may be necessary to round the resulting amount to such number of decimal places, as the Directors deem appropriate, of the currency in which the Shares are designated.

The latest Subscription Prices for Shares of each Fund and Class will be available during normal business hours every Business Day at the offices of the Investment Manager and the Administrator. It is expected that the Subscription Price for the Stable NAV Shares will be €1 per Share in the case of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund, £1 per Share in the case of the Institutional Sterling Government Liquidity Fund and the Institutional Sterling Liquidity Fund and US\$1 per Share in the case of the Institutional US Treasury Fund and the Institutional US Dollar Liquidity Fund. There will be no preliminary charges payable. Where rounding takes place, it will be retained for the benefit of the relevant Class within a Fund.

### **Minimum Initial Subscriptions**

#### **Initial Subscriptions**

The minimum initial subscription amounts, which, except in the case of G Shares and S (Acc) Shares, an applicant may satisfy by aggregated subscriptions across all Classes and Funds, are set out in Appendix V. Such amounts may be waived from time to time by the Directors.

There is no minimum amount for holdings, redemptions or subsequent subscriptions.

#### **Subsequent Subscriptions/All Redemptions**

There is no minimum amount in respect of subsequent subscriptions and all redemptions.

#### **Minimum Holdings**

There is no required minimum holding.

## **Redemption of Shares**

### **How to Redeem**

Shareholders may redeem Shares of a Fund upon request on any Dealing Day at the Net Asset Value per Share next determined after receipt of the redemption request. If a redemption request is received prior to the relevant Cut-Off Time for the Fund on a Dealing Day, the redemption shall be effected on that Dealing Day. If a redemption request is received after the Cut-Off Time, it shall be treated as a request for redemption on the next Dealing Day. Shares will not receive or be credited with any dividend declared on or after the date on which they are redeemed. In the case of the Stable NAV Shares, it is expected that the Net Asset Value per Share for Shares in the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund will be €1, for Shares in the Institutional Sterling Government Liquidity Fund and the Institutional Sterling Liquidity Fund will be £1 and for Shares in the Institutional US Treasury Fund and the Institutional US Dollar Liquidity Fund will be US\$1.

A Shareholder may effect a redemption by making a redemption request and sending it to the Administrator in original form or, if a Shareholder has so elected in the Account Opening Form, by facsimile telephone or other means to the address, facsimile or telephone number, as the case may be, as stated on the Account Opening Form. Dealing forms are available from the Investment Manager to effect redemptions by fax. Redemptions may also be effected by such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank.

Redemption requests may specify either the number of Shares of the Fund to be redeemed or the value of Shares to be redeemed. Investors will receive a contract note confirming receipt by the Company of a redemption request but this should not be construed by investors as confirmation of settlement of redemption monies.

Under the terms of the Account Opening Form, each Shareholder may authorise the Manager to act on written, facsimile or telephonic instructions or such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank. Any subsequent change to the pre-established instruction(s) or account details for redemption payments on file with the Administrator must be received by the Administrator in original written form and duly signed by the Shareholder and the Administrator reserves the right to seek verification of the authority of any signatory.

None of the Company, the Manager, the Administrator and the Depositary (or any of their respective directors, officers, employees or agents) will be responsible or liable for the authenticity of redemption requests received by facsimile, in writing, by telephone or by such other means as the Manager may prescribe from time to time where such means are in accordance with the requirements of the Central Bank from any person representing himself or herself to be an authorised signatory and reasonably believed to be genuine.

The Company will be required to withhold Irish tax on redemption monies, at the applicable rate, unless it has received from the Shareholder a Relevant Declaration in the prescribed form, confirming that the Shareholder is not an Irish Resident and not an Irish Ordinary Resident in respect of whom it is necessary to deduct tax.

### **Payment of Redemption Proceeds and Dividends**

Redemption proceeds will normally be transmitted by telegraphic transfer (at the expense and risk of the Shareholder) to the bank account or accounts designated on the Shareholder's Account Opening Form on the Dealing Day the redemption is effected in respect of the Sovereign Funds and the Liquidity Funds except in the case of the following Stable NAV Shares: G Distributing Shares, G Distributing I

Shares, G Distributing II Shares, G Distributing III Shares, G Distributing IV Shares, DAP Shares and the Non-Stable NAV Shares, where redemption proceeds will be paid on the first Business Day after the Dealing Day and by close of business on the first Business Day after the relevant Dealing Day in respect of the Ultra Short Bond Funds or, as determined by the Manager at its absolute discretion. Redemption proceeds in respect of the S (Acc) Shares will be paid on the third Business Day after the relevant Dealing Day or as determined by the Manager at its absolute discretion.

Dividend payments (where a Shareholder has opted to receive such payments in cash) will normally be transmitted by telegraphic transfer to the bank account designated on the Shareholder's Account Opening Form on the Business Day applicable to the Class concerned as stated under the section headed "Dividend Policy" of this Prospectus.

After a telegraphic transfer has been initiated by or on behalf of the Company, none of the Company, the Manager, the Administrator and the Depositary assumes any further responsibility for the performance of intermediaries or the Shareholder's bank in the transfer process. If a problem with such performance arises, the Shareholder should deal directly with such intermediaries or bank.

A Shareholder may change the bank account designated in the Account Opening Form for payment of redemption proceeds and dividend payments by providing an original written request to the Administrator.

The Manager will impose procedures to change any information provided in the Account Opening Form. This may include requiring verification of the authority of any signatory. A redemption request will not be considered to have been received in proper form until such information and/or additional documentation in a form satisfactory to the Manager has been received by the Administrator on behalf of the Manager. Redemption requests shall be irrevocable, except with the agreement of the Manager.

### **Currency of Payment**

Redemption monies are payable in the base currency of the relevant Fund. However, the Company may, at the request of a Shareholder, make payment in such other currencies as the Manager may agree at the prevailing exchange rate quoted by the Company's bankers. The cost and risk of any currency conversion will be borne by the Shareholder.

### **Fractions**

Apart from circumstances in which a Shareholder is redeeming his entire holding of Shares in a Fund, fractions of Shares will be registered where any part of the redemption monies for Shares represents less than the Redemption Price for one Share, provided however that fractions shall be calculated to such number of decimal places as the Directors may determine. Redemption monies representing less than the fraction of a Share so determined by the Directors will not be returned to a Shareholder but will be retained for the benefit of the relevant Class within a Fund.

### **Compulsory Redemption**

The Directors shall have the right to redeem compulsorily any Share at the Redemption Price or to require the transfer of any Share to a Qualified Holder if in their opinion such Share is held (whether legally or beneficially) by a person other than a Qualified Holder or, in the case of the Agency Shares by a person who is not a Discretionary Investment Management Client or an employee of the BlackRock Group.

### **Reverse Distribution Mechanism - Redemption of Distributing Shares of the Sovereign Funds and Liquidity Funds**

Upon the provision of 14 days' notice to holders of Shares of the relevant Fund or Class (during which holders of Shares of the relevant Fund or Class may, free of charge, redeem their Shares or switch into an appropriate Class or Fund), the Directors may implement a Reverse Distribution Mechanism, details of

which are set out below in this section. At the date of this Prospectus, the Reverse Distribution Mechanism has been implemented in respect of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund.

Where the Directors determine in their sole discretion that a Class within the relevant Fund may not be able to maintain a stable Net Asset Value per Share due to the net yield (i.e. the yield net of all costs and expenses) attributable to that Class on a particular Dealing Day being negative, the Directors may, with respect to such Dealing Day, redeem from each Class such number of Shares or fractions thereof having a Net Asset Value which equals the amount required for that Class to maintain a stable Net Asset Value per Share. The Shares of each Shareholder within the relevant Class will be redeemed on a pro-rata basis. The redeemed Shares will be cancelled and the value attributable to those Shares will be retained by the relevant Class to offset the negative net yield attributable to that Class and enable the Net Asset Value per Share of the Class to remain stable. In such circumstances, the Net Asset Value per Share of the Class will remain stable, but the number of Shares held by each Shareholder will be reduced, reflecting a loss of capital to Shareholders.

The Reverse Distribution Mechanism will be operated in accordance with the provisions of the Articles and further details are set out under the heading “Statutory and General Information” below.

### **Redemption Price**

The Redemption Price per Share of each Class shall be ascertained by:

- (a) determining the Net Asset Value of the Shares of each Class in the relevant Fund calculated as at the Valuation Point on the relevant Dealing Day;
- (b) dividing the amount calculated under (a) above by the number of Shares of such Class of the relevant Fund then in issue at the relevant Valuation Point; and
- (c) deducting therefrom such amount as may be necessary to round the resulting sum to such number of decimal places, as the Directors deem appropriate, of the currency in which the Shares are designated. The latest Redemption Prices for Shares of each Fund and Class will be available during normal business hours at the office of the Investment Manager and Administrator. It is expected that the Redemption Price for the Stable NAV Shares will be €1 per share in the case of the Institutional Euro Government Liquidity Fund, the Institutional Euro Liquidity Fund and the Institutional Euro Assets Liquidity Fund, £1 per Share in the case of the Institutional Sterling Government Liquidity Fund and the Institutional Sterling Liquidity Fund and US\$1 per Share in the case of the Institutional US Treasury Fund and the Institutional US Dollar Liquidity Fund.

### **Operation of the Subscription and Redemption Collection Account/s**

The Company has established the Umbrella Cash Collection Account and, in respect of those Funds considered to be highly leveraged, the Fund Cash Collection Accounts. All subscriptions into and redemptions and distributions due from the Funds will be paid either into the Umbrella Cash Collection Account or the Fund Cash Collection Accounts. Monies in the Umbrella Cash Collection Account or the Fund Cash Collection Accounts, including early subscription monies received in respect of a Fund, do not qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers.

Pending issue of the Shares and / or payment of subscription proceeds to an account in the name of the relevant Fund, and pending payment of redemption proceeds or distributions, the relevant investor will be an unsecured creditor of the relevant Fund in respect of amounts paid by or due to it.

All subscriptions (including subscriptions received in advance of the issue of Shares) attributable to, and all redemptions, dividends or cash distributions payable from, a Fund will be channelled and managed through the Umbrella Cash Collection Account or Fund Cash Collection Accounts, as applicable. Subscriptions amounts paid into the Umbrella Cash Collection Account or Fund Cash Collection Accounts, as applicable, will be paid into an account in the name of the relevant Fund on the contractual settlement date. Where subscription monies are received in the Umbrella Cash Collection Account or the Fund Cash Collection Accounts, as applicable, without sufficient documentation to identify the investor or the relevant Fund, such monies shall be returned to the relevant investor within five (5) Business Days and as specified in the operating procedure in respect of the Umbrella Cash Collection Account or Fund Cash Collection Accounts.

Redemptions and distributions, including blocked redemptions or distributions, will be held in the Umbrella Cash Collection Account or Fund Cash Collection Accounts, as applicable, until payment due date (or such later date as blocked payments are permitted to be paid), and will then be paid to the relevant or redeeming Shareholder.

Failure to provide the necessary complete and accurate documentation in respect of subscriptions, redemptions or dividends, and / or to make payment into the Umbrella Cash Collection Account or the correct Fund Cash Collection Account, as appropriate, is at the investor's risk.

The Umbrella Cash Collection Account and Fund Cash Collection Accounts have been opened in the name of the Company and, in respect of those Funds considered to be highly leveraged, in the name of the Fund/s concerned. The Depositary will be responsible for safe-keeping and oversight of the monies in the Umbrella Cash Collection Account and the Fund Cash Collection Account, and for ensuring that relevant amounts in the Umbrella Cash Collection Account and the Fund Cash Collection Accounts are attributable to the appropriate Funds.

The Company and the Depositary have agreed an operating procedure in respect of the Umbrella Cash Collection Account which identifies the participating Funds of the Company, the procedures and protocols to be followed in order to transfer monies from the Umbrella Cash Collection Accounts, the daily reconciliation processes, and the procedures to be followed where there are shortfalls in respect of a Fund due to late payment of subscriptions, and / or transfers to a Fund of moneys attributable to another Fund due to timing differences.

### **Switching Between Funds**

Shareholders may switch between Funds and Classes of Shares except that only (unless otherwise agreed by the Manager) Discretionary Investment Management Clients and employees of the BlackRock Group will be permitted to hold Agency Shares and DS Agency Shares and no switching shall be permitted between the S Shares. Switching will be effected by way of a redemption (i.e. a sale) of Shares in one Fund or Class (the "Original Fund or Class") and a subscription (i.e. a purchase) for Shares in any other Fund or Class being offered at that time (the "New Fund or Class"). Shareholders will be able to apply to switch on any Dealing Day an amount equal in value to part or all of their holding of Shares in the Original Fund or Class. Unless the Directors otherwise determine, the amount to be converted must be at least equal to the initial Minimum Subscription (in the case of an initial purchase of a New Fund or Class). A Shareholder may effect a switch by making a dealing application and sending it to the Administrator in original form or, if a Shareholder has so elected in the Account Opening Form, by facsimile, telephone or other means to the address, facsimile or telephone number, as the case may be, stated on the Account Opening Form. Switching may also be effected by such other means as the Manager, with the consent of the Administrator, may prescribe from time to time where such means are in accordance with the requirements of the Central Bank. When switching between Funds or Classes with different base currencies, a Shareholder must also send an appropriate foreign exchange instruction to the Administrator.



No switching will be made during any period when the right of Shareholders to require the redemption of their Shares is suspended. The general provisions on procedures relating to redemption will apply equally to switching. Notice of switching must be received by the Cut-Off Time on a Dealing Day in both the Original Fund or Class and the New Fund(s) or Class(es) (if different) and be dealt with at the prices at the relevant Valuation Points on that Dealing Day or at such other date as may be approved by the Manager. Switching requests received after a Cut-Off Time will be held over until the next day which is a Dealing Day in both the relevant Funds or Classes. There will be no preliminary charges payable in respect of an issue of Shares in the New Fund in conjunction with a switching.

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

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

where:

- A = the number of Shares of the New Fund and/or, as the case be, Class to be allotted;
- B = the number of Shares to be switched;
- C = the Redemption Price per Share of the Shares to be switched on the relevant Dealing Day;
- D = the currency conversion factor determined by the Manager as representing the effective rate of exchange of settlement on the relevant Dealing Day applicable to the transfer of assets between the relevant Funds and/or Classes (where the base currencies of the relevant Funds are different) or where the base currencies of the relevant Funds are the same, D = 1; and
- E = the Subscription Price per Share of the New Fund and/or, as the case may be, Class on the relevant Dealing Day.

Where there is a switching of Shares, Shares of the New Fund and/or, as the case may be, Class will be allotted and issued in respect of and in proportion to the Shares of the Original Fund or, as the case may be, Class in the proportion A to B.

### **Subscriptions/Redemptions in Kind**

#### **Subscription in Kind**

The Company may issue Shares of any class of Fund in exchange for Investments transferred into the Fund provided that:

- (a) in the case of a person who is not an existing Shareholder no Shares shall be issued until the person concerned shall have completed and delivered to the Investment Manager an Account Opening Form and Dealing Form as required under this Prospectus (or otherwise) and satisfied all the requirements of the Directors and Manager as to such person's application;
- (b) the nature of the Investments transferred into the Fund are such as would qualify as Investments of such Fund in accordance with the investment objectives, policies and restrictions of such Fund;
- (c) no Shares shall be issued until the Investments shall have been vested in the Depositary or any sub-custodian to the Depositary's satisfaction and the Depositary shall be satisfied that the terms

of such settlement will not be such as are likely to result in any prejudice to the existing Shareholders of the Fund; and

- (d) the Manager is satisfied that the terms of any exchange would not be such as would be likely to result in any prejudice to remaining Shareholders and provided that any such exchange shall be effected upon the terms (including provision for paying any expenses of exchange and any preliminary charge as would have been payable for Shares issued for cash) that the number of Shares issued shall not exceed the number which would have been issued for cash against payment of a sum equal to the value of the Investments concerned calculated in accordance with the procedures for the valuation of the assets of the Company. Such sum may be increased by such amount as the Directors may consider represents an appropriate provision for Duties and Charges which would have been incurred by the Fund in the acquisition of the Investments by purchase for cash or decreased by such amount as the Directors may consider represents any Duties and Charges to be paid to the Fund as a result of the direct acquisition by the Fund of the Investments.

### **Redemption in Kind**

The Company may redeem Shares of any class of a Fund in kind provided that:

- (a) the Administrator is notified at least three days prior to the relevant Dealing Day (or such other period as the Manager may permit), a request for redemption is completed and delivered to the Investment Manager as required by this Prospectus and the redemption request otherwise satisfies all the requirements of the Directors and the Manager as to such request and the Shareholder seeking redemption of Shares, agrees to such course of action;
- (b) the Manager is satisfied that the terms of any exchange would not be such as would be likely to result in any prejudice to the remaining Shareholders, and with the agreement of a Shareholder seeking the realisation of Shares in any Fund, and elects that instead of the Shares being redeemed in cash, the redemption shall be satisfied in kind by the transfer to the Shareholder of Investments provided that the value thereof shall not exceed the amount which otherwise would have been payable on a cash redemption. Such value may be reduced by such amount as the Directors may consider represents any Duties and Charges to be paid to the Fund as a result of the direct disposition by the Fund of the Investments or increased by such amount as the Directors may consider represents any appropriate provision for Duties and Charges which would have been incurred by the Fund in the disposition of the Investments to be transferred. The shortfall (if any) between the value of the Investments transferred on a redemption in kind and the redemption proceeds which would have been payable on a cash redemption shall be satisfied in cash. Any decline in the value of the Investments to be transferred in settlement of a redemption between the relevant Dealing Day and the day on which Investments are delivered to the redeeming Shareholders shall be borne by the redeeming Shareholders; and

If the discretion conferred upon the Manager above is exercised, the Manager shall notify the Depositary and shall supply to the Depositary particulars of the Investments to be transferred and any amount of cash to be paid to the Shareholder. All stamp duties, transfer and registration fees in respect of such transfers shall be payable by the Shareholder.

### **Exchange of Information**

On 3 June 2003, the European Commission published a new directive (EC Directive 2003/48/EC) regarding the taxation of savings income (the "Savings Directive"). As a result, Member States are required to provide to the tax authorities of another Member State details of payments of interest (which may include distributions by collective investment funds) or other similar income paid by a person within its jurisdiction to an individual resident in that other Member State, subject to the right of certain Member States to opt instead for a withholding tax system in relation to such payments. Ireland has opted for exchange of information rather than a withholding tax system. Under the provisions of the

Savings Directive all Member States were required to implement the Savings Directive into their domestic laws by 1 January 2005, although the laws, regulations and administrative provisions necessary to comply with the Savings Directive have been adopted since 1 January 2004. The Savings Directive was implemented in Ireland in December 2003.

Accordingly, the Administrator or such other entity considered a “paying agent” for the purposes of the Savings Directive may be required to disclose details of payments of interest or other similar income to investors in the Fund to the Irish Revenue Commissioners. In that regard, the Depositary, Administrator or such other entity considered a “paying agent” will require proof of identity, residence and relevant tax documentation from individual investors. Failure to provide the above information may result in the refusal of an application for a subscription or a request for a redemption.

The European Union has adopted a Directive repealing the EU Savings Directive from 1 January 2016 (1 January 2017 in the case of Austria) (in each case subject to transitional arrangements).

### **Closure and Termination**

If at any time the aggregate Net Asset Value of the Company shall be less than US\$100,000,000 (or equivalent), the Company may, by notice to all holders of Shares given within 4 weeks of such time, redeem on the Dealing Day next following the expiry of the notice all (but not some) of the Shares not redeemed. Additionally the Directors may, at any time after the first anniversary of the first issue of Shares of the Company, redeem all the Shares of a particular Fund or Class, if the Net Asset Value of such Fund or Class is lower than US\$100,000,000 or US\$50,000,000 respectively (or equivalent in each case) for a period of thirty consecutive days. The Articles also permit the Directors to close any particular Fund or Class where they deem it appropriate because of changes in the economic or political situation affecting the Fund or Class but in such circumstances the Directors intend as a matter of policy to offer Shareholders a transfer (free of switching fees) into other Funds or Classes. Any such compulsory termination of a Fund or Class will require at least 30 days prior notice to holders of Shares of the relevant Fund or Class. As an alternative, but subject to prior approval of the Central Bank and of the Shareholders of the Fund or Class affected, the Directors may arrange for a Fund or Class to be merged with another Fund or Class of the Company or with another UCITS regulated by the Central Bank.

A Fund or Class may be closed in circumstances other than those mentioned above with the consent of a simple majority of the Shareholders present or represented at a meeting of Shareholders of that Fund or Class. Any merger determined on by the above provisions will be binding on all the holders of the Shares of the relevant Fund or Class. Where a Fund or Class is terminated the redemption price payable on termination will be calculated on a basis reflecting the realisation and liquidation costs on closing the Fund or Class, but with no other redemption charge.

