

---

**If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the Company or the suitability for you of investment in the Company, you should consult your stock broker, intermediary, bank manager, solicitor, accountant or other independent financial adviser. Prices for Shares in the Company may fall as well as rise and accordingly an investor may not get back the full amount invested.**

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

### **UTI Goldfinch Funds PLC**

(An open-ended umbrella investment company with variable capital and segregated liability between sub-funds incorporated with limited liability in Ireland under the Companies Acts, 1963 to 2013 with registration number 541549 and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011) as amended.

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

**Promoter**

**UTI International (Singapore) Private Limited**

---

The date of this Prospectus is 30<sup>th</sup> September , 2014

## IMPORTANT INFORMATION

This Prospectus should be read in conjunction with the Section entitled "Definitions".

### The Prospectus

This Prospectus describes UTI Goldfinch Funds PLC (the "Company") an open-ended investment company with variable capital incorporated in Ireland as a public limited company pursuant to the Act. The Company has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The Company is structured as an umbrella fund with segregated liability between sub-funds and may comprise several portfolios of assets. The share capital ("Shares") of the Company may be divided into different classes of shares ("Funds"), each representing a separate portfolio of assets, and further sub-divided, to denote differing characteristics attributable to particular Shares, into "Classes".

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

Distribution of this document is not authorised after the publication of the first annual or half yearly report and accounts of the Company unless it is accompanied by a copy of the most recent of such reports. Such reports will form part of this Prospectus. The latest annual and half yearly reports of the Company shall be supplied to subscribers free of charge on request and will be available to the public as described in the section below entitled "Reports and Accounts".

### The Promoter

The Promoter of the Company is UTI International (Singapore) Private Limited. The Promoter was incorporated in Singapore on 15 November 2006 and is regulated by the Monetary Authority of Singapore in the conduct of financial services and investment management activities and has been approved by the Central Bank to promote Collective Investment Schemes in Ireland.

### Central Bank Authorisation

The Company is both authorised and supervised by the Central Bank. **Authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company. 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.**

**Prices of Shares in the Company may fall as well as rise.**

## **Stock Exchange Listing**

Each Class of Shares may be listed and/or admitted to trading on one or more Relevant Stock Exchanges, further details of which would be set out in the relevant Supplement.

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

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

The Directors may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or may affect the tax status of the Company. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, is in breach of the laws and regulations of his nationality, residence, ordinary residence or domicile or whose holding could, in the opinion of the Directors, cause the Company any Shareholder or any Fund to incur any liability to taxation or to suffer any pecuniary disadvantage which any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the Company, the Investment Manager and Distributor, the Custodian, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the Company.

The Directors have the power under the Memorandum and Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of the restrictions imposed by them as described herein.

## ***United States of America***

The Shares have not been nor will they be registered under the U.S. Securities Act of 1933, as amended (the “1933 Act”), or registered or qualified under the securities laws of any of the states of the United States. The Shares may not be offered, sold or delivered directly or indirectly in the United States or to or for the account or benefit of any “U.S. Person” (as defined in Regulation S under the 1933 Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the 1933 Act and any applicable state securities laws.

Neither the Company nor any Fund will be registered under the U.S. Investment Company Act of 1940, as amended (the “1940 Act”), pursuant to Section 3(c)(7) of the 1940 Act. Accordingly, Shares will only be sold to “U.S. Persons”, as defined in Regulation S under the 1933 Act, who are “qualified

purchasers", as defined in the 1940 Act or the regulations thereunder, or as otherwise consistent with Section 3(c)(7) of the 1940 Act.

Each subscriber for Shares that is a U.S. Person, as defined in Regulation S under the 1933 Act, will be required to certify that it is both an "accredited investor" as defined in Regulation D under the 1933 Act and a "qualified purchaser" as defined in Section 2(a)(51) of the 1940 Act or the regulations thereunder. The qualifications for an "accredited investor" and a "qualified purchaser" are set out in detail in Appendix III to this Prospectus.

The Shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "SEC") or any state securities commission, nor has any such regulatory authority passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Prospectus. Any representation to the contrary is unlawful.

The Directors do not intend to permit Shares of any Fund of the Company acquired by investors subject to the United States Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and by other benefit plan investors, as defined in ERISA, to equal or exceed 25% of the value of any such Class (determined in accordance with ERISA). Accordingly, each prospective applicant for Shares will be required to represent and warrant as to whether and to what extent he is a "benefit plan investor" for the purposes of ERISA.

For additional information on investments by U.S. Persons, including certain U.S. securities law, U.S. federal tax, and ERISA and other benefit plan considerations, please see Appendix III to this Prospectus.

### ***Ireland***

The Company is structured as an umbrella fund with segregated liability between sub-funds and may comprise several portfolios of assets. The share capital ("Shares") of the Company may be divided into different classes of shares ("Funds"), each representing a separate portfolio of assets, and further sub-divided, to denote differing characteristics attributable to particular Shares, into "Classes". 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 the Prospectus of the Company.