The Directors have the power to suspend dealings in the Shares of any Fund where it is to be terminated in accordance with the above provisions. Such suspension may take effect at any time after the notice has been given by the Directors as mentioned above or, where the termination requires the approval of a meeting of Shareholders, after the passing of the relevant resolution. Where Shares of such Fund or Class are not suspended, the prices of Shares may be adjusted to reflect the anticipated realisation and liquidation costs mentioned above.

### **Transfer of Shares**

Shares are (save as hereinafter specified) fully transferable and may be transferred in writing in a form approved by the Directors. Prior to the registration of any transfer, transferees shall complete an Account Opening Form and provide such other documentation (e.g. as to identity) as may be required by the Directors. The Directors may decline to register any transfer of a Share where it appears in their opinion that such transfer would be likely to result in the legal or beneficial ownership of such Share by a person who is not a Qualified Holder.

The Company will be required to account for Irish tax on the value of the Shares transferred at the applicable rate unless it has received from the Shareholder a Relevant Declaration in the prescribed form, confirming that the Shareholder is not an Irish Resident and not an Irish Ordinary Resident in respect of whom it is necessary to deduct tax. The Company reserves the right to redeem such numbers of Shares held by a transferor as may be necessary to discharge the tax liability arising.

### **Suspension and Deferrals**

Valuations (and consequently issues, redemptions, transfers and switches) of Shares of any Fund or Class may be temporarily suspended in certain circumstances including:

- (a) the closure of or suspension or restriction of trading on any stock exchange or market on which a substantial proportion of the relevant Investments are quoted or traded;
- (b) conditions which in the opinion of the Directors make it impractical or inappropriate to dispose of Investments held in the Fund without seriously harming the Company or any class of its Shareholders;
- (c) if the means of communication normally used for the purpose of determining the price or value of Investments held by the Fund cannot be used or for some other reason the price or value of such Investments cannot be determined normally, quickly and correctly;
- (d) if any transfer of funds necessary for dealings in the relevant Investments cannot be made normally at normal exchange rates; or
- (e) if notice is given of a meeting at which a resolution is to be proposed to wind up the Company or where notice has been given or a resolution passed for the closure of a Fund as explained under the Section headed "Closure and Termination".

The beginning and end of any period of suspension (except one resulting from customary closing of stock exchanges for not more than three days) will be made known at the offices of the Investment Manager and the Administrator and announced in the *Financial Times* and such other media as the Manager shall from time to time determine. Such announcement will not be required where the suspension ends before the earliest practicable date for publishing the announcement. Notice will also be given to any Shareholder lodging a request for redemption or conversion of Shares. Where possible all reasonable steps will be taken to bring any period of suspension to an end as soon as possible. In addition, the Company will immediately notify the Central Bank, the Irish Stock Exchange, Xetra (if applicable), and (to the extent required by the law or practices of the country concerned) any other competent authority in a Member State or other country in which Shares are registered for marketing.

If total requests for redemption or switching on any Dealing Day for a Fund exceed 10% of the Net Asset Value of the relevant Fund, the Directors may in their discretion refuse to redeem or switch any Shares in excess of this 10%. Requests for redemption or conversion that remain to be satisfied by reason of the exercise of this power by the Directors shall be reduced rateably and the Shares to which each request relates which are not redeemed shall be redeemed on each subsequent Dealing Day and such requests shall be treated as if they were received on each subsequent Dealing Day until all the Shares of the Fund to which the original request related have been redeemed. For the avoidance of doubt, redemptions which are deferred to subsequent Dealing Days pursuant to this section will not be redeemed in priority to any other redemption requests on the same Dealing Day.

During a period of suspension or deferral a Shareholder may, with the consent of the Manager, withdraw his request, in respect of any transaction which is deferred or suspended, by notice in writing to the Manager. Such notice will only be effective if received before the transaction is effected.

## **PROCEDURE FOR DEALING ON THE SECONDARY MARKET**

Shares may be purchased or sold on the Secondary Market by investors through the relevant recognised stock exchange or electronic trading platform, as relevant, on which the Shares are admitted to trading. The purpose of the listing of Shares on the relevant recognised stock exchange is to enable investors to purchase and sell Shares on the Secondary Market, normally via a broker/dealer or intermediary in any quantity over a minimum of one Share.

All investors wishing to purchase or sell Shares of a Fund on the Secondary Market should place their orders via the relevant broker/dealer or intermediary. Investors who invest in a Fund through a broker/dealer or intermediary may not, from a clearing perspective, be recorded as a Shareholder on the register of Shareholders. Such investors will however have rights as a beneficial holder of the relevant Shares. Orders to purchase Shares in the Secondary Market through the relevant recognised stock exchange or electronic trading platform, as relevant, may incur brokerage and/or other costs which are not charged by the Company and over which the Company and Manager have no control. Such charges are publicly available on the relevant recognised stock exchange on which the Shares are listed or can be obtained from stock brokers. Shares may also be transferred in accordance with the rules of the relevant Recognised Clearing System or other clearing system. Persons dealing in Recognised Clearing Systems or other clearing system may be required to provide a representation that any transferee is not a Qualified Holder.

Investors may redeem their Shares through the relevant broker/dealer or intermediary by selling its Shares to the broker/dealer or intermediary.

The prices of any Shares traded on the Secondary Market will be determined by the market and prevailing economic conditions which may affect the value of the underlying assets. The market price of a Share listed or traded on a stock exchange may not reflect the Net Asset Value per Share of a Fund.

The Secondary Market dealing timetable depends upon the rules of the relevant recognised stock exchange upon which Shares are dealt. Please contact your professional advisor or broker for details of the relevant dealing timetable.

## **FEES AND EXPENSES**

### **General**

The Company may issue different Classes of Shares in respect of any Fund which may have different dividend entitlements and/or subscription and/or redemption charges and/or fee arrangements and/or minimum subscriptions and/or holding and/or redemption levels as specified in this Prospectus or any supplemental prospectus issued by the Company.

The Manager is entitled at its sole discretion and without recourse or cost to the Company to rebate all or part of its fees and charges and to pay commission to any investors (including discounts on charges to employees of the Manager and its affiliates) or its Principal Distributor or agents in respect of any subscriptions for, redemptions or holdings of Shares. The Principal Distributor may, in turn, at its sole discretion and without recourse or cost to the Company, rebate all or part of its fees and charges and pay commission to any investors (including discounts on charges to directors and employees of the Principal Distributor and its affiliates in the BlackRock Group), distributors, authorised intermediaries or agents in respect of any subscription for, redemption or holdings of Shares where permitted by applicable laws.

MiFID II introduces restrictions on the receipt and retention of fees, commissions, monetary and non-monetary benefits (“inducements”) where firms, regulated under MiFID II, provide clients with portfolio management services or independent investment advice. It also introduces obligations where firms provide clients with other services (such as execution services or restricted investment advice). In such cases, where a firm receives and retains an inducement, it must ensure that the receipt and retention of

the inducement is designed to enhance the quality of the relevant service to the client and is properly disclosed. Where authorised intermediaries or distributors are subject to MiFID II and receive and/or retain any inducements, they must ensure that they comply with all applicable legislation, including, those introduced by MiFID II.

### **Voluntary Cap**

The Manager has agreed with the Company to limit the Annual Expenses (as defined below) of each Class within a Fund to 1% per annum of the Net Asset Value of such Class or to such lesser amount as the Manager may agree for any Class within a Fund. The said 1% maximum charge may be increased only with the prior approval of Shareholders of the relevant Class. As of the date of this Prospectus, the Manager has agreed that the Annual Expenses of each Class within a Fund, will be capped as set out below (each such limit on Annual Expenses is hereinafter called a “Voluntary Cap”).

#### *Classes available for General Distribution*

- Classes with Annual Expenses capped at up to 0.70% per annum of the Net Asset Value of the Class: Admin IV Shares;
- Classes with Annual Expense capped at up to 0.45% per annum of the Net Asset Value of the Class: Admin III Shares;
- Classes with Annual Expenses capped at up to 0.30% per annum of the Net Asset Value of the Class: Admin II Shares;
- Classes with Annual Expenses capped at up to 0.25% per annum of the Net Asset Value of the Class: Admin I Shares;
- Classes with Annual Expenses capped at up to 0.20% per annum of the Net Asset Value of the Class: Core Shares;
- Classes with Annual Expenses capped at 0.15% per annum of the Net Asset Value of the Class: Select Shares;
- Classes with Annual Expenses capped at 0.125% per annum of the Net Asset Value of the Class: Heritage Shares;
- Classes with Annual Expenses capped at 0.10% per annum of the Net Asset Value of the Class: Premier Shares.

#### *Classes available through selected Distributors*

- Classes with Annual Expenses capped at up to 0.75% per annum of the Net Asset Value of the Class: GT Shares and DAP Shares;
- Classes with Annual Expenses capped at up to 0.25% per annum of the Net Asset Value of the Class: G Accumulating II Shares and G Distributing II Shares;
- Classes with Annual Expenses capped at up to 0.20% per annum of the Net Asset Value of the Class: G Accumulating Shares, G Distributing Shares, FA Class shares and N Class shares;

- Classes with Annual Expenses capped at 0.15% per annum of the Net Asset Value of the Class: G Distributing I Shares, Aon Captive Shares, GI Accumulating Shares, G Accumulating IV Shares and G Distributing IV Shares;
- Classes with Annual Expenses capped at 0.12% per annum of the Net Asset Value of the Class: G Distributing III Shares;
- Classes with Annual Expenses capped at 0.10% per annum of the Net Asset Value of the Class: S (Acc) Shares;
- Classes with Annual Expenses capped at 0.03% per annum of the Net Asset Value of the Class: Agency Shares.

This fee (together with VAT, if applicable) will accrue daily and be payable monthly in arrears. The Manager will be responsible for discharging from its fee the Annual Expenses of the Funds. Where actual fees and costs incurred exceed the amount paid to the Manager, the excess will be discharged by the Manager from its own assets.

As each Voluntary Cap has been agreed to by the Manager on a voluntary basis, the Manager may from time to time increase or decrease the Voluntary Cap in respect of any particular Class in any Fund by notice to the Company in which case the Company will notify the Shareholders of the Class in question (but will not increase it above 1% as aforesaid without approval of the Shareholders of the Class in question). Furthermore, a Voluntary Cap may not be increased above the relevant capped amount without 30 days prior written notice to the Shareholders of the Class in question.

For the purpose of this Section, “Annual Expenses” mean all fees, costs and expenses connected with the establishment, management and operation of the Company and its Funds including, but not limited to, the fees and expenses of the Manager, the Investment Manager (where relevant), the US Investment Manager, the Administrator, the Depositary and sub-custodians, the Principal Distributor and Distributors and all transfer and other fees and expenses incurred in relation to preparing, translating, printing and distributing the Prospectus and any supplements thereto, the annual and half-yearly reports and other documents to Shareholders, the costs and expenses of obtaining authorisations or registrations of any Fund with any regulatory authority in any jurisdiction, the costs and expenses of any rating agency, the costs and expenses of listing and maintaining a listing of the listed Shares on the Irish Stock Exchange, Xetra and any other stock exchange, professional fees and expenses, annual audit fees and Directors fees. It shall not, however, include any taxation (including stamp duty) to which the Company may be liable, commissions and brokerage fees incurred with respect to the Company’s Investments, interest on borrowings and bank and professional charges incurred in negotiating, effecting or varying the terms of such borrowings and any extraordinary or exceptional costs and expenses as may arise from time to time such as material litigation in relation to the Company or any Fund.

### **Directors’ Fees**

Those Directors who are not employees of the BlackRock Group shall be entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors which shall not exceed £50,000 for any Director in any one financial year. However, as indicated above, the Directors’ fees and expenses may be paid by the Manager from its fee.

### **Establishment Costs**

All fees and expenses relating to the establishment of the Company (including listing costs) and the fees of the advisers to the Company have been borne by the Company. All fees and expenses relating to the establishment of new funds are applied as Annual Expenses in accordance with the procedures outlined above. Such fees and expenses will be charged as between the Funds (and, at the discretion of

the Directors, subsequent Funds established by the Company) on such terms and in such manner as the Directors (with the consent of the Depositary) deem fair and equitable.

If the effect of this accounting treatment becomes material in the future the Directors will reconsider this policy.

### **Allocation of Expenses**

All Annual Expenses (to the extent not absorbed by the Manager), Duties and Charges and other relevant expenses will be charged to the Fund and Class within a Fund (as the case may be) in respect of which they were incurred or, where an expense is not considered by the Directors to be attributable to any one Fund, the expense will normally be allocated to all Funds pro rata to the Net Asset Value of the relevant Funds. In the case of any fees or expenses of a regular or recurring nature, such as audit fees, the Directors may calculate such fees and expenses on an estimated figure for yearly or other periods in advance and accrue the same in equal proportions over any period.

### **Preliminary Charge, Redemption and Switching Fees**

No preliminary charge is payable in respect of the Shares, nor are any redemption or switching fees payable. However, the Articles authorise the Directors to impose a redemption fee or, as the case may be, a switching fee of up to 1% of the Redemption Price of the Shares being redeemed or, as the case may be, switched. It is not currently intended to charge any such fees. The Directors will give 30 days' written notice to Shareholders of any intention to charge such fees.

### **Distributors' Compensation**

Distributors may receive a portion of the ongoing fees payable to the Manager by the Company (and/or of the ongoing fees payable to the Investment Manager by the Manager) or from the Manager's and/or Investment Manager's own resources in each case for (i) distribution activities; (ii) ongoing services to Shareholders and prospective Shareholders, such as responding to enquiries regarding net asset values of Shares of any Fund or Class and the activities of the Company and delivering reports and financial statements of the Company; and (iii) support services to their clients and customers in Fund omnibus accounts held by the Distributors, including, but not limited to, sub-administration services (including establishing and maintaining individual beneficial shareholder sub-accounts within Fund omnibus accounts), sub-accounting services (accounting for individual beneficial shareholder interests and transactions within Fund omnibus accounts); receiving, aggregating and transmitting orders of purchasing; redeeming and switching Shares; and other services. Such compensation may be paid for sales and/or servicing with respect to Shares of any Class. Payments to Distributors are subject to the Manager's receipt of the Annual Expenses from the Company.

## **ALLOCATION OF ASSETS AND LIABILITIES**

The Articles require the establishment of a separate Fund which has different classes of Shares to be in the following manner:

- (a) the records and accounts of each Fund shall be maintained separately in the base currency of the relevant Fund;
- (b) the liabilities of each Fund shall be attributable exclusively to that Fund;
- (c) the assets of each Fund shall belong exclusively to that Fund, shall be segregated in the records of the Depositary from the assets of other Funds, shall not be used to discharge directly or indirectly the liabilities of or claims against any other Fund;



- (d) the proceeds from the issue of each Class of Share shall be applied to the relevant Fund established for that Class of Share, and the assets and liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (e) where any asset is derived from another asset, the derived asset shall be applied to the same Fund as the assets from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;
- (f) in the case where an asset or a liability of the Company which cannot be considered as being attributable to a particular Fund, the Directors shall have discretion, subject to the Act and the approval of the Auditors to determine the basis upon which any asset shall be allocated between the Funds and the Directors shall have power at any time and from time to time subject as aforesaid to vary such basis provided that the approval of the Auditors shall not be required in any case where the asset is allocated between all Funds pro rata to their Net Asset Values.

## TAXATION

### General

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

The following summary of certain relevant taxation provisions is based on current law and practice and does not constitute legal or tax advice and is not exhaustive of all possible tax considerations. Prospective investors should consult their own professional advisers on the relevant taxation considerations applicable to the acquisition, holding and disposal of Shares and the receipt of distributions under the laws of their countries of citizenship, residence or domicile.

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

The Company (including each Fund) generally intends to conduct its affairs so that it will not be deemed to be engaged in trade or business in the United States and, therefore, the Company (and each Fund) generally expects that none of its income should be treated as “effectively connected” with a US trade or business. Certain categories of income, including dividends (and certain substitute dividends and other dividend equivalent payments) and certain types of interest income, derived by the Company from US sources and not effectively connected with a US trade or business will be subject to a US tax of thirty percent, which tax is generally withheld from such income. Certain other categories of income, generally including capital gains (including those derived from the use of derivative instruments) and interest on certain portfolio debt obligations (which may include US Government securities), original issue discount obligations having an original maturity of one hundred and eighty three days or less, and certificates of deposit will not be subject to this thirty percent tax. If, however, the Company (or any Fund) derives income which is effectively connected with a US trade or business, such income will be subject to US federal income tax at the graduated rates applicable to US domestic corporations, and the Company (or Fund) may also be subject to a branch profits tax, as well as state and local income taxes on such effectively connected income.

## **Irish Taxation**

*The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons. The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.*

*For the purpose of this Irish tax summary only, where the registered holder of Shares is not the absolute beneficial owner of those Shares, the term 'Shareholder' shall mean the person who is the absolute beneficial owner of such Shares (and not the registered holder of the Shares).*

### **Taxation of the Company**

The Company intends to conduct its affairs so that it is Irish tax resident. On the basis that the Company is Irish tax resident, the Company qualifies as an 'investment undertaking' for Irish tax purposes and, consequently, is exempt from Irish corporation tax on its income and gains.

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners in respect of Shares that are not held through a Recognised Clearing System where those Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms 'resident' and 'ordinarily resident' are set out at the end of this summary.

### **Taxation of Shareholders**

The taxation of a Shareholder will depend on whether the Shareholder's Shares are held in a Recognised Clearing System.

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

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares that are held in a Recognised Clearing System.

#### *(a) Taxation of Non-Irish Shareholders*

Shareholders who are not resident (or ordinarily resident) in Ireland for Irish tax purposes will have no liability to Irish income tax or capital gains tax in respect of Shares that are held in a Recognised Clearing System. However, if a Shareholder is a company which holds such Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax (on a self-assessment basis) in respect of such Shares.

#### *(b) Taxation of Irish Shareholders*

Shareholders who are resident (or ordinarily resident) in Ireland for Irish tax purposes will be obliged to account (on a self-assessment basis) for any Irish tax due arising on distributions, redemptions and disposals (including deemed disposals where Shares are held for eight years) in respect of the Shares that are held in a Recognised Clearing System. For Shareholders who are individuals, the applicable Irish tax rate is currently

41%. For Shareholders who are companies (other than dealers in securities), the applicable Irish tax rate is currently 25%.

*Shares not held in a Recognised Clearing System.*

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares that are not held in a Recognised Clearing System.

(a) *Taxation of Non-Irish Shareholders*

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder's Shares once the declaration set out in the Account Opening Form accompanying this Prospectus has been received by the Company confirming the Shareholder's non-resident status.

This declaration may be provided to the Company by an Intermediary who holds Shares on behalf of Shareholders who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary's knowledge, the Shareholders are not resident (or ordinarily resident) in Ireland. An explanation of the term 'Intermediary' is set out at the end of this summary.

If a declaration is not received by the Company in respect of certain Shares, the Company will deduct Irish tax in respect of those Shares as if the relevant Shareholder was a non-exempt Irish resident Shareholder (see below). The Company will also deduct Irish tax if the Company has information which reasonably suggests that a Shareholder's declaration is incorrect. A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company and holds the Shares through an Irish branch and in certain other limited circumstances. The Company must be informed if a Shareholder becomes Irish tax resident.

Generally, Shareholders who are not Irish tax resident will have no other Irish tax liability with respect to their Shares. However, if a Shareholder is a company which holds its Shares through an Irish branch or agency, the Shareholder may be liable to Irish corporation tax in respect of profits and gains arising in respect of the Shares (on a self-assessment basis).

Shareholders holding Shares through a clearing system other than through a Recognised Clearing System will require the relevant clearing system to provide such a declaration to the Company in its capacity as Intermediary. Provided the relevant clearing system furnishes such a declaration, the Company will not deduct any Irish tax in respect of Shares held in such clearing system (assuming that the Company has no information which reasonably suggests that the declaration is incorrect). To provide this declaration in its capacity as Intermediary, the relevant clearing system will need to confirm that all persons who are the absolute beneficial owners of Shares which the clearing system holds are not resident (or ordinarily resident) in Ireland. Such clearing system may therefore need all such Shareholders to confirm their non-Irish tax resident status from time to time. If this declaration is not provided to the Company by such clearing system, the Company will deduct Irish tax in respect of Shares held in the clearing system as if the relevant Shareholders were non-exempt Irish resident Shareholders (see below).

(b) *Taxation of exempt Irish shareholders*

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and falls within any of the categories listed in section 739D(6) of the Taxes Act, the Company will not deduct Irish tax in respect of the Shareholder's Shares once the declaration set out in the Account Opening Form accompanying this Prospectus has been received by the Company confirming the Shareholder's exempt status.

The categories listed in section 739D(6) of the Taxes Act can be summarised as follows:

1. Irish tax resident companies.
2. Pension schemes (within the meaning of section 774, section 784 or section 785 of the Taxes Act).
3. Companies carrying on life assurance business (within the meaning of section 706 of the Taxes Act).
4. Investment undertakings (within the meaning of section 739B of the Taxes Act).
5. Investment limited partnerships (within the meaning of section 739J of the Taxes Act).
6. Special investment schemes (within the meaning of section 737 of the Taxes Act).
7. Unauthorised unit trust schemes (to which section 731(5)(a) of the Taxes Act applies).
8. Charities (within the meaning of section 739D(6)(f)(i) of the Taxes Act).
9. Qualifying managing companies (within the meaning of section 734(1) of the Taxes Act).
10. Specified companies (within the meaning of section 734(1) of the Taxes Act).
11. Qualifying fund and savings managers (within the meaning of section 739D(6)(h) of the Taxes Act).
12. Personal Retirement Savings Account (PRSA) administrators (within the meaning of section 739D(6)(i) of the Taxes Act).
13. Irish credit unions (within the meaning of section 2 of the Credit Union Act 1997).
14. The National Asset Management Agency.
15. The National Treasury Management Agency or a Fund Investment Vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or Ireland acting through the National Treasury Management Agency.
16. Qualifying companies (within the meaning of section 110 of the Taxes Act).
17. Any other person resident in Ireland who is permitted (whether by legislation or by the express concession of the Irish Revenue Commissioners) to hold Shares in the Company without requiring the Company to deduct or account for Irish tax.

Irish resident Shareholders who claim exempt status will be obliged to account for any Irish tax due in respect of Shares on a self-assessment basis.

If this declaration is not received by the Company in respect of a Shareholder, the Company will deduct Irish tax in respect of the Shareholder's Shares as if the Shareholder was a non-exempt Irish resident Shareholder (see below). A Shareholder will generally have no entitlement to recover such Irish tax, unless the Shareholder is a company within the charge to Irish corporation tax and in certain other limited circumstances.

(c) *Taxation of Other Irish Shareholders*

Where a Shareholder is resident (or ordinarily resident) in Ireland for Irish tax purposes and is not an 'exempt' Shareholder (see above), the Company will deduct Irish tax on distributions, redemptions and transfers and, additionally, on 'eighth anniversary' events, as described below.

*Distributions by the Company*

If the Company pays a distribution to a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the distribution. The amount of Irish tax deducted will be:

1. 25% of the distribution, where the distributions are paid to a Shareholder who is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the distribution, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners.

Generally, a Shareholder will have no further Irish tax liability in respect of the distribution. However, if the Shareholder is a company for which the distribution is a trading receipt, the gross distribution (including the Irish tax deducted) will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

*Redemptions and Transfers of Shares*

If the Company redeems Shares held by a non-exempt Irish resident Shareholder, the Company will deduct Irish tax from the redemption payment made to the Shareholder. Similarly, if such an Irish resident Shareholder transfers (by sale or otherwise) an entitlement to Shares, the Company will account for Irish tax in respect of that transfer. The amount of Irish tax deducted or accounted for will be calculated by reference to the gain (if any) which has accrued to the Shareholder on the Shares being redeemed or transferred and will be equal to:

1. 25% of such gain, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the gain, in all other cases.

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate

or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

Generally, a Shareholder will have no further Irish tax liability in respect of the redemption or transfer. However, if the Shareholder is a company for which the redemption or transfer payment is a trading receipt, the gross payment (including the Irish tax deducted) less the cost of acquiring the Shares will form part of its taxable income for self-assessment purposes and the Shareholder may set off the deducted tax against its corporation tax liability.

If Shares are not denominated in euro, a Shareholder may be liable (on a self-assessment basis) to Irish capital gains taxation on any currency gain arising on the redemption or transfer of the Shares.

#### *Eighth Anniversary Events*

If a non-exempt Irish resident Shareholder does not dispose of Shares within eight years of acquiring them, the Shareholder will be deemed for Irish tax purposes to have disposed of the Shares on the eighth anniversary of their acquisition (and any subsequent eighth anniversary). On such deemed disposal, the Company will account for Irish tax in respect of the increase in value (if any) of those Shares over that eight year period. The amount of Irish tax accounted for will be equal to:

1. 25% of such increase in value, where the Shareholder is a company which has made the appropriate declaration for the 25% rate to apply; and
2. 41% of the increase in value, in all other cases.

The Company will pay this tax to the Irish Revenue Commissioners. To fund the Irish tax liability, the Company may appropriate or cancel Shares held by the Shareholder.

However, if less than 10% of the Shares (by value) in the relevant Fund are held by non-exempt Irish resident Shareholders, the Company may elect not to account for Irish tax on this deemed disposal. To claim this election, the Company must:

1. confirm to the Irish Revenue Commissioners, on an annual basis, that this 10% requirement is satisfied and provide the Irish Revenue Commissioners with details of any non-exempt Irish resident Shareholders (including the value of their Shares and their Irish tax reference numbers); and
2. notify any non-exempt Irish resident Shareholders that the Company is electing to claim this exemption.

If the exemption is claimed by the Company, any non-exempt Irish resident Shareholders must pay to the Irish Revenue Commissioners on a self-assessment basis the Irish tax which would otherwise have been payable by the Company on the eighth anniversary (and any subsequent eighth anniversary).

Any Irish tax paid in respect of the increase in value of Shares over the eight year period may be set off on a proportionate basis against any future Irish tax which would otherwise be payable in respect of those Shares and any excess may be recovered on an ultimate disposal of the Shares.

#### *Share Exchanges*

Where a Shareholder exchanges Shares on arm's length terms for other Shares in the Company or for Shares in another Fund of the Company and no payment is received by the Shareholder, the Company will not deduct Irish tax in respect of the exchange.

## **Other tax information for all Shareholders**

### *Stamp Duty*

No Irish stamp duty (or other Irish transfer tax) will apply to the issue, transfer or redemption of Shares. If a Shareholder receives a distribution in specie of assets from the Company, a charge to Irish stamp duty could potentially arise.

### *Gift and Inheritance Tax*

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident. The Shares could be treated as Irish situate assets because they have been issued by an Irish Company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

1. the Shares are comprised in the gift or inheritance both at the date of the gift or inheritance and at the 'valuation date' (as defined for Irish capital acquisitions tax purposes);
2. the person from whom the gift or inheritance is taken is neither domiciled nor ordinarily resident in Ireland at the date of the disposition; and
3. the person taking the gift or inheritance is neither domiciled nor ordinarily resident in Ireland at the date of the gift or inheritance.

## **Reporting of Information under the Savings Directive**

Ireland has transposed the EU Directive on the taxation of savings income in the form of interest payments (Directive 2003/48/EC) into Irish law. In certain circumstances, the Company (or an Irish paying agent) may be obliged to report information to the Irish Revenue Commissioners relating to Shareholders who are individuals resident in the EU (other than in Ireland) or in certain other territories. A reporting obligation may also arise with respect to Shareholders established in these jurisdictions who are not legal persons, persons subject to corporate taxation or UCITS. Any information reported to the Irish Revenue Commissioners would be communicated to the authorities in the jurisdiction of residence (or establishment) of the relevant Shareholders. However, no reporting obligation should arise in Ireland once (broadly) the Company, or the relevant sub-fund of the Company, invests less than 15% of its total assets (directly or indirectly) in debt claims or other specified assets.

The European Union has adopted a Directive repealing the EU Savings Directive from 1 January 2016 (1 January 2017 in the case of Austria) (in each case subject to transitional arrangements).

## **Meaning of Terms**

### *Meaning of 'Residence' for Companies*

A company which has its central management and control in Ireland is tax resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which was incorporated in Ireland on or after 1 January 2015 is tax resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

A company which does not have its central management and control in Ireland but which was incorporated before 1 January 2015 in Ireland is resident in Ireland except where:

1. the company (or a related company) carries on a trade in Ireland and either the company is ultimately controlled by persons resident in EU member states or countries with which Ireland has a double tax treaty, or the company (or a related company) are quoted companies on a recognised stock exchange in the EU or in a tax treaty country; or
2. the company is regarded as not resident in Ireland under a double tax treaty between Ireland and another country.

Finally, a company that was incorporated in Ireland before 1 January 2015 will also be regarded as resident in Ireland if the company is (i) managed and controlled in a territory with which a double taxation agreement with Ireland is in force (a 'relevant territory'), and such management and control would have been sufficient, if exercised in Ireland, to make the company Irish tax resident; and (ii) the company would have been tax resident in that relevant territory under its laws had it been incorporated there; and (iii) the company would not otherwise be regarded by virtue of the law of any territory as resident in that territory for the purposes of tax.

#### *Meaning of 'Residence' for Individuals*

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

1. spends 183 days or more in Ireland in that calendar year; or
2. has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that calendar year together with the number of days spent in Ireland in the preceding year. Presence in Ireland by an individual of not more than 30 days in a calendar year will not be reckoned for the purposes of applying this 'two year' test.

An individual is treated as present in Ireland for a day if that individual is personally present in Ireland at any time during that day.

#### *Meaning of 'Ordinary Residence' for Individuals*

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 the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2018 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2021.

#### *Meaning of 'Intermediary'*

An 'intermediary' means a person who:

1. carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking resident in Ireland on behalf of other persons; or
2. holds units in such an investment undertaking on behalf of other persons.



## **United Kingdom Taxation**

### **General**

The following summary is based on United Kingdom tax law and practice as it is understood to be applied at the date of this document and is applicable to the Company and to persons holding Shares as an investment. If prospective investors are in any doubt whatsoever as to their taxation position or whether or not they may be subject to tax in a jurisdiction other than the United Kingdom they should consult their own professional adviser.

### **The Company**

The Directors intend to conduct the affairs of the Company so as to minimise, as far as possible, the liability of the Company to United Kingdom taxation. In particular, the Directors intend to manage and conduct the affairs of the Company so that it does not become resident in the United Kingdom for United Kingdom taxation purposes. On that basis, the Company will not, except as mentioned below, be assessable for tax in the United Kingdom.

Income received by the Company which has a UK source may be subject to deduction of tax at source in the UK.

As far as possible, the Directors of the Company intend to conduct the affairs of the Company so that it is investing rather than trading for the purposes of United Kingdom taxation. In the event that the Company is to be considered to be carrying on trading activities in the United Kingdom via a branch or agency, the profits from these activities may, in some circumstances, be liable for United Kingdom tax. However, under Section 835 of the Income Tax Act 2007 (UK), the Investment Manager as agent of the Company will not be liable for United Kingdom taxation provided that the Company and the Investment Manager meet certain conditions. As far as possible, the Directors of the Company and the Directors of the Investment Manager intend to conduct the affairs of the Company and of the Investment Manager so that those conditions are satisfied.

It is the intention of the Company that all assets held by the Funds will be held for investment purposes and not for the purposes of trading. Furthermore, it is considered that the majority of investments held by the Funds should meet the definition of an “investment transaction” as defined by The Offshore Funds (Tax) Regulations 2009 (“the regulations”) which came into force on 1 December 2009. Therefore, it is considered that the likelihood of HM Revenue & Customs (“HMRC”) successfully arguing that the Funds are trading is minimal. This assumption is on the basis that the Company meets firstly the “equivalence condition” and secondly the “genuine diversity of ownership” condition as outlined in the regulations. On the basis that the Company is a UCITS fund, the first condition should be met. Shares in each of the Funds shall be widely available. The intended category of investors for the Funds is primarily institutional investors. Shares in the Funds shall be marketed and made available sufficiently widely to reach the intended category of investor, and in a manner appropriate to attract this category of investor. On this basis, the second condition should also be met.

#### *UK Distributor Status Regime – years to 30 September 2010*

Shares in the Company will constitute interests in an “offshore fund” for UK tax purposes, as outlined in the Offshore Funds (Tax) Regulations 2009 (“the regulations”). The Directors successfully sought certification as “distributing funds” for certain Share Classes as set out below for the years to 30 September 2010. Shareholders investing in the Share Classes referred to below who are UK taxpayers (i.e. resident or ordinarily resident in the UK for tax purposes) will (unless regarded as trading in securities) have any gain realised upon disposal or conversion of Shares treated as a capital gain which will be subject to UK capital gains tax. For Shareholders in Share Classes that did not apply for such certification, any gain arising on disposal of Shares will normally be taxed as an offshore income gain under the regulations.

All Distributing Share Classes of the Institutional Euro Government Liquidity Fund, the Institutional Sterling Government Liquidity Fund, the Institutional Euro Liquidity Fund, the Institutional Sterling Liquidity Fund, the Institutional US Dollar Liquidity Fund, the Institutional Euro Ultra Short Bond Fund and the Institutional Sterling Ultra Short Bond Fund applied for certification as “distributing funds”.

*UK Reporting Fund regime – years commencing 1 October 2010*

In November 2009, the UK Government enacted The Offshore Funds (Tax) Regulations 2009 which provides for a framework for the taxation of investments in offshore funds, to replace the UK Distributor Status regime, which would operate by reference to whether a fund opts into a reporting regime (“Reporting Funds”) or not (“Non-reporting Funds”). Under the regime, investors in Reporting Funds will be subject to tax on the share of the Reporting Fund’s income attributable to their holding in the fund, whether or not distributed, but any gains on disposal of their holding should be subject to capital gains tax. HMRC are able to approve a fund (or class of shares in a fund) in advance as a Reporting Fund. Investors in Non-Reporting Funds would not be subject to tax on income retained by the Non Reporting Fund but any gains on disposal of their holding would be subject to tax as offshore income gains. The regime came into force for the Company with effect from 1 October 2010.

All those share classes that previously applied for UK Distributor Status for the year ending 30 September 2010 opted into the Reporting Funds regime with effect from 1 October 2010 (although where the Share Classes in question meet the definition of a “constant NAV fund” as outlined in the regulations, these Share Classes have opted into the simplified reporting process available to them under the regulations).

A list of the Funds which currently have Reporting Fund status is available at <https://www.gov.uk/government/publications/offshore-funds-list-of-reporting-funds>.

In the case of individuals domiciled for UK tax purposes outside the UK, the tax implications in relation to any gain on disposal will depend on whether or not the individual is subject to the remittance basis of taxation. Please note that the changes made in the UK Finance Bill 2008 and changes proposed in the UK Finance Bill 2017 relating to the UK taxation of non-domiciled, UK resident individuals are complex therefore investors subject to the remittance basis of taxation should seek their own professional advice.

In accordance with Regulation 90 of the Offshore Funds (Tax) Regulations 2009, shareholder reports shall be made available within six months of the end of the reporting period at <https://www.blackrock.com/cash/en-gb/regulatory-documents/reporting-fund-status-t4>. The intention of the Offshore Fund Reporting regulations is that reportable income data shall principally be made available on a website accessible to UK investors. Alternatively, the shareholder may if they so require, request a hard copy of the reporting fund data for any given year. Such requests must be made in writing to the following address:

Head of Product Tax, BlackRock Investment Management (UK) Limited, 12 Throgmorton Avenue, London, EC2N 2DL.

Each such request must be received within three months of the end of the reporting period. Unless the fund manager is notified to the contrary in the manner described above, it is understood that investors do not require their report to be made available other than by accessing the appropriate website.

**Foreign Account Tax Compliance Act (‘FATCA’)**

The US-Ireland Agreement to Improve International Tax Compliance and to Implement FATCA (the “**US-Ireland IGA**”) was entered into with the intention of enabling the Irish implementation of the Foreign Account Tax Compliance Act provisions of the U.S. Hiring Incentives to Restore Employment Act (“**FATCA**”), which impose a reporting regime and potentially a 30% withholding tax on certain payments made from (or attributable to) US sources or in respect of US assets to certain categories of recipient including a non-US financial institution (a “foreign financial institution” or “**FFI**”) that does

not comply with the terms of FATCA and is not otherwise exempt. Certain financial institutions (“reporting financial institutions”) are required to provide certain information about their US accountholders to the Irish Revenue Commissioners (which information will in turn be provided to the US tax authority) pursuant to the US-Ireland IGA. It is expected that the Company will constitute a reporting financial institution for these purposes. Accordingly, the Company is required to provide certain information about its US Shareholders (in respect of Fund Shares not listed on the Irish Stock Exchange) to the Irish Revenue Commissioners (which information will in turn be provided to the US tax authorities) and is also required to register with the US Internal Revenue Service. It is the intention of the Company and the Manager to procure that the Company is treated as complying with the terms of FATCA by complying with the terms of the reporting system contemplated by the US-Ireland IGA. No assurance can, however, be provided that the Company will be able to comply with FATCA and, in the event that it is not able to do so, a 30% withholding tax may be imposed on payments it receives from (or which are attributable to) US sources or in respect of US assets, which may reduce the amounts available to it to make payments to its Shareholders.

A number of jurisdictions have entered into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the Organisation for Economic Co-operation and Development (OECD). This will require the Company to provide certain information to the Irish Revenue Commissioners about Shareholders from the jurisdictions which are party to such arrangements (which information will in turn be provided to the relevant tax authorities).

In light of the above, Shareholders in the Company will be required to provide certain information to the Company to comply with the terms of the reporting systems.

## **Investors**

It is likely that more than 60% by value of the assets of the Company will be qualifying investments (broadly defined as those which yield a return directly or indirectly in the form of interest) for the purposes of Chapter 3 Part 6 Corporation Tax Act 2009. Consequently, any Shares held by a UK corporate shareholder (including UK life assurance companies) will normally be taxed as a creditor relationship under the loan relationship rules.

Broadly speaking, the loan relationship rules state that a UK corporate shareholder will be taxed on the increase in value on a mark to market basis (rather than on a disposal) or will obtain tax relief on any equivalent decrease in value of its Shares in the Company.

Where shareholdings in the Company are not treated as a right under a creditor relationship under the provisions of the Chapter 3 Part 6 Corporation Tax Act 2009, special rules exist for investors who are life assurance companies. Such investors should seek their own professional advice in this case.

The attention of individuals resident in the UK for UK taxation purposes is drawn to the provisions of Chapter 2 of Part 13 of the Income Tax Act 2007. These provisions are aimed at preventing the avoidance of income tax by individuals through transactions resulting in the transfer of assets or income to persons resident or domiciled abroad and may render such individuals liable to income tax in respect of undistributed income or profits of the Company on an annual basis.

On 22 April 2009, the Government announced that distributions from offshore bond funds would be subject to income in the hands of UK individual investors at their applicable tax rate. The announcement was effective from 22 April 2009.

Corporate Shareholders resident in the UK for taxation purposes should note that the “controlled foreign companies” legislation contained in Part 9A of TIOPA 2010 could apply to any UK resident company which is, either alone or together with persons connected or associated with it for taxation purposes, deemed to be interested in 25 per cent or more of any chargeable profits of a non-UK resident company,

where that non-UK resident company is controlled by residents of the UK and meets certain other criteria (broadly that it is resident in a low tax jurisdiction). “Control” is defined in Chapter 18, Part 9A of TIOPA 2010. A non-UK resident company is controlled by persons (whether companies, individuals or others) who are resident in the UK for taxation purposes or is controlled by two persons taken together, one of whom is resident in the UK for tax purposes and has at least 40 per cent of the interests, rights and powers by which those persons control the non-UK resident company, and the other of whom has at least 40 per cent and not more than 55 per cent of such interests, rights and powers. The effect of these provisions could be to render such Shareholders liable to UK corporation tax in respect of the income of the Company.

The attention of persons resident in the UK (and who, if they are individuals, are domiciled in the UK) is drawn to the provisions of Section 13 of the Taxation of Chargeable Gains Act 1992, which could apply to certain Shareholders (generally any person who, along with connected parties, holds 25% or more of the shares in the relevant company) if the Company is controlled in such a manner as to render it a company that would, were it to be resident in the UK, be a “close” company for UK taxation purposes. These provisions could, if applied, result in such a person being treated for the purpose of UK taxation of chargeable gains as if part of any gain accruing to the Company (such as on the disposal of any of its investments) that constitutes a chargeable gain for those purposes had accrued to that person directly; that part being equal to the proportion of the assets of the Company to which that person would be entitled on the liquidation of the Company at a time when a chargeable gain accrued to the Company.

### **Switches and Redemptions**

#### ***(i) Between different Funds in the Company***

Any gains arising from the disposal of Shares through redemptions or switches between Funds will be regarded as a disposal for UK tax purposes and may be subject to UK capital gains tax or UK income tax in the hands of a UK tax payer, as described above.

#### ***(ii) Between Share Classes in the same Fund***

Any gains arising from the disposal of Shares through switches between Share Classes in the same Fund will be regarded as a disposal for UK tax purposes only where, of the two Share Classes involved in the switch, one was a Share Class that obtained distributor status/reporting fund status and the other was a Share Class that did not, and may be subject to UK capital gains tax or UK income tax in the hands of a UK tax payer, as described above.