### ***Hong Kong***

The distribution of this document/ the prospectus / Key Investor Information Document ("KIID") or any marketing material ("this material") of the Company or any Fund, may only be made in Hong Kong in circumstances that do not constitute an issue, invitation or offer to the public under the Hong Kong Securities and Futures Ordinance ("Securities and Futures Ordinance"). This material is confidential to you. The Company has not been authorized by the Securities and Futures Commission in Hong Kong pursuant to Section 104 of the Securities and Futures Ordinance nor has the offering memorandum been registered by the Registrar of Companies in Hong Kong pursuant to the Hong Kong Companies Ordinance ("Companies Ordinance"). Accordingly, unless permitted by the

Securities and Futures Ordinance no person may issue or have in its possession for issue in Hong Kong this material or any other invitation, advertisement or document relating to the participating shares interests in the Company to anyone other than (1) professional investors within the meaning of the Securities and Futures Ordinance and any rules made there under, (2) persons and in circumstances which do not constitute an invitation or offer to the public within the meaning of the Securities and Futures Ordinance or the Companies Ordinance, or (3) otherwise pursuant to, and in accordance with the conditions of, any other applicable provisions of the Securities and Futures Ordinance and the Companies Ordinance.

### ***India***

The Shares of the Company have not been offered or sold in India and should not be offered or sold in India. This Prospectus or any other offering document or material relating to the Shares of the Company or any Fund, will not be registered as a prospectus as defined under the Indian Companies Act, 1956 and/ or the (Indian) Companies Act, 2013, as applicable (**Indian Companies Act**) or with the Registrar of Companies, the Securities and Exchange Board of India, the Reserve Bank of India or any other statutory or regulatory body of like nature in India and shall not be circulated or distributed directly or indirectly, to the public or any members of the public in India or otherwise generally distributed or circulated in India, in circumstances which would constitute an advertisement, invitation, sale or solicitation of an offer to subscribe for or purchase any securities to the public within the meaning of the Indian Companies Act and other applicable Indian law for the time being in force.

### ***United Kingdom***

From the date of this Prospectus until such time as the Company becomes a recognised scheme under the Financial Services and Markets Act 2000 ("FSMA"), the Company will be an unrecognised collective investment scheme for the purposes of the FSMA. As such its promotion by authorised persons in the United Kingdom is restricted by section 238 of the FSMA and may only be undertaken by an authorised person in compliance with the provisions of section 238 of the FSMA and the regulations made thereunder. In addition, until such time as the Company receives recognition as a recognised scheme under section 264 of the FSMA, and the contents of this document have been approved by an authorised person, this document may not be issued in the United Kingdom by a person who is not an authorised person, or caused to be so issued by such a person, except in accordance with the provisions the FSMA and the regulations made thereunder. As against the Company, and any overseas agent thereof who is not a person authorised to carry on investment business in the United Kingdom, a United Kingdom investor will not benefit from most of the protections afforded by the United Kingdom regulatory system, and in particular will not benefit from rights under the Financial Services Compensation Scheme or access to the Financial Ombudsman Service which are designed to protect investors as described in the FSMA and the rules of the FCA.

### **Registration for Distribution and Sale of Shares**

The Company may make application to register and distribute its Shares in jurisdictions outside Ireland. In the event that such registrations take place, local regulations may require the appointment

of paying/facilities agents and the maintenance of accounts by such agents through which subscription and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay/receive subscription/redemption monies via an intermediary rather than directly to the Custodian bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Custodian and (b) redemption monies payable by such intermediate entity to the relevant investor. The fees and expenses in connection with the registration and distribution of Shares in such jurisdictions, including the appointment of representatives, distributors or other agents in the relevant jurisdictions and the production of local country information documents, will be at normal commercial rates and may be borne by the Company and/or the Funds.

### **Reliance on this Prospectus**

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

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

### **Translations**

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

### **Dividends**

Shareholders should note that some or all of the dividends of the Company may be paid from the capital of the Company. The policy of paying dividends from capital will have the following effects (i) capital will be eroded, (ii) distribution is achieved by forgoing the potential for future capital growth and (iii) the cycle may continue until all capital is depleted. Shareholders should also note that the payment of dividends out of capital may have different tax implications to distributions out of income

and therefore tax advice should be sought in this regard.

## **Risk Factors**

**The difference at any one time between the sale price (to which may be added a sales charge or commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term. Investors may be subject to a redemption fee calculated at up to 3% of redemption monies. Investors should refer to the relevant Supplement to determine whether or not a subscription charge or redemption charge is being imposed. An investment in the Company should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.** Investors should read and consider the section of the Prospectus entitled “Risk Factors” before investing in the Company.