Redemption proceeds are paid gross.

## STATUTORY AND GENERAL INFORMATION

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

- (a) The Company was incorporated in Ireland on 9 December 1998 as an investment company with variable capital with limited liability under registration number 298213, under the name “Merrill Lynch Mercury Institutional Liquidity Funds Public Limited Company” and under Certificate of Incorporation upon Change of Name dated 9 November 2005 is known as “Institutional Cash Series plc”.
- (b) The registered office of the Company is at JP Morgan House, International Financial Services Centre, Dublin 1, Ireland.
- (c) The authorised share capital of the Company is £40,000 divided into 40,000 Subscriber Shares of a par value of £1 each and 500,000,000,000 shares of no par value initially designated as unclassified shares.

In order to provide for the minimum share capital on incorporation required under Irish law, the Manager subscribed for 29,993 Subscriber Shares for cash at par fully paid up and a further seven Subscriber Shares were issued fully paid up for cash at par to nominees of the Manager.

29,997 of the Subscriber Shares referred to above were repurchased on or about 15 September 1999 at a repurchase price of £1 per Subscriber Share. No further Subscriber Shares will be issued.

- (d) No capital of the Company is under option or agreed conditionally or unconditionally to be put under option.
- (e) Neither the Subscriber Shares nor the unclassified shares carry pre-emption rights.

### 2. Rights to Dividends and on a Winding-Up

The holders of Subscriber Shares shall not be entitled to any dividend whatsoever in respect of their holding of Subscriber Shares; the holders of Shares shall be entitled to such dividends as the Directors may from time to time declare. In the event of a winding-up or dissolution of the Company, holders of Subscriber Shares and Shares shall have the respective entitlements referred to in the “Distribution of assets on a liquidation” sub-section below.

### 3. Voting Rights

Holders of Subscriber Shares and Shares shall each, on a vote taken on a show of hands, be entitled to one vote per holder and, on a poll, be entitled to one vote per Subscriber Share or Shares, as applicable.

Subject to any special terms as to voting upon which any shares may be issued or may for the time being be held, at any general meeting on a show of hands every holder of shares who (being an individual) is present in person or (being a corporation) is present by duly authorised representative shall have one vote. On a poll every such holder present as aforesaid or by proxy shall have one vote for every share held.

To be passed, ordinary resolutions of the Company in general meeting will require a simple majority of the votes cast by the shareholders voting in person or by proxy at the meeting at which the resolution is proposed.

A majority of not less than 75% of the shareholders present in person or by proxy and (being entitled to vote) voting in general meetings is required in order to pass a Special Resolution including a resolution to (i) rescind, alter or amend an Article or make a new Article and (ii) wind up the Company.

#### **4. Memorandum of Association**

The Memorandum of Association of the Company provides that the sole object for which the Company is established is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 45 of the Regulations, as same may be amended, of capital raised from the public and which operates on the principle of risk spreading in accordance with the Regulations. The object of the Company is set out in full at Clause 3 of the Memorandum of Association which is available for inspection at the registered office of the Company.

#### **5. Articles of Association**

The following Section is a summary of the principal provisions of the Articles of Association of the Company not previously summarised in this Prospectus.

##### **Alteration of share capital**

The Company may from time to time by ordinary resolution increase its share capital, consolidate and divide its shares or any of them into shares of a larger amount, sub-divide its shares or any of them into shares of a smaller amount, or cancel any shares not taken or agreed to be taken by any person. The Company may also by special resolution from time to time reduce its share capital in any way permitted by law.

##### **Issues of shares**

The Shares shall be at the disposal of the Directors and they may (subject to the provisions of the Companies Act 2014) (the “Act”) allot, offer or otherwise deal with or dispose of them to such persons, at such times and on such terms as they may consider in the best interests of the Company. All new Shares of any Class within a Fund will rank *pari passu* with existing Shares of the same Class in the same Fund.

##### **Variation of rights**

Whenever the share capital is divided into different classes of shares, the rights of any class may be varied or abrogated with the consent in writing of the holders of three-quarters of the issued and outstanding shares of that class, or with the sanction of a Special Resolution passed at a separate general meeting of the holders of that class of shares and the necessary quorum shall be (other than at an adjourned meeting) two persons holding shares issued in that class (and at the adjourned meeting the necessary quorum shall be one person holding shares of that class or his proxy).

The special rights attaching to any shares of any class shall not (unless the conditions of issue of such class of shares expressly provide otherwise) be deemed to be varied by the creation or issue of other shares ranking *pari passu* therewith.

##### **Transfers of Shares**

- (a) All transfers of shares shall be effected by an instrument in writing in a form approved by the Directors but need not be under seal. No transfer of Subscriber Shares may be effected without the prior written consent of the Company.

- (b) The instrument of transfer of a share must be signed by or on behalf of the transferor. The transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the Company's register of shareholders in respect of such share.
- (c) The Directors may decline to register a transfer of shares unless the instrument of transfer is deposited at the registered office of the Company together with such evidence as is required by the Directors to show the right of the transferor to make the transfer and satisfying the Directors as to their requirements to prevent money laundering as they may apply from time to time. The registration of transfers may be suspended for such times and at such periods as the Directors may determine provided always that such registration may not be suspended for more than thirty days in any one year.
- (d) The Directors may decline to register any transfer of a Share:
  - (i) where they are aware or believe that such transfer would be likely to result in the legal or beneficial ownership of such Shares by a person who is not a Qualified Holder; or
  - (ii) unless the instrument of transfer relates to shares of one Fund and Class only.

### **Directors**

- (a) Unless and until otherwise determined from time to time by the Company in general meeting, each Director shall be entitled to such remuneration for his services as the Directors shall from time to time resolve. The Directors may also be paid, inter alia, for travelling, hotel and other expenses properly incurred by them in attending meetings of the Directors or in connection with the business of the Company. Any Director who devotes special attention to the business of the Company may be paid such extra remuneration as the Directors may determine.
- (b) A Director may hold any other office or place of profit under the Company (other than the office of auditor) in conjunction with his office of Director, and may act in a professional capacity to the Company on such terms as the Directors may determine.
- (c) Subject to the provisions of the Act and, provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
  - (i) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or any subsidiary or associated company thereof;
  - (ii) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company thereof is otherwise interested; and
  - (iii) shall not be accountable, by reason of his office, to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- (d) A Director shall not generally be permitted to vote at a meeting of the Directors or a committee of Directors on any resolution concerning a matter in which he has, directly or indirectly, an interest which is material or a duty which conflicts or may conflict with the interests of the Company. A Director shall not be counted in the quorum present at a meeting in relation to any such resolution on which he is not entitled to vote. Notwithstanding the

foregoing, a Director shall be entitled to vote (and be counted in the quorum) in respect of resolutions concerning certain matters in which he has an interest including (inter alia) any proposal concerning any other company in which he is interested, directly or indirectly, provided that he is not the holder of or beneficially interested in 10% or more of the issued shares of any class of such company or of the voting rights available to members of such company (or of a third company through which his interest is derived).

- (e) There is no provision in the Articles requiring a Director to retire by rotation or by reason of any age limit and no share qualification for Directors.
- (f) The number of Directors shall not be less than two (2).
- (g) The quorum for meetings of Directors may be fixed by the Directors and unless so fixed shall be two (2).
- (h) The office of a Director shall be vacated in any of the following circumstances i.e. if:
  - (i) he ceases to be a Director by virtue of any provisions of the Act or becomes prohibited by law from being a Director;
  - (ii) he becomes a bankrupt or makes any arrangement or composition with his creditors generally;
  - (iii) he is notified in writing signed by all of his fellow Directors that he is no longer a Director;
  - (iv) he resigns from his office by notice to the Company;
  - (v) he is convicted of an indictable offence and the Directors determine that as a result of such conviction he should cease to be a Director;
  - (vi) he shall for more than six (6) consecutive months have been absent without permission of the Directors from any meetings of the Directors held during that period and the Directors pass a resolution that he has by reason of such absence vacated office.

The Company may also, as a separate power, in accordance with and subject to the provisions of the Act, by ordinary resolution of the shareholders, remove any Director (including any managing director or other executive director) before the expiry of his period of office notwithstanding anything to the contrary contained in the Articles or in any agreement between the Company and any such Director.

### **Borrowing powers**

The Directors may exercise all borrowing powers on behalf of the Company and mortgage or charge its undertaking, property and assets or any part thereof and to issue debentures, debenture stock or other securities whether outright or as collateral security for any debts or obligations only in accordance with the provisions of the Regulations.

### **Dividends**

No dividends are payable on the Subscriber Shares.

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends on a class or classes of Shares, but no dividends shall exceed the amount recommended by the



Directors. If the Directors so resolve and in any event on the winding up of the Company or on the total redemption of Shares, any dividend which has remained unclaimed for six (6) years shall be forfeited.

#### **Distribution of assets on a liquidation**

- (a) If the Company shall be wound up the liquidator shall apply the assets of the Company in such manner and as he thinks fit in satisfaction of creditors' claims. The liquidator shall in relation to the assets available for distribution among the members make in the books of the Company such transfers thereof to and from Funds as may be necessary to ensure that the effective burden of such creditors' claims may be shared between the holders of shares of different classes in such proportions as the liquidator in his discretion may deem equitable having regard to the provisions under the heading "Allocation of Assets and Liabilities" above.
- (b) The assets available for distribution among the members shall then be applied in the following priority:
  - (i) firstly, in the payment to the holders of the Shares of each class of each Fund of a sum in the currency in which that class is designated or in any other currency selected by the liquidator as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such class held by such holders respectively as at the date of commencement to wind up provided that there are sufficient assets available in the relevant Fund to enable such payment to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made recourse shall be had:
    - A. first, to the assets of the Company not comprised within any of the Funds; and
    - B. second, to the assets remaining in the Funds for the other classes of Shares (after payment to the holders of the Shares of the classes to which they relate of the amounts to which they are respectively entitled under this paragraph (i)) pro rata to the total value of such assets remaining within each such Fund;
  - (ii) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any Funds remaining after any recourse thereto under sub-paragraph (i) A. above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
  - (iii) thirdly, in the payment to the holders of each class of Shares of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares held;
  - (iv) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the value of each Fund and within each Fund to the value of each class and in proportion and to the number of Shares held in each class.
- (c) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a Special Resolution and any other sanction required by the Companies Acts of Ireland, divide among the members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division

shall be carried out as between the members or different classes of members. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of members as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no member shall be compelled to accept any assets in respect of which there is liability and any member may instruct the liquidator to sell any assets, to which he is entitled, on his behalf. The liquidator may with a like authority transfer the whole or part of the assets of the Company to a company (the “Transferee Company”) on terms that members of any class of Share in the Company shall receive from the Transferee Company shares in the Transferee Company of the equivalent value to their shareholding in the Company and the liquidator shall be entitled with such authority to enter into an arrangement with the Transferee Company to give effect to any such transfer.

### **Indemnities**

The Directors (including alternates), Secretary and other officers of the Company and its former directors and officers shall be indemnified by the Company against losses and expenses which any such person may become liable to by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of negligence or wilful misconduct).

### **The assets of the Company and the calculation of the Net Asset Value of the Shares**

- (a) The Net Asset Value of each Fund shall be expressed in the currency in which the particular Fund is denominated (translated where necessary at such rate of exchange as the Directors think fit) and shall be determined, subject to suspension as at each Valuation Point, and shall be the value of all the assets comprised in the Fund less all the liabilities attributable to the Fund subject to any regulations of the Central Bank pursuant to the Regulations.
- (b) The assets of the Company shall be deemed to include (i) all cash in hand, on deposit or on call including any interest accrued thereon and all accounts receivable; (ii) all bills, demand notes, certificates of deposit and promissory notes; (iii) all bonds, forward currency transactions, time notes, shares, stock, units of or participation in collective investment schemes/mutual funds, debentures, debenture stock, subscription rights, warrants, futures contracts, options contracts, swap contracts, contracts for differences, fixed rate securities, variable or floating rate securities, securities in respect of which the return and/or redemption amount is calculated by reference to any index, price or rate, financial instruments and other investments and securities owned or contracted for in respect of the Company, other than rights and securities issued by it; (iv) all stock and cash dividends and cash distributions to be received in respect of the Fund and not yet received by the Company but declared to stockholders on record on a date on or before the day as of which the Net Asset Value is being determined; (v) all interest accrued on any interest-bearing securities attributed to the Company except to the extent that the same is included or reflected in the principal value of such security; (vi) all other Investments of the Company; (vii) the establishment costs attributable to the Company and the cost of issuing and distributing Shares of the Company in so far as the same have not been written off; and (viii) all other assets of the Company of every kind and nature including prepaid expenses as valued and defined from time to time by the Directors.
- (c) The valuation principles to be used in valuing the Company’s assets are as follows:
  - (i) the Directors shall be entitled to value the Shares of any Short Term Money Market Fund which is a money market fund using the amortised cost method of valuation whereby the Investments of such Short Term Money Market Fund are valued at their cost of acquisition adjusted for amortisation of premium or accretion of discount on

the Investments rather than at the current market value of the Investments. A review of the amortised cost valuation vis-à-vis market valuations will be carried out in accordance with the requirements of the Central Bank;

- (ii) the value of any Investment which is quoted, listed or normally dealt in on a Regulated Market shall (save in the specific cases set out in paragraph (i) above or in the relevant paragraphs below) be the most recent market price on such Regulated Market as at the Valuation Point or, in the absence of market transactions, be based on the mid price for such Investment last available to the Directors at the relevant Valuation Point, provided that:
  - A. if an Investment is quoted, listed or normally dealt in on more than one Regulated Market, the Directors may, in their absolute discretion, select any one of such markets which constitutes the main market or the one which the Directors determine provides the fairest criteria in a valuation of the security for the foregoing purposes and once selected a market shall be used for future calculations of the Net Asset Value with respect to that Investment unless the Directors otherwise determine;
  - B. in the case of any Investment which is quoted, listed or normally dealt in on a Regulated Market but in respect of which for any reason prices on that market may not be available at any relevant time or, in the opinion of the Directors, may not be representative, the value therefor shall be the probable realisation value thereof estimated with care and in good faith by a competent person, firm or association making a market in such Investment approved by the Depositary for such purpose and/or any other competent person, in the opinion of the Directors (and approved for such purpose by the Depositary); and
  - C. in the case of any Investment which is quoted, listed or normally dealt in or on a Regulated Market but acquired or traded at a premium or at a discount outside or off the relevant Regulated Market, the Investment may be valued taking into account the level of premium or discount at the date of the valuation. The Depositary must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the Investment.
- (iii) the value of any Investment which is not quoted, listed or normally dealt in on a Regulated Market (save in the case set out in paragraph (i)) shall be the probable realisable value estimated with care and in good faith by a competent person, firm or association making a market in such Investment (approved for the purpose by the Depositary) and/or any other competent person, in the opinion of the Directors (and approved for the purpose by the Depositary);
- (iv) units or shares in open-ended collective investment schemes will be valued at the latest available net asset value. Units or shares in other collective investment schemes will, if listed or traded on a stock exchange or over the counter market, be valued at the closing bid price on the relevant Dealing Day or, if unavailable or unrepresentative, the latest available net asset value of the collective investment scheme or, if unavailable or unrepresentative the probable realisation value calculated with care and in good faith by a competent person appointed by the Directors and approved for such purpose by the Depositary;
- (v) the value of any cash in hand, prepaid expenses, cash dividends and interest declared or accrued as aforesaid and not yet received shall be deemed to be the full amount thereof unless in any case the Directors are of the opinion that the same is unlikely

to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors (with the approval of the Depositary) may consider appropriate in such case to reflect the true value thereof;

- (vi) deposits shall be valued at their principal amount plus accrued interest from the date on which the same were acquired or made;
- (vii) treasury bills shall be valued at the middle market dealing price on the market on which same are traded or admitted to trading as at the Valuation Point, provided that where such price is not available, same shall be valued at the probable realisation value estimated with care and in good faith by a competent person approved for such purpose by the Depositary;
- (viii) bonds, notes, debenture stocks, certificates of deposit, bank acceptances, trade bills and similar assets shall be valued at the latest available middle market dealing price on the market on which these assets are traded or admitted for trading (being the market which is the sole market or in the opinion of the Directors the principal market on which the assets in question are quoted or traded) plus any interest accrued thereon from the date on which same were acquired;
- (ix) forward foreign exchange contracts will be valued by reference to the price at the Valuation Point at which a new forward contract of the same size and maturity could be undertaken;
- (x) the value of any futures contracts and options which are dealt in on a Regulated Market shall be calculated at the settlement price as determined by the market in question, provided that where it is not the practice of the relevant market to quote a settlement price or if such settlement price is not available for any reason, such value shall be the probable realisable value thereof estimated with care and in good faith by the Directors or a competent person approved for the purpose by the Depositary;
- (xi) the value of any over-the-counter derivative contracts shall be:
  - A. the quotation from the counterparty provided that such quotation is provided on at least a daily basis and verified at least weekly by a person independent of the counterparty and who is approved for the purpose by the Depositary; or
  - B. an alternative method of valuation as the Directors may determine in accordance with the requirements of the Central Bank. This may be calculated by the Company or an independent pricing vendor (which may be a party related to but independent of the counterparty which does not rely on the same pricing models employed by the counterparty) provided that where an alternative valuation is used (i.e. a valuation is that provided by a competent person appointed by the Manager or Directors and approved for that purpose by the Depositary (or a valuation by any other means provided that the value is approved by the Depositary)), the valuation principles employed must follow best international practice established by bodies such as IOSCO (International Organisation of Securities Commission) and AIMA (the Alternative Investment Management Association) and any such valuation shall be reconciled to that of the counterparty on a monthly basis. Where significant differences arise on the monthly reconciliation, these will be promptly investigated and explained;
- (xii) notwithstanding any of the foregoing sub-paragraphs, the Directors with the approval of the Depositary may adjust the value of any Investment if, having regard to

currency, applicable rate of interest, maturity, marketability, dealing costs and/or such other considerations as they may deem relevant, they consider that such adjustment is required to reflect the fair value thereof;

- (xiii) if in any case a particular value is not ascertainable as above provided or if the Directors shall consider that some other method of valuation better reflects the fair value of the relevant Investment then in such case the method of valuation of the relevant Investment shall be such as the Directors shall decide with the approval of the Depositary;
  - (xiv) the Directors may, in order to comply with any applicable accounting standards, present the value of any assets of the Company in financial statements to Shareholders in a manner different to that set out above. The presentation of the value of any assets in the financial statements will not affect the Net Asset Value used to determine Subscription and Redemption Prices.
- (d) Any certificate as to Net Asset Value of any Share given in good faith (and in the absence of negligence or manifest error) by or on behalf of the Directors shall be binding on all parties.

### **The Reverse Distribution Mechanism**

Where the Directors determine in their sole discretion that a Class in a Fund established as a Short Term Money Market Fund (the “Relevant Class”) may not be able to maintain a constant Net Asset Value per Share due to its net yield (i.e. the yield net of all costs and expenses) being negative, they may with respect to any Dealing Day:

- (a) calculate the amount required for the Relevant Class to maintain a constant Net Asset Value per Share (the “Yield Shortfall”);
- (b) calculate the total number of Shares in the Relevant Class that equates in value to the Yield Shortfall (the “Total Number”);
- (c) calculate, in accordance with the size of each Shareholder’s shareholding in the Relevant Class, each Shareholder’s pro-rata share of the Total Number (the “Individual Number”);
- (d) redeem from each Shareholder in the Relevant Class the Individual Number of Shares (shares redeemed in this manner, the “Redeemed Shares”); and
- (e) cancel the Redeemed Shares with the value attributable to those Shares (which would ordinarily have been paid to Shareholders) being retained by the Relevant Class to offset the negative net yield.

Please see the section entitled “Reverse Distribution Mechanism – Redemption of Distributing Shares of the Sovereign Funds and Liquidity Funds” above for details of the effect of this mechanism on Shareholders’ holdings.

### **6. Circumstances of a Winding-Up**

The Company shall be wound up in the following circumstances:

- (a) by the passing of a Special Resolution for a winding-up;
- (b) where the Company does not commence business within a year of being incorporated or where it suspends its business for a year;

- (c) where the number of members falls below the statutory minimum of 2;
- (d) where the Company is unable to pay its debts and a liquidator has been appointed;
- (e) where the appropriate court in Ireland is of the opinion that the Company's affairs and the powers of the Directors have been exercised in a manner oppressive to members;
- (f) where the appropriate court in Ireland is of the opinion that it is just and equitable that the Company should be wound up.

## **7. Money Laundering**

The Manager, the Company and the Administrator each has a responsibility to regulators for compliance with anti-money laundering regulations around the world and, for that reason, existing Shareholders, potential subscribers for and transferees of Shares may be asked for proof of identity. Until satisfactory proof of identity is provided, the Directors reserve the right to withhold issuance, redemption and approval of transfers of Shares.

In case of delay or failure to provide satisfactory proof of identity, the Company and the Manager (and the Administrator on behalf of the Manager) may take such action as they see fit including the right to redeem issued Shares compulsorily.

## **8. Commissions**

Save as disclosed under the heading "Fees and Expenses" above, no commissions, discounts, brokerages or other special terms have been granted or are payable by the Company in connection with the issue or sale of any capital of the Company.

## **9. Directors' Interests**

Other than as disclosed in the financial statements (both annual audited and unaudited interims) and/or through the Companies Announcements Office of the Irish Stock Exchange, no Directors or connected person has any interest in the Shares of the Company but non-Irish resident Directors shall be entitled to acquire such an interest.

The Directors are all Non-Executive Directors of the Company.

Mr O'Dwyer is also a director of the Manager.

Ms O'Flynn and Mr O'Dwyer are employees of the BlackRock Group.

## **10. Conflicts of Interest**

The Manager and other BlackRock Group companies undertake business for other clients. BlackRock Group companies, their employees and their other clients face conflicts with the interests of the Manager and its clients. BlackRock maintains a Conflicts of Interest Policy. It is not always possible for the risk of detriment to a client's interests to be entirely mitigated such that, on every transaction when acting for clients, a risk of detriment to their interests does not remain.

The types of conflict scenario giving rise to risks which BlackRock considers it cannot with reasonable confidence mitigate are disclosed below. This document, and the disclosable conflict scenarios, may be updated from time to time.

- (a) Conflicts of Interest within the BlackRock Group

#### PA Dealing

BlackRock Group employees may be exposed to clients' investment information while also being able to trade through personal accounts. There is a risk that, if an employee could place a trade of sufficient size, this would affect the value of a client's transaction. BlackRock Group has implemented a Personal Trading Policy designed to ensure that employee trading is pre-approved.

#### Employee Relationships

BlackRock Group employees may have relationships with the employees of BlackRock's clients or with other individuals whose interests conflict with those of a client. Such an employee's relationship could influence the employee's decision-making at the expense of clients' interests. BlackRock Group has a Conflicts of Interest Policy under which employees must declare all potential conflicts.

#### Significant Shareholder – PNC

The PNC Financial Services Group, Inc. ("PNC") holds 20.9% ownership stake of the voting common stock of BlackRock, Inc. A Stockholder Agreement is in place permitting PNC to designate two directors to the BlackRock Inc. Board. There is the potential that BlackRock Group companies could be unduly influenced by PNC to the disadvantage of clients. Both BlackRock Inc. and PNC are managed independently and in isolation of one another and all transactions and revenue between the two are disclosed within BlackRock Inc's proxy statement. Additionally, when voting, PNC must vote its shares in accordance with the recommendation of the BlackRock Inc. Board to prevent undue influence.

#### (b) Conflicts of interest of the Manager

##### Provider Aladdin

BlackRock Group uses Aladdin software as a single technology platform across its investment management business. Custodial and fund administration service providers may use Provider Aladdin, a form of Aladdin software, to access data used by the Investment Manager, US Investment Manager and the Manager. Each service provider remunerates BlackRock Group for the use of Provider Aladdin. A potential conflict arises whereby an agreement by a service provider to use Provider Aladdin incentivises the Manager to appoint or renew appointment of such service provider. To mitigate the risk, such contracts are entered on an 'arm's length' basis.

#### Distribution Relationships

The Principal Distributer may pay third parties for distribution and related services. Such payments could incentivise third parties to promote the Company to investors against that client's best interests. BlackRock Group companies comply with all legal and regulatory requirements in the jurisdictions in which such payments are made.

#### Dealing Costs

Dealing costs are created when investors deal into and out of the Fund. There is a risk that other clients of the Fund bear the costs of those joining and leaving. BlackRock Group has policies and procedures in place to protect investors from the actions of others including anti-dilution controls.

#### (c) Conflicts of interest of the Investment Manager

##### Commissions & Research

Where permitted by applicable regulation (excluding, for the avoidance of doubt, any Funds which are in scope for MiFID II), certain BlackRock Group companies acting as investment manager to the Funds may use commissions generated when trading equities with certain brokers in certain jurisdictions to pay for external research. Such arrangements may benefit one Fund over another because research can be used for a broader range of clients than just those whose trading

funded it. BlackRock Group has a Use of Commissions Policy designed to ensure compliance with applicable regulation and market practice in each region.

#### Timing of Competing Orders

When handling multiple orders for the same security in the same direction raised at or about the same time, the Investment Manager seeks to achieve the best overall result for each order equitably on a consistent basis taking into account the characteristics of the orders, regulatory constraints or prevailing market conditions. Typically, this is achieved through the aggregation of competing orders. Conflicts of interest may appear if a trader does not aggregate competing orders that meet eligibility requirements, or does aggregate orders that do not meet eligibility requirements; it may appear as if one order received preferential execution over another. For a specific trade instruction of the Fund, there may be a risk that better execution terms will be achieved for a different client. For example, if the order was not included in an aggregation. BlackRock Group has Order Handling Procedures and an Investment Allocation Policy which govern sequencing and the aggregation of orders.

#### Concurrent Long and Short Positions

The Investment Manager may establish, hold or unwind opposite positions (i.e. long and short) in the same security at the same time for different clients. This may prejudice the interests of the Investment Manager's clients on one side or the other. Additionally, investment management teams across the BlackRock Group may have long only mandates and long-short mandates; they may short a security in some portfolios that are held long in other portfolios. Investment decisions to take short positions in one account may also impact the price, liquidity or valuation of long positions in another client account, or vice versa. BlackRock Group operates a Long Short (side by side) Policy with a view to treating accounts fairly.

#### Cross Trading – Pricing Conflict

When handling multiple orders for the same security, the Investment Manager may 'cross' trades by matching opposing flows to obtain best execution. When crossing orders, it is possible that the execution may not be performed in the best interests of each client; for example, where a trade did not constitute a fair and reasonable price. BlackRock Group reduces this risk by implementing a Crossing Policy.

#### MNPI

BlackRock Group companies receive Material Non-Public Information (MNPI) in relation to listed securities in which BlackRock Group companies invest on behalf of clients. To prevent wrongful trading, BlackRock Group erects Information Barriers and restricts trading by one or more investment team(s) concerned in the security concerned. Such restrictions may negatively impact the investment performance of client accounts. BlackRock has implemented a Material Non-Public Information Barrier Policy.

#### BlackRock's Investment Constraints or Limitations and its Related Parties

The Company may be restricted in its investment activities due to ownership threshold limits and reporting obligations in certain jurisdictions applying in aggregate to the accounts of clients of the BlackRock Group. Such restrictions may adversely impact clients through missed investment opportunities. BlackRock Group manages the conflict by following an Investment and Trading Allocation Policy, designed to allocate limited investment opportunities among affected accounts fairly and equitably over time.

#### Investment in Related Party Products

While providing investment management services for a client, the Investment Manager may invest in products serviced by BlackRock Group companies on behalf of other clients. BlackRock may also recommend services provided by BlackRock or its affiliates. Such activities could increase BlackRock's revenue. In managing this conflict, BlackRock seeks to follow investment guidelines and has a Code of Business Conduct and Ethics.



#### Investment Allocation and Order Priority

When executing a transaction in a security on behalf of a client, it can be aggregated and the aggregated transaction fulfilled with multiple trades. Trades executed with other client orders result in the need to allocate those trades. The ease with which the Investment Manager can allocate trades to a certain client's account can be limited by the sizes and prices of those trades relative to the sizes of the clients' instructed transactions. A process of allocation can result in a client not receiving the whole benefit of the best priced trade. The Investment Manager manages this conflict by following an Investment and Trading Allocation Policy, which is designed to ensure the fair treatment of all clients' accounts over time.

#### Fund Look Through

BlackRock Group companies may have an informational advantage when investing in proprietary BlackRock funds on behalf of client portfolios. Such an informational advantage may lead a BlackRock Group company to invest on behalf of its client earlier than the Investment Manager invests for the Company. The risk of detriment is mitigated through BlackRock Group's pricing of units and anti-dilution mechanisms.

#### Side-by-Side Management: Performance fee

The Investment Manager manages multiple client accounts with differing fee structures. There is a risk that such differences lead to inconsistent performances levels across client accounts with similar mandates by incentivising employees to favour accounts delivering performance fees over flat or non-fee accounts. BlackRock Group companies manage this risk through a commitment to a Code of Business Conduct and Ethics Policy.

#### (d) Other conflicts of interest

For investments in the units of other UCITS and/or other collective investment schemes that are managed, directly or by delegation, by any BlackRock Group company, no management, subscription or redemption fees or switching charges may be charged to the Company on its investment in the units of such other UCITS and/or other collective investment schemes.

In addition, because of the widespread operations undertaken by the Manager, the Investment Manager, the US Investment Manager, the Administrator and the Depositary and their respective holding companies, subsidiaries, delegates and affiliates (each an "Interested Party") conflicts of interest may arise. An Interested Party may acquire or dispose of any investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Company. Furthermore, an Interested Party may acquire, hold or dispose of investments notwithstanding that such Investments had been acquired or disposed of by or on behalf of the Company by virtue of a transaction effected by the Company in which the Interested Party was concerned provided that the acquisition by an Interested Party of such Investments is conducted on an arm's length basis and the Investments held by the Company are acquired on the best terms reasonably obtainable having regard to the interests of the Company. An Interested Party may deal with the Company as principal or as agent, provided that any such dealings are in the best interests of Shareholders and conducted on an arm's length basis.

Interested Party transactions permitted are subject to:

- (a) a certified valuation of a transaction by a person approved by the Depositary as independent and competent (or a person approved by the Manager as independent and competent in the case of transactions involving the Depositary); or
- (b) the transaction is executed on best terms on an organised investment exchange in accordance with the rules of such exchange; or

- (c) execution on terms which the Depositary (or the Manager in the case of transactions involving the Depositary) is satisfied conforms with the principle outlined in the preceding paragraph.

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

In the event that a conflict of interest does arise, the Directors, the Investment Manager and the US Investment Manager will endeavour, so far as they are reasonably able, to ensure that it is resolved fairly and that investment opportunities are allocated on a fair and equitable basis.

As part of the normal course of global custody business, the Depositary may from time to time have entered into arrangements with other clients, funds or other third parties for the provision of safekeeping and related services. Within a multi-service banking group such as JP Morgan, from time to time conflicts may arise between the depositary and its safekeeping delegates, for example, where an appointed delegate is an affiliated group company and is providing a product or service to a fund and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the funds e.g. foreign exchange, securities lending, pricing or valuation services. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will at all times have regard to its obligations under applicable laws including its obligation under the Directive not to carry out activities with regard to the Company or with regard to the Manager acting on behalf of the Company that may create conflicts of interest between itself and the Company, its investors and/or the Manager unless the Depositary has separated the performance of its depositary tasks from its other potentially conflicting tasks and the potential conflicts are identified, managed, monitored and disclosed to investors.

## **11. Meetings**

The financial year-end of the Company is 30 September in each year. Shareholders will be sent copies of the audited accounts prior to the annual general meeting in each year.

Annual general meetings will be held in Ireland. Notices convening each annual general meeting will be sent to shareholders together with the annual accounts and reports not later than twenty-one days before the date fixed for the meeting.

## **12. Litigation**

The Company is not engaged in any litigation or arbitration proceedings and the Directors are not aware of any litigation or claim pending or threatened by or against the Company since its incorporation, other than those which are disclosed in the most recent annual or half-yearly reports of the Company.

## **13. Material Contracts**

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by the Company and are, or may be, material:

- a) the Management Agreement;
- b) the Depositary and Custodian Agreement;

- c) the Administration Agreement;
- d) the Investment Management Agreement;
- e) the US Investment Management Agreement;
- f) the Distribution Agreement.

Details of the above contracts are given under the heading “Management and Administration” above.

#### **14. Miscellaneous**

- a) The Company does not have as at the date of this Prospectus, any loan capital (including term loans) outstanding or created but unissued, or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptances or acceptance credits, obligations under finance leases, hire purchase commitments, guarantees or other similar contingent liabilities.
- b) The Company does not have, nor has it had since its incorporation, any employees.
- c) Save as disclosed in paragraph 9 above, no Director has any interest direct or indirect in the promotion of the Company or in any assets which have been acquired or disposed of by or leased to the Company or are proposed to be acquired by, disposed of or leased to the Company, nor is there any contract or arrangement subsisting at the date of this document in which a Director is materially interested and which is unusual in its nature and conditions or significant in relation to the business of the Company.
- d) The Company has not and does not intend to purchase or acquire nor agree to purchase or acquire any real property.

#### **15. Inspection of Documents**

Copies of the following documents will be available for inspection at any time during normal business hours on any Business Day free of charge at the registered offices of the Company in Dublin:

- (a) this Prospectus, any supplement and any KIID;
- (b) the Memorandum and Articles of Association of the Company;
- (c) the Management Agreement;
- (d) the Depositary and Custodian Agreement;
- (e) the Administration Agreement;
- (f) the Investment Management Agreement;
- (g) the US Investment Management Agreement;

- (h) the Distribution Agreement;
- (i) the latest annual and half-yearly reports of the Company.

In addition, copies of the Memorandum and Articles of Association of the Company can be obtained free of charge at the above locations.

## APPENDIX I

### Stock Exchanges and Regulated Markets

1. With the exception of permitted investments in unlisted securities, investment will be restricted to those stock exchanges and markets listed below in this Prospectus or any supplement thereto or revision thereof and which meet with the regulatory criteria (regulated, operate regularly, be recognised and open to the public). These stock exchanges and markets are listed in accordance with the criteria set out in the Central Bank UCITS Regulations, it being noted that the Central Bank does not issue a list of approved markets and exchanges.

2. All Member States' stock exchanges on which transferable securities admitted to official listing are dealt in or traded.

3. The following stock exchanges:

in Australia	the Australian Securities Exchange
in Argentina	the Buenos Aires Stock Exchange
in Brazil	the Rio de Janeiro Stock Exchange BM&FBOVESPA
in Canada	the Toronto Stock Exchange the Montreal Exchange the TSX Venture Exchange
in Chile	the Santiago Stock Exchange the Bolsa Electronica de Chile
in China	the Shanghai Stock Exchange the Shenzhen Stock Exchange
in Hong Kong	the Hong Kong Stock Exchange
in India	the National Stock Exchange the Bombay Stock Exchange the Delhi Stock Exchange the Madras Stock Exchange
in Japan	the Tokyo Stock Exchange the Osaka Securities Exchange Co. Limited the Fukuoka Stock Exchange the Nagoya Stock Exchange the Sapporo Stock Exchange JASDAQ
in the Republic of Korea	the Korea Stock Exchange KOSDAQ

in Malaysia	the Kuala Lumpur Stock Exchange
in Mexico	the Mexican Stock Exchange
in New Zealand	the New Zealand Exchange
in Norway	the Oslo Stock Exchange
in Philippines	the Philippine Stock Exchange
in Singapore	the Singapore Exchange Limited
in South Africa	the Johannesburg Stock Exchange Limited
in Switzerland	the Bern Exchange the Swiss Electronic Exchange the Swiss Exchange
in Taiwan	the Taiwan Stock Exchange
in Thailand	the Stock Exchange of Thailand
in Turkey	the Istanbul Stock Exchange
in the United States	the New York Stock Exchange the American Stock Exchange the Chicago Stock Exchange the Philadelphia Stock Exchange the Pacific Stock Exchange Inc. the National Stock Exchange the Boston Stock Exchange NASDAQ and the Over-the-Counter Markets Regulated by the National Association of Securities Dealers Inc. the US Bond Market

4.

- (a) The market organised by the International Capital Markets Association.
- (b) The market conducted by “listed money market institutions” as described in the Bank of England publication “The regulation of the wholesale cash and OTC derivative markets (in sterling, foreign exchange and bullion)” dated April 1988 (as amended from time to time).
- (c) The market in US Government Securities conducted by primary dealers regulated by the Federal Reserve Bank of New York.
- (d) The over-the-counter markets in the United States and Canada conducted by primary and secondary dealers regulated by the Securities and Exchange Commission and by the National Association of Security Dealers and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or the Federal Deposit Insurance Corporation or the Office of the Superintendent of Financial Institutions.

- 5.
- (a) The Second Marche of the stock exchange set up in France in accordance with the laws of France.
  - (b) The Tokyo Over-the-Counter Market regulated by the Securities Dealers Association of Japan.
  - (c) The Alternative Investment Market regulated and operated by the London Stock Exchange Limited.
  - (d) The over the counter market in the United States regulated by the National Association of Securities Dealers.
  - (e) NASDAQ (the electronic inter-dealer quotation system of America operated by the National Association of Securities Dealers Inc.).
  - (f) <sup>3</sup>NASDAQ Europe (the European Association of Securities Dealers Automated Quotation).
  - (g) Euronet.
  - (h) Marché à Terme International de France.
6. For the purposes only of determining the value of the assets of a Fund, the term “Regulated Market” shall be deemed to include, in relation to any futures or options contract utilised by a Fund for the purposes of efficient portfolio management or to provide protection against exchange risk, any organised exchange or market on which such futures or options contracts are regularly traded.
7. For the purposes of investment in FDI, a Fund will only invest in FDI dealt in Regulated Markets in the European Economic Area (“EEA”) referred to above or in any of the other non-EEA markets referred to above.

The above markets are set out in the Articles of Association and are listed in accordance with the requirements of the Central Bank, it being noted that the Central Bank does not issue a list of approved markets or stock exchanges.

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<sup>3</sup> NASDAQ Europe is a recently formed market and the general level of liquidity may not compare favourably to that found on more established exchanges.

## **APPENDIX II**

### **Efficient Portfolio Management**

#### **A. Investment in FDIs – Efficient Portfolio Management/Direct Investment**

The Company may, on behalf of each Fund and subject to the conditions and within the limits laid down by the Central Bank, employ techniques and instruments relating to transferable securities for hedging purposes (to protect an asset of a Fund against, or minimise liability from, fluctuations in market value or foreign currency exposures) or for efficient portfolio management purposes (with a view to achieving a reduction in risk, a reduction in costs or an increase in capital or income returns to the Fund provided such transactions are not speculative in nature). Investment in FDI which give exposure to foreign exchange will only be used for hedging purposes. Such techniques and instruments may include investments in exchange-traded or over-the-counter (“OTC”) FDI, such as futures and currency forwards (which may be used to manage market and currency risk respectively), options (including call and put options which may be used to achieve cost efficiencies), swaps, including credit default swaps (which may be used to manage interest rate and credit risk respectively), and contracts for difference. A Fund may also invest in the FDI as part of its investment strategy where such intention is disclosed in the Fund’s investment policy and provided that the counterparties to such transactions are institutions subject to prudential supervision and, in relation to OTC transactions, belong to categories approved by the Central Bank.

The Investment Manager employs a risk management process in respect of the Funds in accordance with the requirements of the Central Bank to enable it to accurately monitor, measure and manage, the global exposure from FDIs (“global exposure”) which each Fund gains. The Investment Manager uses a methodology known as the Commitment Approach in order to measure the global exposure of the Funds and manage the potential loss to them due to market risk. The Company will, on request, provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

The conditions and limits for the use of such techniques and instruments in relation to each Fund are as follows:

1. Position exposure to the underlying assets of FDIs, including embedded FDIs in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations).
2. A Fund may invest in FDIs dealt in OTC provided that the counterparties to OTCs are institutions subject to prudential supervision and belonging to categories approved by the Central Bank. Counterparties to swap transactions will not have discretion over the assets of a Fund. Collateral received in connection with swap transactions shall be marked-to-market daily and subject to daily variation margin.
3. Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

#### **B. Efficient Portfolio Management – Other Techniques and Instruments**

1. In addition to the investments in FDIs noted above, the Company may employ other techniques and instruments relating to transferable securities and money market instruments subject to the conditions imposed by the Central Bank, such as repurchase/ reverse repurchase agreements, (“repo contracts”) and securities lending. Techniques and instruments which relate to transferable securities or money market instruments and which are used for the purpose of efficient portfolio



management, including FDIs which are not used for direct investment purposes, shall be understood as a reference to techniques and instruments which fulfil the following criteria:

- (a) they are economically appropriate in that they are realised in a cost-effective way;
- (b) they are entered into for one or more of the following specific aims:
  - (i) reduction of risk;
  - (ii) reduction of cost;
  - (iii) generation of additional capital or income for the Fund with a level of risk which is consistent with the risk profile of the Fund and the risk diversification rules set out in the Central Bank UCITS Regulations;
- (c) their risks are adequately captured by the risk management process of the Company (in the case of FDIs only); and
- (d) they cannot result in a change to the Fund's declared investment objective or add substantial supplementary risks in comparison to the general risk policy as described in the sales documents.

Techniques and instruments (other than FDIs) which may be used for efficient portfolio management purposes are set out below and are subject to the conditions set out below.

2. The following applies to repo contracts and securities lending arrangements, in particular, and reflects the requirements of the "ESMA Guidelines on ETFs and Other UCITS Issues" ESMA/2012/832EN (the "**ESMA Guidelines**") and is subject to changes thereto:

- (a) Repo contracts and securities lending may only be effected in accordance with normal market practice.
- (b) The Company must have the right to terminate any securities lending arrangement which it has entered into at any time or demand the return of any or all of the securities loaned.
- (c) Repo contracts or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 and Regulation 111 respectively.
- (d) Where the Company enters into repurchase agreements, it must be 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 agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.
- (e) Where the Company enters into reverse repurchase agreements, it must be 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 callable 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. Fixed-term reverse repurchase agreements that do not exceed seven days should be considered as arrangements on terms that allow the assets to be recalled at any time by the Company.
- (f) The Manager conducts credit assessments of counterparties to a repurchase/reverse repurchase agreement or securities lending arrangement. Where a counterparty is subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken

into account in the credit assessment process and where the counterparty is downgraded by the credit rating agency to A-2 or below (or comparable rating), a new credit assessment of the counterparty is conducted by the Manager without delay.

3. Any revenues from efficient portfolio management techniques not received directly by the Company, net of direct and indirect operational costs and fees (which do not include hidden revenue), will be returned to the Company. To the extent the Company engages in securities lending it may appoint a securities lending agent, which may or may not be an affiliate of the Manager, and which may receive a fee in relation to its securities lending activities. Any operational costs arising from such securities lending activities shall be borne by the securities lending agent out of its fee.
4. When Issued, Delayed Delivery and Forward Commitment Securities:

The Company may invest in securities on a when-issued, delayed delivery and forward commitment basis and such securities will be taken into consideration in calculating a Fund's investment restriction limits.

**C. Risks and potential conflicts of interest involved in efficient portfolio management techniques.**

There are certain risks involved in efficient portfolio management activities and the management of collateral in relation to such activities (see further below). Please refer to the sections of this Prospectus entitled "Conflicts of Interest" and "Risk Factors" and, in particular but without limitation, the risk factors relating to FDI risks, counterparty risk, and counterparty risk to the Depositary and other depositaries. These risks may expose investors to an increased risk of loss.

**D. Management of collateral for OTC financial derivative transactions and efficient portfolio management techniques**

*For the purposes of this section, "Relevant Institutions" refers to those institutions which are credit institutions authorised in the EEA or credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1998 or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.*

*The provisions below reflect the requirements of the ESMA Guidelines and are subject to changes thereto.*

- (a) Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques ("Collateral"), such as a repo contract or securities lending arrangement, will be of an appropriate type for the given transaction and the particular counterparty and may be in the form of cash or securities (without restriction as to the issuer type or location, or maturity) and must comply with the following criteria:
  - (iv) liquidity: Collateral (other than cash) should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should also comply with the provisions of Regulation 74 of the Regulations;
  - (v) valuation: Collateral should be capable of being valued on a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place;
  - (vi) issuer credit quality: Collateral should be of high quality;

- (vii) correlation: Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
  - (viii) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of a Fund's Net Asset Value. When a Fund is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, its local authorities, as well as non-Member States and public international bodies set out in Appendix III, paragraph 2.12. Such a Fund should receive securities from at least six different issues, but securities from any single issue should not account for more than 30% of the Fund's Net Asset Value; and
  - (ix) immediately available: Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
- (b) Until the expiry of the repo contract or securities lending arrangement, Collateral obtained under such contracts or arrangements:
- (i) must be marked to market daily; and
  - (ii) is intended to equal or exceed the value of the amount invested or securities loaned plus a premium.
- (c) Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third party custodian which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.
- (d) Non-cash Collateral:**
- Non- cash Collateral cannot be sold, re-invested or pledged.
- (e) Cash Collateral:**
- Cash as Collateral may only be:
- (i) placed on deposit with Relevant Institutions;
  - (ii) invested in high quality government bonds;
  - (iii) used for the purpose of reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Company can recall at any time the full amount of the cash on an accrued basis; and
  - (iv) invested in short term money market funds.
- Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral.
- (f) The Company has implemented a haircut policy in respect of each class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account**

for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the collateral management policy. Subject to the framework of agreements in place with the relevant counterparty, which may or may not include minimum transfer amounts, it is the intention of the Company that any Collateral received shall have a value, adjusted in light of the haircut policy, which equals or exceeds the relevant counterparty exposure where appropriate.

- (g) The risk exposures to a counterparty arising from OTC financial derivative transactions and efficient portfolio management techniques should be combined when calculating the counterparty risk limits set out in Appendix III, paragraph 2.8.

## **E. Counterparty Selection & Review**

The BlackRock Group selects from an extensive list of full service and execution-only brokers and counterparties. All prospective and existing counterparties require the approval of the Counterparty and Concentration Risk Group (“CCRG”), which is part of BlackRock’s independent Risk & Quantitative Analysis department (“RQA”).

In order for a new counterparty to be approved, a requesting portfolio manager or trader is required to submit a request to the CCRG. The CCRG will review relevant information to assess the creditworthiness of the proposed counterparty in combination with the type and settlement and delivery mechanism of the proposed security transactions. BlackRock’s established counterparty credit risk management policy does not make reference to a minimum credit rating as part of the review and approval process. Eligible counterparties may be constituted as companies, trusts, partnerships or their equivalent, and will be institutions subject to prudential supervision, domiciled in OECD and non-OECD countries. A list of approved trading counterparties is maintained by the CCRG and reviewed on an on-going basis.

Counterparty reviews take into account the fundamental creditworthiness (ownership structure, financial strength, regulatory oversight) and commercial reputation of specific legal entities in conjunction with the nature and structure of proposed trading activities. Counterparties are monitored on an ongoing basis through the receipt of audited and interim financial statements, via portfolio alerts with market data service providers, and where applicable, as part of the BlackRock Group’s internal research process. Formal renewal assessments are performed on a cyclical basis.

The BlackRock Group select brokers based upon their ability to provide good execution quality (i.e. trading), whether on an agency or a principal basis; their execution capabilities in a particular market segment; and their operational quality and efficiency; and the BlackRock Group expects them to adhere to regulatory reporting obligations.

Once a counterparty is approved by the CCRG, broker selection for an individual trade is then made by the relevant dealer at the point of trade, based upon the relative importance of the relevant execution factors. For some trades, it is appropriate to enter into a competitive tender amongst a shortlist of brokers. The BlackRock Group perform pre-trade analysis to forecast transaction cost and to guide the formation of trading strategies including selection of techniques, division between points of liquidity, timing and selection of broker. In addition, the BlackRock Group monitors trade results on a continuous basis.

Broker selection will be based on a number of factors including, but not limited to the following:

- Ability to execute and execution quality;
- Ability to provide Liquidity/capital;
- Price and quote speed;
- Operational quality and efficiency; and
- Adherence to regulatory reporting obligations.

## APPENDIX III

### Investment and Borrowing Restrictions

Investment of the assets of the relevant Fund must comply with the Regulations. The Regulations provide:

<b>1</b>	<b>Permitted Investments</b>
<b>1.1</b>	Investments of each Fund are confined to: Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
<b>1.2</b>	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
<b>1.3</b>	Money market instruments other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of AIFs.
<b>1.6</b>	Deposits with credit institutions.
<b>1.7</b>	Financial derivative instruments.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	Each Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	(1) Subject to paragraph (2) each Fund may invest no more than 10% of net assets in securities of the type to which Regulation 68(1)(d) of the Regulations apply. (2) Paragraph (1) does not apply to an investment by a Fund in US securities known as Rule 144A securities provided that: <ul style="list-style-type: none"> <li>- the relevant securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and</li> <li>- the securities are not illiquid securities i.e. they may be realised by the Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.</li> </ul>
<b>2.3</b>	Each Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
<b>2.4</b>	The limit of 10% (in 2.3) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund. To avail of this provision the prior approval of the Central Bank is required.

<b>2.5</b>	The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
<b>2.6</b>	The transferable securities and money market instruments referred to in 2.4 and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
<b>2.7</b>	Deposits with any single credit institution other than a credit institution specified in Regulation 7 of the Central Bank UCITS Regulations held as ancillary liquidity shall not exceed: (a) 10% of the NAV of a Fund; or (b) where the deposit is made with the Depositary 20% of the net assets of a Fund.
<b>2.8</b>	<p>The risk exposure of a Fund to a counterparty to an OTC derivative may not exceed 5% of net assets.</p> <p>This limit is raised to 10% in the case of credit institutions authorised in the EEA, credit institutions authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988, or credit institutions authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.</p>
<b>2.9</b>	<p>Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:</p> <ul style="list-style-type: none"> <li>- investments in transferable securities or money market instruments;</li> <li>- deposits, and/or</li> <li>- risk exposures arising from OTC derivatives transactions.</li> </ul>
<b>2.10</b>	The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
<b>2.11</b>	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
<b>2.12</b>	<p>Each Fund may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.</p> <p>The individual issuers must be listed in the prospectus and may be drawn from the following list:</p> <p>OECD Governments (provided the relevant issues are investment grade), European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank and Tennessee Valley Authority.</p> <p>Each Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<b>3</b>	<b>Investment in Collective Investment Schemes (“CIS”)</b>

<b>3.1</b>	Investments made by a Fund in units of a UCITS or other collective investment undertaking may not exceed, in aggregate, 10% of the net assets of the Fund. The collective investment scheme in which a Fund invests may not itself invest more than 10% of its net assets in another collective investment scheme.
<b>3.2</b>	When a Fund invests in the units of other CIS that are managed, directly or by delegation, by the Fund's management company or by any other company with which the Fund's management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the Fund's investment in the units of such other CIS.
<b>3.3</b>	Where, by virtue of investment in the units of another investment fund, the Manager, an investment manager or investment adviser receives a commission on behalf of a Fund (including a rebated commission), the Manager shall ensure that the relevant commission is paid into the property of the Fund.
<b>3.4</b>	<p>The following investment restrictions apply where a Fund invests in other Funds of the Company:</p> <ul style="list-style-type: none"> <li>• a Fund will not invest in a Fund of the Company which itself holds shares in other Funds within the Company;</li> <li>• a Fund investing in such other Fund of the Company will not be subject to subscription or redemption fees;</li> <li>• the Manager will not charge a management fee to a Fund in respect of that portion of the Fund's assets invested in another Fund of the Company (this provision also applies to the annual fee charged by the Investment Manager where this fee is paid directly out of the assets of the Company); and</li> <li>• investment by a Fund in another Fund of the Company will be subject to the limits set out in paragraph 3.1 above.</li> </ul>
<b>4</b>	<b>Index Tracking UCITS</b>
	Intentionally left blank
<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	The Company, or Manager acting in connection with all of the Funds it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
<b>5.2</b>	<p>A Fund may acquire no more than:</p> <ul style="list-style-type: none"> <li>(i) 10% of the non-voting shares of any single issuing body;</li> <li>(ii) 10% of the debt securities of any single issuing body;</li> <li>(iii) 25% of the units of any single CIS;</li> <li>(iv) 10% of the money market instruments of any single issuing body.</li> </ul> <p>NOTE: The limits laid down in (ii), (iii) and (iv) above may be disregarded at the time of acquisition if at that time the gross amount of the debt securities or of the money market instruments, or the net amount of the securities in issue cannot be calculated.</p>

<b>5.3</b>	<p>5.1 and 5.2 shall not be applicable to:</p> <p>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</p> <p>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</p> <p>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</p> <p>(iv) shares held by a Fund in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</p> <p>(v) Shares held by the Company in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of shares at shareholders' request exclusively on their behalf.</p>
<b>5.4</b>	A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
<b>5.5</b>	The Authority may allow recently authorised Funds to derogate from the provisions of 2.3 to 2.12 and 3.1 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
<b>5.6</b>	If the limits laid down herein are exceeded for reasons beyond the control of a Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
<b>5.7</b>	<p>Neither the Company, nor the Manager may carry out uncovered sales of:</p> <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments;</li> <li>- units of CIS; or</li> <li>- financial derivative instruments.</li> </ul>
<b>5.8</b>	A Fund may hold ancillary liquid assets.
<b>6</b>	<b>Borrowing Restrictions</b>
	<p>6.1 The Company may not borrow, other than borrowings which in the aggregate do not exceed 10% of the Net Asset Value of the Fund and provided that this borrowing is on a temporary basis. The Depositary may give a charge over the assets of a Fund in order to secure the borrowings attributed to it. Credit balances (e.g. cash) may not be offset against borrowings when determining the percentage of borrowings outstanding;</p> <p>6.2 The Company may acquire foreign currency by means of a back-to-back loan. Foreign currency obtained in this manner is not classed as borrowings for the purpose of the borrowing restriction in paragraph (6.1), provided that where foreign currency borrowings exceed the value of the back-to-back deposit, any excess is regarded as borrowing for the purposes of paragraph (6.1) above.</p>



## APPENDIX IV

### **Investment Policy of the Institutional Euro Government Liquidity Fund**

In pursuit of its investment objective, the Institutional Euro Government Liquidity Fund may invest in a broad range of transferable securities and money market instruments (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) including securities, instruments and obligations issued or guaranteed by Governments of countries which were members of the Euro at the time of purchase such as Treasury Bills, Government Bonds and other obligations of the Governments of member countries of the Euro. These types of securities, instruments and obligations shall include those set out below. In practice the Fund will invest only in securities that have a maturity at issuance or a residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund. The Fund may also invest in deposits with credit institutions subject to the conditions set out in Appendix III.

The Fund does not invest in other collective investment schemes.

The base currency of the Institutional Euro Government Liquidity Fund is the Euro. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

*Obligations of Governments of member countries of the Euro* – The Fund may invest in direct obligations of Governments of member countries of the Euro.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*When-Issued and Delayed Settlement Transactions* – The Fund may purchase securities on a “when-issued” or “delayed settlement” basis. The Fund expects that commitments to purchase when-issued or delayed settlement securities will not exceed 25% of its Net Asset Value absent unusual market conditions. The Fund does not intend to purchase when-issued or delayed securities for speculative purposes but only in further of its investment objective. The Fund does not receive income from when-issued or delayed settlement securities prior to delivery of such securities.

## **Investment Policy of the Institutional Sterling Government Liquidity Fund**

In pursuit of its investment objective, the Institutional Sterling Government Liquidity Fund may invest in a broad range of transferable securities and money market instruments (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) including securities, instruments, obligations or debt issued or guaranteed by the United Kingdom Government or another sovereign Government, such as Gilts, fixed or floating rate Government Bonds and Treasury Bills guaranteed by those Governments. These types of securities, instruments and obligations shall include those set out below. In practice the Fund will invest only in securities that have a maturity at issuance or a residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund. The Fund may also invest in deposits with credit institutions subject to the conditions set out in Appendix III.

Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds”.

The base currency of the Institutional Sterling Government Liquidity Fund is Sterling. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

*Non-UK Government Sovereign Bonds* – Bonds denominated in Sterling which are issued or guaranteed by one or more non-UK sovereign governments or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant non-UK sovereign government.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*UK Government Gilts* – Bonds issued by the UK Government and sold by the Bank of England to raise money for the UK Government.

*UK Government T-Bills* – Short-term securities issued by the UK Government.

*When-Issued and Delayed Settlement Transactions* – The Fund may purchase securities on a “when-issued” or “delayed settlement” basis. The Fund expects that commitments to purchase when-issued or delayed settlement securities will not exceed 25% of its Net Asset Value absent unusual market conditions. The Fund does not intend to purchase when-issued or delayed securities for speculative purposes but only in further of its investment objective. The Fund does not receive income from when-issued or delayed settlement securities prior to delivery of such securities.

### **Investment Policy of the Institutional US Treasury Fund**

In pursuit of its investment objective, the Institutional US Treasury Fund may invest in a broad range of transferable securities and money market instruments (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) including securities, instruments and obligations issued or guaranteed by the US Government such as US Treasury Bills, notes, trust receipts and other obligations of the US Treasury. These types of securities, instruments and obligations shall include those set out below. In practice the Fund will invest only in securities that have a maturity at issuance or a residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund. The Fund may also invest in deposits with credit institutions subject to the conditions set out in Appendix III.

The Fund does not invest in other collective investment schemes.

The base currency of the Institutional US Treasury Fund is US Dollars. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

*US Treasury Obligations* – Direct obligations of the U.S. Treasury. The Fund may also invest in Treasury receipts where the principal and interest components are traded separately under the Separate Trading of Registered Interest and Principal of Securities programme.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the US Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the US Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*When-Issued and Delayed Settlement Transactions* – The Fund may purchase securities on a “when-issued” or “delayed settlement” basis. The Fund expects that commitments to purchase when-issued or delayed settlement securities will not exceed 25% of its Net Asset Value absent unusual market conditions.

The Fund does not intend to purchase when-issued or delayed securities for speculative purposes but only in further of its investment objective. The Fund does not receive income from when-issued or delayed settlement securities prior to delivery of such securities.

### **Investment Policy of the Institutional Euro Liquidity Fund**

In pursuit of its investment objective, the Institutional Euro Liquidity Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available in the relevant markets (both within and outside the Eurozone) for instruments denominated in euro including securities, instruments and obligations issued or guaranteed by the Governments of Member States (whether or not participating in EMU) or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers. These types of securities, instruments and obligations shall include those set out below and may be issued by issuers both inside and outside of the Eurozone, but shall be denominated in euro. The list is not exhaustive and such other securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with its investment objectives and policies may be used. In practice, the Fund will invest only in securities with a maturity at issuance or residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund.

Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds”.

The base currency of the Institutional Euro Liquidity Fund is Euro. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

*Certificates of Deposit (“CDs”)* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations or other entities (including public or local authorities) with maturities up to nine months, including Asset-Backed Commercial Paper.

*Floating Rate Notes (“FRNs”)* – FRNs are unsecured notes issued by banks, building societies and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Government Bonds* – Bonds issued by the Governments of the Member States (whether or not participating in EMU).

*Government T-Bills (Eurozone)* – Short-term securities issued by the Governments of Member States (whether or not participating in EMU).

*Government (Ex-Eurozone) Sovereign Bonds* – Bonds denominated in euro which are issued or guaranteed by one or more sovereign governments outside the Eurozone or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant government.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*Short and Medium Term Obligations* – Debt obligations, notes, debentures or bonds or any other type of debt instrument (including bonds issued by corporations or other entities (including public or local authorities)) with remaining maturities of 397 days or less.

*Supranational Bonds* – Debt obligations issued or guaranteed by supranational entities and public international bodies including international organisations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies including the Asian Development Bank, the European Bank for Reconstruction and Development, the European Central Bank, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank) (collectively “Supranational Entities”).

### **Investment Policy of the Institutional Euro Assets Liquidity Fund**

In pursuit of its investment objective, the Institutional Euro Assets Liquidity Fund may invest in a broad range of transferable securities (which will be high quality money market instruments and will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available in the relevant markets (both within and outside the Eurozone). Instruments denominated in euro may include securities, instruments and obligations issued or guaranteed by the Governments of Member States (whether or not participating in EMU) or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers. These types of securities, instruments and obligations shall include those set out below and may be issued by issuers both inside and outside of the Eurozone, but shall be denominated in euro. The list is not exhaustive and such other securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with its investment objectives and policies may be used. The Fund will invest only in securities with a maturity at issuance or residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund.

Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds”.

The base currency of the Institutional Euro Assets Liquidity Fund is Euro. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

As it is currently not intended that the Company will apply for a rating from Moody’s or Standard & Poor’s in respect of the Institutional Euro Assets Liquidity Fund, the Directors will not be required to operate the Fund as necessary in order to maintain such a rating and, in particular, the Fund will not be subject to any investment restrictions imposed by such ratings agencies. The Fund will comply with the Regulations and observe the limits set out in Appendix III.

*Certificates of Deposit (“CDs”)* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations or other entities (including public or local authorities) with maturities up to nine months, including Asset-Backed Commercial Paper.

*Floating Rate Notes (“FRNs”)* – FRNs are unsecured notes issued by banks, building societies and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Government Bonds* – Bonds issued by the Governments of the Member States (whether or not participating in EMU).

*Government T-Bills (Eurozone)* – Short-term securities issued by the Governments of Member States (whether or not participating in EMU).

*Government (Ex-Eurozone) Sovereign Bonds* – Bonds denominated in euro which are issued or guaranteed by one or more sovereign governments outside the Eurozone or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant government.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum short term credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*Short and Medium Term Obligations* – Debt obligations, notes, debentures or bonds or any other type of debt instrument (including bonds issued by corporations or other entities (including public or local authorities)) with remaining maturities of 397 days or less.

Supranational Bonds – Debt obligations issued or guaranteed by supranational entities and public international bodies including international organisations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies including the Asian Development Bank, the European Bank for Reconstruction and Development, the European Central Bank, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank) (collectively “Supranational Entities”).

### **Investment Policy of the Institutional Sterling Liquidity Fund**

In pursuit of its investment objective, the Institutional Sterling Liquidity Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available in the relevant markets (both within and outside the UK) for instruments denominated in Sterling including securities, instruments and obligations issued or guaranteed by the UK Government or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers. These types of securities, instruments and obligations shall include those set out below and may be issued by both UK and non-UK issuers, but shall be denominated in Sterling. The list is not exhaustive and such other securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with its investment objectives and policies may be used. In practice, the Fund will invest only in securities with a maturity at issuance or residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund.

Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds”.

The base currency of the Institutional Sterling Liquidity Fund is Sterling. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

*Certificates of Deposit (“CDs”)* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations or other entities (including public or local authorities) with maturities up to nine months, including Asset-Backed Commercial Paper.

*Floating Rate Notes (“FRNs”)* – FRNs are unsecured notes issued by banks, building societies and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Non-UK Government Sovereign Bonds* – Bonds denominated in £ which are issued or guaranteed by one or more non-UK sovereign governments or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant non-UK sovereign government.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*Short and Medium Term Obligations* – Debt obligations, notes, debentures or bonds (including bonds issued by corporations or other entities (including public or local authorities)) with remaining maturities of 397 days or less.

*Supranational Bonds* – Debt obligations issued or guaranteed by supranational entities and public international bodies including international organisations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies including the Asian Development Bank, the European Bank for Reconstruction and Development, the European Central Bank, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank) (collectively “Supranational Entities”).

*UK Government Gilts* – Bonds issued by the UK Government and sold by the Bank of England to raise money for the UK Government.

*UK Government T-Bills* – Short-term securities issued by the UK Government.

### **Investment Policy of the Institutional US Dollar Liquidity Fund**

In pursuit of its investment objective, the Institutional US Dollar Liquidity Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available in the relevant markets (both within and outside the US) for instruments denominated in US Dollars including securities, instruments and obligations issued or guaranteed by the US Government or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers. These types of securities, instruments and obligations shall include those set out below and may be issued by both US and non-US issuers, but shall be denominated in US Dollars. The list is not exhaustive and such other



securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with its investment objectives and policies may be used. In practice the Fund will invest only in securities with a maturity at issuance or residual term to maturity of 397 days or less. The Fund will maintain a weighted average maturity of 60 days or less and a weighted average life of 120 days or less. The calculation of both the weighted average maturity and the weighted average life of the Fund will take into account the impact of deposits and any efficient portfolio management techniques used by the Fund.

Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be “Short Term Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds”.

The base currency of the Institutional US Dollar Liquidity Fund is US Dollars. The Fund will only invest in instruments denominated in the base currency of the Fund. The Fund will only invest in high quality money market instruments, which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument is not rated, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

*Certificates of Deposit (“CDs”)* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations and other entities with maturities varying from a few days to nine months, including Asset-Backed Commercial Paper.

*Floating Rate Notes (“FRNs”)* – FRNs are unsecured notes issued by banks, and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Non-US Government Sovereign Bonds* – Bonds denominated in US\$ which are issued or guaranteed by one or more non-US sovereign governments or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant non-US sovereign government.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the US Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the US Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*Short and Medium Term Obligations* – Debt obligations, notes, debentures or bonds (including bonds issued by corporations or other entities (including public or local authorities)) with remaining maturities of 397 days or less.

*Supranational Bonds* – Debt obligations issued or guaranteed by supranational entities and public international bodies including international organisations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies including the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank) (collectively “Supranational Entities”).

*US Government Securities* – US Treasury bills and notes are supported by the full faith and credit of the United States. This Fund will invest in debt securities issued by US Government sponsored enterprises, agencies and instrumentalities, including, but not limited to, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Federal National Home Loan Bank. Such securities may also include debt securities (such as bonds and notes) issued by international organisations designated or supported by multiple governmental entities such as the International Bank for Reconstruction and Development. Government agency securities are not direct obligations of the US Treasury but involve various forms of US Government sponsorship or guarantees. The US Government is not obligated to provide financial support to any of the above.

### **Investment Policy of the Institutional Euro Ultra Short Bond Fund**

In pursuit of its investment objective, the Institutional Euro Ultra Short Bond Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available on the relevant markets (both within and outside the Eurozone). Instruments denominated in Euro may include securities, instruments and obligations issued or guaranteed by the Governments of Member States (whether or not participating in the EMU) or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers.

These types of securities, instruments and obligations shall include those set out below and may be issued by both Eurozone and non-Eurozone issuers, however at least 75% of the net asset value of the Institutional Euro Ultra Short Bond Fund shall be invested in instruments denominated in Euro. Any securities, instruments and obligations denominated in another currency will be hedged back into Euro by the use of foreign exchange transactions. The list is not exhaustive and such other securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with the Institutional Euro Ultra Short Bond Fund’s investment objectives and policies may be used. The Fund will maintain a weighted average maturity of 180 days or less, a weighted average life of 1 year or less and will invest only in securities with a residual maturity of 2 years or less at time of purchase, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days and they are reset to a money market rate or index. Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be “Short Term Money Market Funds” or “Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds.

The base currency of the Institutional Euro Ultra Short Bond Fund is Euro.

*Asset Backed Securities (“ABSs”)* – ABSs are securities issued by corporations or other entities (including public or local authorities) which are collateralised by mortgages, charges or other debt obligations or rights to receivables. ABSs are normally issued in a number of different classes with different characteristics such as credit quality and term.

*Certificates of Deposit (“CDs”)* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations or other entities (including public or local authorities) with maturities up to nine months.

*Floating Rate Notes (“FRNs”)* – FRNs are unsecured notes issued by banks, building societies and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Government Bonds* – Bonds issued by the Governments of the Member States (whether or not participating in EMU).

*Government T-Bills (Eurozone)* – Short-term securities issued by the Governments of Member States (whether or not participating in EMU).

*Government (Ex-Eurozone) Sovereign Bonds* – Bonds denominated in euro which are issued or guaranteed by one or more sovereign governments outside the Eurozone or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant government.

*Mortgaged Backed Securities* – Debt instruments with a pool of real estate loans as the underlying collateral. The mortgage payments of the individual real estate assets are used to pay interest and principal on the bond.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

The Fund will only invest in high quality money market instruments which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument does not have a short term rating, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

#### **Investment Policy of the Institutional Sterling Ultra Short Bond Fund**

In pursuit of its investment objective, the Institutional Sterling Ultra Short Bond Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available on the relevant markets (both within and outside the UK). Instruments denominated in Sterling may include securities, instruments and obligations issued or guaranteed by the UK Government or other

sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers.

These types of securities, instruments and obligations shall include those set out below and may be issued by both UK and non-UK issuers, however at least 75% of the net asset value of the Institutional Sterling Ultra Short Bond Fund shall be invested in instruments denominated in Sterling. Any securities, instruments and obligations denominated in another currency will be hedged back into Sterling by the use of foreign exchange transactions. The list is not exhaustive and such other securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with the Institutional Sterling Ultra Short Bond Fund's investment objectives and policies may be used. The Fund will maintain a weighted average maturity of 180 days or less, a weighted average life of 1 year or less and will invest only in securities with a residual maturity of 2 years or less at time of purchase, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days and they are reset to a money market rate or index. Where the Fund invests in other collective investment schemes, including other Funds of the Company, these other collective investment schemes must be "Short Term Money Market Funds" or "Money Market Funds" in accordance with the European Securities and Markets Authority's "Guidelines on a common definition of European money market funds".

The base currency of the Institutional Sterling Ultra Short Bond Fund is Sterling.

*Asset Backed Securities ("ABSs")* – ABSs are securities issued by corporations or other entities (including public or local authorities) which are collateralised by mortgages, charges or other debt obligations or rights to receivables. ABSs are normally issued in a number of different classes with different characteristics such as credit quality and term.

*Certificates of Deposit ("CDs")* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations or other entities (including public or local authorities) with maturities up to nine months, including Asset-Backed Commercial Paper.

*Floating Rate Notes ("FRNs")* – FRNs are unsecured notes issued by banks, building societies and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Mortgage Backed Securities* – Debt instruments with a pool of real estate loans as the underlying collateral. The mortgage payments of the individual real estate assets are used to pay interest and principal on the bond. Includes 'covered' bonds and other similar securities backed by mortgages.

*Non-UK Government Sovereign Bonds* – Bonds denominated in Sterling which are issued or guaranteed by one or more non-UK sovereign governments or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant non-UK sovereign government.

*Repurchase Agreements ("Repos")* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements ("Reverses")* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during

the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*Short and Medium Term Obligations* – Debt obligations, notes, debentures or bonds (including bonds issued by corporations or other entities (including public or local authorities) with remaining maturities of 397 days or less.

*Supranational Bonds* – Debt obligations issued or guaranteed by supranational entities and public international bodies including international organisations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies including the Asian Development Bank, the European Bank for Reconstruction and Development, the European Central Bank, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank) (collectively “Supranational Entities”).

*UK Government Gilts* – Bonds issued by the UK Government and sold by the Bank of England to raise money for the UK Government.

*UK Government T-Bills* – Short-term securities issued by the UK Government.

The Fund will only invest in high quality money market instruments which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument does not have a short term rating, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

#### **Investment Policy of the Institutional US Dollar Ultra Short Bond Fund**

In pursuit of its investment objective, the Institutional US Dollar Ultra Short Bond Fund may invest in a broad range of transferable securities (which will generally be traded or listed on the stock exchanges or regulated markets listed in Appendix I) such as securities, instruments and obligations that may be available on the relevant markets (both within and outside the US). Instruments denominated in US Dollars may include securities, instruments and obligations issued or guaranteed by the US Government or other sovereign governments or their agencies and securities, instruments and obligations issued or guaranteed by supranational or public international bodies, banks, corporate or other commercial issuers.

These types of securities, instruments and obligations shall include those set out below as may be issued by both US and non-US issuers, however at least 75% of the net asset value of the Institutional US Dollar Ultra Short Bond Fund shall be invested in instruments denominated in US Dollars. Any securities, instruments and obligations denominated in another currency will be hedged back into US Dollars by the use of foreign exchange transactions. The list is not exhaustive and such other securities, instruments and obligations (which will generally be traded or listed on stock exchanges or regulated markets listed in Appendix I) as may from time to time be consistent with the Institutional US Dollar Ultra Short Bond Fund’s investment objectives and policies may be used. The Fund will maintain a weighted average maturity of 180 days or less, a weighted average life of 1 year or less and will invest only in securities with a residual maturity of 2 years or less at time of purchase, provided that the time remaining until the next interest rate reset date is less than or equal to 397 days and they are reset to a money market rate or index. Where the Fund invests in other collective investment schemes, including other Funds of the

Company, these other collective investment schemes must be “Short Term Money Market Funds” or “Money Market Funds” in accordance with the European Securities and Markets Authority’s “Guidelines on a common definition of European money market funds”.

The base currency of the Institutional US Dollar Ultra Short Bond Fund is US Dollars.

*Asset Backed Securities (“ABSs”)* – ABSs are securities issued by corporations or other entities (including public or local authorities) which are collateralised by mortgages, charges or other debt obligations or rights to receivables. ABSs are normally issued in a number of different classes with different characteristics such as credit quality and term.

*Certificates of Deposit (“CDs”)* – Negotiable interest-bearing instruments with a specific maturity. CDs are issued by banks, building societies and other financial institutions in exchange for the deposit of funds, and normally can be traded in the secondary market prior to maturity.

*Commercial Paper* – Unsecured short-term promissory notes issued by corporations and other entities with maturities varying from a few days to nine months, including Asset-Backed Commercial Paper.

*Floating Rate Notes (“FRNs”)* – FRNs are unsecured notes issued by banks, and other financial institutions. The interest rate payable on FRNs may fluctuate based upon changes in specified interest rates or be set periodically according to a prescribed formula.

*Mortgage Backed Securities* – Debt instruments with a pool of real estate loans as the underlying collateral. The mortgage payments of the individual real estate assets are used to pay interest and principal on the bond. Includes ‘covered’ bonds and other similar securities backed by mortgages.

*Non-US Government Sovereign Bonds* – Bonds denominated in US\$ which are issued or guaranteed by one or more non-US sovereign governments or by any of their political subdivisions, agencies or instrumentalities. Bonds of such political subdivisions, agencies or instrumentalities are often, but not always, supported by the full faith and credit of the relevant non-US sovereign government.

*Repurchase Agreements (“Repos”)* – Instruments under which the Company sells portfolio securities and at the time of sale the Company agrees to repurchase those securities at a mutually agreed time and price including a mutually agreed interest payment.

*Reverse Repurchase Agreements (“Reverses”)* – Instruments under which the Company acquires ownership of debt securities and agrees at the time of the transaction for the repurchase by the seller of the instrument at a mutually agreed time and price, thereby pre-determining the yield to the Fund during the period when the Company holds the instrument. Reverses will be secured by various debt obligations.

The Company will only enter into Reverses with institutions believed by the Investment Manager to present minimal credit risk to the Company and with a minimum credit rating of A1 or P1 (or its equivalent) or higher from a recognised credit agency or, if not so rated, deemed by the Investment Manager to be of equivalent credit quality.

Repos and Reverses will be used only for efficient portfolio management purposes (see the Section headed “Efficient Portfolio Management” in Appendix II).

*Rule 144A Securities* – US privately placed securities traded by large institutions amongst themselves.

*Short and Medium Term Obligations* – Debt obligations, notes, debentures or bonds (including bonds issued by corporations or other entities (including public or legal authorities)) with remaining maturities of 397 days or less.

*Supranational Bonds* – Debt obligations issued or guaranteed by supranational entities and public international bodies including international organisations designated or supported by governmental entities to promote economic reconstruction or development and international banking institutions and related government agencies including the Asian Development Bank, the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the International Monetary Fund and the International Bank for Reconstruction and Development (the World Bank) (collectively “Supranational Entities”).

*US Government Securities* – US Treasury bills and notes are supported by the full faith and credit of the United States. This Fund will invest in debt securities issued by US Government sponsored enterprises, agencies and instrumentalities, including, but not limited to, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation and the Federal National Home Loan Bank. Such securities may also include debt securities (such as bonds and notes) issued by international organisations designated or supported by multiple governmental entities such as the International Bank for Reconstruction and Development. Government agency securities are not direct obligations of the US Treasury but involve various forms of US Government sponsorship or guarantees. The US Government is not obligated to provide financial support to any of the above.

*Yankee Bonds* – Non-US bonds denominated in US Dollars and registered with the SEC for sale in the United States.

The Fund will only invest in high quality money market instruments which consist of investments that have been awarded one of the two highest available short-term credit ratings by each recognised credit rating agency that has rated the instrument, or, if the instrument does not have a short term rating, it is of equivalent quality as determined by the investment manager of the Fund. In the event of a rating downgrade of an instrument, the downgraded instrument will be disposed of in a reasonable time period.

## APPENDIX V

### SHARE CLASSES

In this Appendix:

A	Accumulating
D	Distributing
N	Non-stable Shares
S	Stable Shares

(Please see section headed “Definitions” for the definition of some of the terms referred to in this Section where not otherwise defined.)

#### **Institutional Euro Government Liquidity Fund**

*Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Premier (Acc) Shares	A	N	€500,000,000	0.10%
Premier (Dis) Shares	D	S	€500,000,000	0.10%
Heritage (Acc) Shares	A	N	€250,000,000	0.125%
Heritage (Dis) Shares	D	S	€250,000,000	0.125%
Select (Acc) Shares	A	N	€100,000,000	0.15%
Select (Dis) Shares	D	S	€100,000,000	0.15%
Core (Acc) Shares	A	N	€1,000,000	0.20%
Core (Dis) Shares	D	S	€1,000,000	0.20%
Admin I (Dis) Shares	D	S	€500,000	0.25%
Admin II (Dis) Shares	D	S	€250,000	0.30%
Admin III (Dis) Shares	D	S	€50,000	0.45%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	€1,000,000	0.20%
G Distributing Shares	D	S	€1,000,000	0.20%
Agency (Acc) Shares	A	N	€1,000,000	0.03%
Agency (Dis) Shares	D	S	€1,000,000	0.03%
FA Class	D	S	€1,000,000	0.20%



## Institutional Sterling Government Liquidity Fund

*Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Premier (Acc) Shares	A	N	£500,000,000	0.10%
Premier (Dis) Shares	D	S	£500,000,000	0.10%
Heritage (Acc) Shares	A	N	£250,000,000	0.125%
Heritage (Dis) Shares	D	S	£250,000,000	0.125%
Select (Acc) Shares	A	N	£100,000,000	0.15%
Select (Dis) Shares	D	S	£100,000,000	0.15%
Core (Acc) Shares	A	N	£1,000,000	0.20%
Core (Dis) Shares	D	S	£1,000,000	0.20%
Admin I (Dis) Shares	D	S	£500,000	0.25%
Admin II (Dis) Shares	D	S	£250,000	0.30%
Admin III (Dis) Shares	D	S	£50,000	0.45%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	£1,000,000	0.20%
G Distributing Shares	D	S	£1,000,000	0.20%
Agency (Acc) Shares	A	N	£1,000,000	0.03%
Agency (Dis) Shares	D	S	£1,000,000	0.03%
FA Class	D	S	£1,000,000	0.20%

**Institutional US Treasury Fund***Shares available for general distribution*

<b>Share Class Name</b>	<b>Distribution Policy</b>	<b>Stable / Non-stable</b>	<b>Minimum Initial Subscription</b>	<b>Annual Expenses (% of NAV)</b>
Premier (Acc) Shares	A	N	US\$500,000,000	0.10%
Premier (Dis) Shares	D	S	US\$500,000,000	0.10%
Heritage (Acc) Shares	A	N	US\$250,000,000	0.125%
Heritage (Dis) Shares	D	S	US\$250,000,000	0.125%
Select (Acc) Shares	A	N	US\$100,000,000	0.15%
Select (Dis) Shares	D	S	US\$100,000,000	0.15%
Core (Acc) Shares	A	N	US\$1,000,000	0.20%
Core (Dis) Shares	D	S	US\$1,000,000	0.20%
Admin I (Dis) Shares	D	S	US\$500,000	0.25%
Admin II (Dis) Shares	D	S	US\$250,000	0.30%
Admin III (Dis) Shares	D	S	US\$50,000	0.45%

*Shares available through selected Distributors*

<b>Share Class Name</b>	<b>Distribution Policy</b>	<b>Stable / Non-stable</b>	<b>Minimum Initial Subscription</b>	<b>Annual Expenses (% of NAV)</b>
G Accumulating Shares	A	N	US\$1,000,000	0.20%
G Distributing Shares	D	S	US\$1,000,000	0.20%
Agency (Acc) Shares	A	N	US\$1,000,000	0.03%
Agency (Dis) Shares	D	S	US\$1,000,000	0.03%
FA Class	D	S	US\$1,000,000	0.20%
N Class	D	S	US\$1,000,000	0.20%

## Institutional Euro Liquidity Fund

*Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Premier (Acc) Shares	A	N	€500,000,000	0.10%
Premier (Dis) Shares	D	S	€500,000,000	0.10%
Heritage (Acc) Shares	A	N	€250,000,000	0.125%
Heritage (Dis) Shares	D	S	€250,000,000	0.125%
Select (Acc) Shares	A	N	€100,000,000	0.15%
Select (Dis) Shares	D	S	€100,000,000	0.15%
Core (Acc) Shares	A	N	€1,000,000	0.20%
Core (Dis) Shares	D	S	€1,000,000	0.20%
Admin I (Acc) Shares	A	N	€500,000	0.25%
Admin I (Dis) Shares	D	S	€500,000	0.25%
Admin II (Acc) Shares	A	N	€250,000	0.30%
Admin II (Dis) Shares	D	S	€250,000	0.30%
Admin III (Acc) Shares	A	N	€50,000	0.45%
Admin III (Dis) Shares	D	S	€50,000	0.45%
Admin IV (Acc) Shares	A	N	€25,000	0.70%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	€1,000,000	0.20%
G Accumulating II Shares	A	N	€500,000	0.25%
G Accumulating IV Shares	A	N	€20,000	0.15%
G Distributing Shares	D	S	€1,000,000	0.20%
G Distributing I Shares	D	S	€25,000,000	0.15%
G Distributing II Shares	D	S	€500,000	0.25%
G Distributing IV Shares	D	S	€20,000	0.15%
GI Accumulating Shares	A	N	€25,000,000	0.15%
Agency (Acc) Shares	A	N	€1,000,000	0.03%
Agency (Dis) Shares	D	S	€1,000,000	0.03%
Aon Captives Shares	D	S	€10,000,000	0.15%
FA Class	D	S	€1,000,000	0.20%

**Institutional Euro Assets Liquidity Fund***Shares available for general distribution*

<b>Share Class Name</b>	<b>Distribution Policy</b>	<b>Stable / Non-stable</b>	<b>Minimum Initial Subscription</b>	<b>Annual Expenses (% of NAV)</b>
Premier (Acc) Shares	A	N	€500,000,000	0.10%
Premier (Dis) Shares	D	S	€500,000,000	0.10%
Heritage (Acc) Shares	A	N	€250,000,000	0.125%
Heritage (Dis) Shares	D	S	€250,000,000	0.125%
Select (Acc) Shares	A	N	€100,000,000	0.15%
Select (Dis) Shares	D	S	€100,000,000	0.15%
Core (Acc) Shares	A	N	€1,000,000	0.20%
Core (Dis) Shares	D	S	€1,000,000	0.20%
Admin I (Acc) Shares	A	N	€500,000	0.25%
Admin I (Dis) Shares	D	S	€500,000	0.25%
Admin II (Acc) Shares	A	N	€250,000	0.30%
Admin II (Dis) Shares	D	S	€250,000	0.30%
Admin III (Acc) Shares	A	N	€50,000	0.45%
Admin III (Dis) Shares	D	S	€50,000	0.45%
Admin IV (Acc) Shares	A	N	€25,000	0.70%

*Shares available through selected Distributors*

<b>Share Class Name</b>	<b>Distribution Policy</b>	<b>Stable / Non-stable*</b>	<b>Minimum Initial Subscription</b>	<b>Annual Expenses (% of NAV)</b>
Agency (Acc) Shares	A	N	€1,000,000	0.03%
Agency (Dis) Shares	D	S	€1,000,000	0.03%

## Institutional Sterling Liquidity Fund

*Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Premier (Acc) Shares	A	N	£500,000,000	0.10%
Premier (Dis) Shares	D	S	£500,000,000	0.10%
Heritage (Acc) Shares	A	N	£250,000,000	0.125%
Heritage (Dis) Shares	D	S	£250,000,000	0.125%
Select (Acc) Shares	A	N	£100,000,000	0.15%
Select (Dis) Shares	D	S	£100,000,000	0.15%
Core (Acc) Shares	A	N	£1,000,000	0.20%
Core (Dis) Shares	D	S	£1,000,000	0.20%
Admin I (Acc) Shares	A	N	£500,000	0.25%
Admin I (Dis) Shares	D	S	£500,000	0.25%
Admin II (Acc) Shares	A	N	£250,000	0.30%
Admin II (Dis) Shares	D	S	£250,000	0.30%
Admin III (Acc) Shares	A	N	£50,000	0.45%
Admin III (Dis) Shares	D	S	£50,000	0.45%
Admin IV (Acc) Shares	A	N	£25,000	0.70%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	£1,000,000	0.20%
G Accumulating II Shares	A	N	£500,000	0.25%
G Accumulating IV Shares	A	N	£20,000	0.15%
G Distributing Shares	D	S	£1,000,000	0.20%
G Distributing I Shares	D	S	£25,000,000	0.15%
G Distributing II Shares	D	S	£500,000	0.25%
G Distributing IV Shares	D	S	£20,000	0.15%
Agency (Acc) Shares	A	N	£1,000,000	0.03%
Agency (Dis) Shares	D	S	£1,000,000	0.03%
Aon Captives Shares	D	S	£10,000,000	0.15%
S (Acc) Shares	A	N	£1,000,000,000	0.10%
FA Class	D	S	£1,000,000	0.20%

## Institutional US Dollar Liquidity Fund

*Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Premier (Acc) Shares	A	N	US\$500,000,000	0.10%
Premier (Dis) Shares	D	S	US\$500,000,000	0.10%
Heritage (Acc) Shares	A	N	US\$250,000,000	0.125%
Heritage (Dis) Shares	D	S	US\$250,000,000	0.125%
Select (Acc) Shares	A	N	US\$100,000,000	0.15%
Select (Dis) Shares	D	S	US\$100,000,000	0.15%
Core (Acc) Shares	A	N	US\$1,000,000	0.20%
Core (Dis) Shares	D	S	US\$1,000,000	0.20%
Admin I (Acc) Shares	A	N	US\$500,000	0.25%
Admin I (Dis) Shares	D	S	US\$500,000	0.25%
Admin II (Acc) Shares	A	N	US\$250,000	0.30%
Admin II (Dis) Shares	D	S	US\$250,000	0.30%
Admin III (Acc) Shares	A	N	US\$50,000	0.45%
Admin III (Dis) Shares	D	S	US\$50,000	0.45%
Admin IV (Acc) Shares	A	N	US\$25,000	0.70%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	US\$1,000,000	0.20%
G Accumulating II Shares	A	N	US\$500,000	0.25%
G Accumulating IV Shares	A	N	US\$20,000	0.15%
G Distributing Shares	D	S	US\$1,000,000	0.20%
G Distributing I Shares	D	S	US\$25,000,000	0.15%
G Distributing II Shares	D	S	US\$500,000	0.25%
G Distributing III Shares	D	S	US\$100,000,000	0.12%
G Distributing IV Shares	D	S	US\$20,000	0.15%
GI Accumulating Shares	A	N	US\$25,000,000	0.15%
GT Shares	D	S	No minimum	0.75%
DAP Shares	D	S	No minimum	0.75%
Agency (Acc) Shares	A	N	US\$1,000,000	0.03%
Agency (Dis) Shares	D	S	US\$1,000,000	0.03%
Aon Captives Shares	D	S	US\$10,000,000	0.15%
FA Class	D	S	US\$1,000,000	0.20%
N Class	D	S	US\$1,000,000	0.20%

**Institutional Euro Ultra Short Bond Fund***Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Select Shares	A	N	€10,000,000	0.15%
Select (Dis) Shares	D	S	€10,000,000	0.15%
Core Shares	A	N	€1,000,000	0.20%
Core (Dis) Shares	D	N	€1,000,000	0.20%
Admin I	A	N	€500,000	0.25%
Admin II	A	N	€250,000	0.30%
Admin III	A	N	€50,000	0.45%
Premier Shares	A	N	€500,000,000	0.10%
Premier (Dis) Shares	D	S	€500,000,000	0.10%
Heritage Shares	A	N	€250,000,000	0.125%
Heritage (Dis) Shares	D	S	€250,000,000	0.125%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	€1,000,000	0.20%
Agency Shares	A	N	€1,000,000	0.03%
Agency (Dis) Shares	D	S	€1,000,000	0.03%

**Institutional Sterling Ultra Short Bond Fund***Shares available for general distribution*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
Select Shares	A	N	£10,000,000	0.15%
Select (Dis) Shares	D	S	£10,000,000	0.15%
Core Shares	A	N	£1,000,000	0.20%
Core (Dis) Shares	D	N	£1,000,000	0.20%
Admin I	A	N	£500,000	0.25%
Admin II	A	N	£250,000	0.30%
Admin III	A	N	£50,000	0.45%
Premier Shares	A	N	£500,000,000	0.10%
Premier (Dis) Shares	D	S	£500,000,000	0.10%
Heritage Shares	A	N	£250,000,000	0.125%
Heritage (Dis) Shares	D	S	£250,000,000	0.125%

*Shares available through selected Distributors*

Share Class Name	Distribution Policy	Stable / Non-stable	Minimum Initial Subscription	Annual Expenses (% of NAV)
G Accumulating Shares	A	N	£1,000,000	0.20%
Agency Shares	A	N	£1,000,000	0.03%

Agency (Dis) Shares	D	N	£1,000,000	0.03%
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### **Institutional US Dollar Ultra Short Bond Fund**

*Shares available for general distribution*

<b>Share Class Name</b>	<b>Distribution Policy</b>	<b>Stable / Non-stable</b>	<b>Minimum Initial Subscription</b>	<b>Annual Expenses (% of NAV)</b>
Select Shares	A	N	US\$10,000,000	0.15%
Select (Dis) Shares	D	S	US\$10,000,000	0.15%
Core Shares	A	N	US\$1,000,000	0.20%
Core (Dis) Shares	D	N	US\$1,000,000	0.20%
Admin I	A	N	US\$500,000	0.25%
Admin II	A	N	US\$250,000	0.30%
Admin III	A	N	US\$50,000	0.45%
Premier Shares	A	N	US\$500,000,000	0.10%
Premier (Dis) Shares	D	S	US\$500,000,000	0.10%
Heritage Shares	A	N	US\$250,000,000	0.125%
Heritage (Dis) Shares	D	S	US\$250,000,000	0.125%

*Shares available through selected Distributors*

<b>Share Class Name</b>	<b>Distribution Policy</b>	<b>Stable / Non-stable</b>	<b>Minimum Initial Subscription</b>	<b>Annual Expenses (% of NAV)</b>
G Accumulating Shares	A	N	US\$1,000,000	0.20%
Agency Shares	A	N	US\$1,000,000	0.03%
Agency (Dis) Shares	D	N	US\$1,000,000	0.03%



## APPENDIX VI

### DEPOSITARY DELEGATES

The following third-party delegates have been appointed by the Depositary in the referenced markets as sub-custodians of the assets of the Company.

Sub-Custodian	Market
HSBC Bank Argentina S.A., Buenos Aires	Argentina
JPMorgan Chase Bank, N.A., Melbourne	Australia
UniCredit Bank Austria AG, Vienna	Austria
HSBC Bank Middle East Limited, Al Seef	Bahrain
Standard Chartered Bank, Dhaka	Bangladesh
BNP Paribas Securities Services S.C.A., Brussels	Belgium
HSBC Bank Bermuda Limited, Hamilton	Bermuda
Standard Chartered Bank Botswana Limited, Gaborone	Botswana
J.P. Morgan S.A. DTVM, Sao Paulo	Brazil
Citibank Europe plc, Sofia	Bulgaria
Canadian Imperial Bank of Commerce, Toronto Royal Bank of Canada, Toronto	Canada
Banco Santander Chile, Santiago	Chile
HSBC Bank (China) Company Limited, Shanghai* * Please refer to your Client Relationship Team for additional subcustodial options	China A-Share
HSBC Bank (China) Company Limited, Shanghai	China B-Share
JPMorgan Chase Bank, N.A., Hong Kong	China Connect
Cititrust Colombia S.A., Bogota	Colombia
Banco BCT, S.A., San Jose (Restricted)	Costa Rica
Privredna banka Zagreb d.d., Zagreb	Croatia
HSBC Bank plc, Athens	Cyprus
UniCredit Bank Czech Republic and Slovakia, a.s., Prague	Czech Republic
Nordea Bank AB (publ), Copenhagen	Denmark
Citibank, N.A., Cairo	Egypt
Swedbank AS, Tallinn	Estonia
Nordea Bank AB (publ), Helsinki	Finland
BNP Paribas Securities Services S.C.A., Paris	France
Deutsche Bank AG, Eschborn J.P. Morgan AG, Frankfurt	Germany
Standard Chartered Bank Ghana Limited, Accra	Ghana
HSBC Bank plc, Athens	Greece
JPMorgan Chase Bank, N.A., Hong Kong	Hong Kong
Deutsche Bank AG, Budapest	Hungary
Islandsbanki hf., Reykjavik (Restricted)	Iceland
JPMorgan Chase Bank, N.A., Mumbai	India
PT Bank HSBC Indonesia, Jakarta	Indonesia
JPMorgan Chase Bank, N.A., London	Ireland
Bank Leumi le-Israel B.M., Tel Aviv	Israel
BNP Paribas Securities Services S.C.A., Milan	Italy
Mizuho Bank, Ltd., Tokyo The Bank of Tokyo-Mitsubishi UFJ, Ltd., Tokyo	Japan
Standard Chartered Bank, Amman	Jordan
JSC Citibank Kazakhstan, Almaty	Kazakhstan
Standard Chartered Bank Kenya Limited, Nairobi	Kenya
HSBC Bank Middle East Limited, Safat	Kuwait
Swedbank AS, Riga	Latvia
AB SEB Bankas, Vilnius	Lithuania
BNP Paribas Securities Services S.C.A., Luxembourg	Luxembourg
Standard Bank Limited, Malawi, Blantyre (Restricted)	Malawi
HSBC Bank Malaysia Berhad, Kuala Lumpur	Malaysia
The Hong Kong and Shanghai Banking Corporation Limited, Ebene	Mauritius
Banco Nacional de Mexico, S.A., Mexico, D.F.	Mexico
Société Générale Marocaine de Banques, Casablanca	Morocco
Standard Bank Namibia Limited, Windhoek	Namibia
BNP Paribas Securities Services S.C.A., Amsterdam	Netherlands
JPMorgan Chase Bank, N.A., Wellington	New Zealand
Stanbic IBTC Bank Plc, Lagos	Nigeria
Nordea Bank AB (publ), Oslo	Norway
HSBC Bank Oman S.A.O.G., Seeb	Oman
Standard Chartered Bank (Pakistan) Limited, Karachi	Pakistan
Citibank del Perú S.A., Lima	Peru

The Hong Kong and Shanghai Banking Corporation Limited, Taguig City	Philippines
Bank Handlowy w. Warszawie S.A., Warsaw	Poland
BNP Paribas Securities Services S.C.A., Lisbon	Portugal
HSBC Bank Middle East Limited, Doha	Qatar
Citibank Europe plc, Bucharest	Romania
J.P. Morgan Bank International (Limited Liability Company), Moscow	Russia
HSBC Saudi Arabia, Riyadh	Saudi Arabia
Unicredit Bank Srbija a.d., Belgrade	Serbia
DBS Bank Ltd, Singapore	Singapore
UniCredit Bank Czech Republic and Slovakia, a.s., Bratislava	Slovak Republic
UniCredit Banka Slovenija d.d., Ljubljana	Slovenia
FirstRand Bank Limited, Johannesburg	South Africa
Standard Chartered Bank Korea Limited, Seoul	South Korea
Kookmin Bank Co., Ltd., Jung-gu, Seoul	
Santander Securities Services, S.A., Madrid	Spain
The Hong Kong and Shanghai Banking Corporation Limited, Colombo	Sri Lanka
Nordea Bank AB (publ), Stockholm	Sweden
UBS Switzerland AG, Zurich	Switzerland
JPMorgan Chase Bank, N.A., Taipei	Taiwan
Stanbic Bank Tanzania Limited, Dar es Salaam (Restricted)	Tanzania
Standard Chartered Bank (Thai) Public Company Limited, Bangkok	Thailand
Banque Internationale Arabe de Tunisie, S.A., Tunis	Tunisia
Citibank A.S., Umraniye, Istanbul	Turkey
Standard Chartered Bank Uganda Limited, Kampala	Uganda
PJSC Citibank, Kiev (Restricted)	Ukraine
HSBC Bank Middle East Limited, Dubai	United Arab Emirates - ADX
HSBC Bank Middle East Limited, Dubai	United Arab Emirates – DFM
HSBC Bank Middle East Limited, Dubai	United Arab Emirates – NASDAQ Dubai
JPMorgan Chase Bank, N.A., London	United Kingdom
Deutsche Bank AG Depository and Clearing Centre, London	
JPMorgan Chase Bank, N.A., New York	United States
Banco Itaú Uruguay S.A., Montevideo	Uruguay
Citibank, N.A., Caracas	Venezuela
HSBC Bank (Vietnam) Ltd., Ho Chi Minh City	Vietnam
Standard Chartered Bank Côte d’Ivoire SA, Abidjan (Restricted)	WAEMU - Benin, Burkina Faso, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, Togo
Standard Chartered Bank Zambia Plc, Lusaka	Zambia
Stanbic Bank Zimbabwe Limited, Harare (Restricted)	Zimbabwe

## APPENDIX VII

### **Total Return Swaps and Contracts for Difference**

The table below specifies the maximum and expected proportion of the Net Asset Value of each Fund that can be subject to total return swaps and contracts for differences. The expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

<b>Fund</b>	<b>TRS and CFDs: Maximum proportion of NAV</b>	<b>TRS and CFDs: Expected proportion of NAV</b>
Institutional Euro Government Liquidity Fund	0%	0%
Institutional Sterling Government Liquidity Fund	0%	0%
Institutional US Treasury Fund	0%	0%
Institutional Euro Liquidity Fund	0%	0%
Institutional Euro Assets Liquidity Fund	0%	0%
Institutional Sterling Liquidity Fund	0%	0%
Institutional US Dollar Liquidity Fund	0%	0%
Institutional Euro Ultra Short Bond Fund	0%	0%
Institutional Sterling Ultra Short Bond Fund	0%	0%
Institutional US Dollar Ultra Short Bond Fund	0%	0%

### **Repurchase and Reverse Repurchase Agreements**

The table below specifies the maximum and expected proportion of the Net Asset Value of each Fund that can be subject to repurchase and reverse repurchase agreements. The expected proportion is not a limit and the actual percentage may vary over time depending on factors including, but not limited to, market conditions.

<b>Fund</b>	<b>Repurchase and reverse repurchase agreements: Maximum proportion of NAV</b>	<b>Repurchase and reverse repurchase agreements: Expected proportion of NAV</b>
Institutional Euro Government Liquidity Fund	100%	40%
Institutional Sterling Government Liquidity Fund	100%	40%
Institutional US Treasury Fund	100%	40%
Institutional Euro Liquidity Fund	100%	15%
Institutional Euro Assets Liquidity Fund	100%	5%
Institutional Sterling Liquidity Fund	100%	15%
Institutional US Dollar Liquidity Fund	100%	15%
Institutional Euro Ultra Short Bond Fund	100%	5%
Institutional Sterling Ultra Short Bond Fund	100%	5%
Institutional US Dollar Ultra Short Bond Fund	100%	5%

### **Securities Lending**

The table below specifies the maximum and expected proportion of the Net Asset Value of each Fund that can be subject to securities lending.

<b>Fund</b>	<b>Securities lending: Maximum proportion of NAV</b>	<b>Securities lending: Expected proportion of NAV</b>
Institutional Euro Government Liquidity Fund	Not applicable	
Institutional Sterling Government Liquidity Fund	Not applicable	
Institutional US Treasury Fund	Not applicable	
Institutional Euro Liquidity Fund	Not applicable	
Institutional Euro Assets Liquidity Fund	Not applicable	
Institutional Sterling Liquidity Fund	Not applicable	
Institutional US Dollar Liquidity Fund	Not applicable	
Institutional Euro Ultra Short Bond Fund	Not applicable	
Institutional Sterling Ultra Short Bond Fund	Not applicable	
Institutional US Dollar Ultra Short Bond Fund	Not applicable	

**ADDITIONAL INFORMATION FOR INVESTORS IN SWITZERLAND  
DATED 12 FEBRUARY 2018**

**THIS INFORMATION FORMS PART OF AND SHOULD BE READ IN CONJUNCTION WITH THE PROSPECTUS (DATED 31 JANUARY 2018) FOR INSTITUTIONAL CASH SERIES plc (THE “COMPANY”) AS MAY BE AMENDED AND SUPPLEMENTED FROM TIME TO TIME AND A LIST OF FUNDS OF THE COMPANY CAN BE FOUND IN THE SECTION HEADED “DEFINITIONS” OF THE PROSPECTUS. IN PARTICULAR, SWISS INVESTORS SHOULD REFER TO THE SECTION HEADED “FEES AND EXPENSES” IN THE PROSPECTUS.**

**1. Representative**

The representative in Switzerland is BlackRock Asset Management Schweiz AG, Bahnhofstrasse 39, 8001 Zurich.

**2. Paying agent**

The paying agent in Switzerland is State Street Bank International GmbH, Munich, Zurich branch, Beethovenstrasse 19, CH-8027 Zurich.

**3. Place where the relevant documents may be obtained**

The Prospectus, the key investor information document, the Articles as well as the annual and semi-annual reports may be obtained free of charge from the representative in Switzerland.

**4. Publications**

- a. Publications concerning the foreign collective investment scheme are made in Switzerland on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).
- b. The issue and redemption prices or the net asset value together with a reference stating „excluding commissions“ of all relevant share classes are published daily on the electronic platform [www.fundinfo.com](http://www.fundinfo.com).

**5. Payment of retrocessions and rebates**

- a. The Company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund shares in Switzerland or from Switzerland. This remuneration may be deemed payment for the following services in particular:
  - Supporting the client on-boarding process and enabling the subscription and redemption process of fund shares
  - Making available current marketing and fund research material
  - Performing delegated due diligence duties, such as AML, monitoring of distribution restrictions
  - Responding to investor queries
  - Assignment and oversight of sub-distributors

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors,

unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

- b. In respect of distribution in Switzerland or from Switzerland, the Company and its agents do not pay any rebates to reduce the fees or costs incurred by the investor and charged to the fund.

#### **6. Place of performance and jurisdiction**

In respect of the Shares distributed in Switzerland and from Switzerland, the place of performance and jurisdiction is the registered office of the representative in Switzerland.