## DIRECTORY

### UTI Goldfinch Funds PLC

**Directors**

Praveen Jagwani  
Samantha McConnell  
Simon McDowell

**Promoter, Investment  
Manager and Distributor**

UTI International (Singapore)  
Private Limited  
3 Raffles Place  
#8-02 Bharat Building  
Singapore, 048617

**Registered Office**

78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Administrator**

State Street Fund Services  
Ireland Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Custodian**

State Street Custodial Services  
(Ireland) Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Company Secretary**

State Street Fund Services  
Ireland Limited  
78 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Auditors**

Ernst & Young  
Ernst & Young Building  
Harcourt Centre  
Harcourt Street  
Dublin 2  
Ireland

**Irish Legal Advisers**

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

**Investment Advisor**

UTI Asset Management  
Company Ltd  
UTI - Tower, "Gn" Block  
Bandra Kurla Complex  
Mumbai- 400051  
India

**Corporate Governance  
Service Provider**

Bridge Consulting Limited  
33 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**India Legal Advisers**

Trilegal  
One Indiabulls Centre  
14th Floor, Tower One  
Elphinstone Road  
Mumbai - 400013  
India

**India Tax Advisers**

PricewaterhouseCoopers  
Private Limited  
PwC House, Plot 18/A  
Gurunanak Road  
Bandra (West)  
Mumbai – 400050  
India

**Listing Sponsor**

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

**Irish Tax Advisers**

PricewaterhouseCooper  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

**Singapore Legal Advisers**

Drew & Napier LLC  
10 Collyer Quay  
#10-01 Ocean Financial Centre  
Singapore 049315



**United Kingdom**

UTI International Limited  
32 City Road  
London  
EC1Y 2BD  
United Kingdom

## TABLE OF CONTENTS

	<b>PAGE</b>
<b>SECTION</b>	
<b>Dividends</b> .....	5
1. THE COMPANY .....	20
General .....	20
Investment Objective .....	20
Investment Restrictions .....	21
Borrowing Powers .....	21
Adherence to Investment and Borrowing Restrictions .....	21
Change to Investment and Borrowing Restrictions .....	21
Financial Derivative Instruments .....	22
Efficient Portfolio Management .....	22
Hedged Classes .....	23
Collateral Policy .....	24
Collateral – Received by the Fund .....	24
Non-Cash Collateral .....	24
Cash Collateral .....	26
Collateral – Posted by the Fund .....	26
Dividend Policy .....	26
Publication of Net Asset Value per Share .....	26
Risk Factors .....	27
2. MANAGEMENT AND ADMINISTRATION .....	39
Directors .....	39
Investment Manager .....	40
The Distributor .....	40
Investment Committee .....	40
Investment Advisor .....	41
The Administrator .....	41
The Custodian .....	42
Corporate Governance Service Provider .....	43
Company Secretary .....	43
Paying Agents/Representatives/Sub-Distributors .....	43
Facilities Agent in the United Kingdom .....	43
Conflicts of Interest .....	44
Soft Commissions .....	46

Fee Rebate.....	47
3. FEES AND EXPENSES.....	47
Establishment Expenses .....	47
Operating Expenses and Fees .....	47
Directors' Fees.....	48
Administrator's Fee.....	48
Custodian's Fees .....	48
Auditors' Fee .....	49
Corporate Governance Service Provider Fee .....	49
Service Providers' Fees.....	49
Subscription Fees, Redemption Fees and Conversion Fees .....	49
Anti-Dilution Levy/Duties and Charges .....	49
Fee Increases .....	50
4. THE SHARES.....	51
General.....	51
Abusive Trading Practices/Market Timing.....	52
Application for Shares in the Primary Market .....	53
Data Protection.....	57
Redemption of Shares in the Primary Market .....	57
Withdrawal of Redemption Requests .....	59
Compulsory Redemption of Shares/Deduction of Tax .....	59
Total Redemption of Shares.....	60
Conversion of Shares in the Primary Market.....	61
Withdrawal of Conversion Requests .....	62
Transfer of Shares in the Primary Market .....	62
Dealing In Shares In The Secondary Market.....	63
Intra-Day Portfolio Value .....	64
Net Asset Value and Valuation of Assets.....	65
Publication of Net Asset Value per Share .....	70
Suspension of Valuation of Assets .....	70
5. TAXATION .....	72
General.....	72
Taxation of the Company in Ireland.....	72
United Kingdom Taxation.....	83
6. GENERAL INFORMATION .....	89
1. Incorporation, Registered Office and Share Capital .....	89
2. Variation of Share Rights and Pre-Emption Rights .....	89

3. Voting Rights .....	90
4. Meetings .....	91
5. Reports and Accounts .....	91
6. Communication and Notices to Shareholders.....	92
7. Transfer of Shares.....	92
8. Directors.....	93
9. Directors' Interests.....	95
10. Winding Up.....	95
11. Indemnities .....	97
12. General .....	98
13. Material Contracts .....	98
14. Documents Available for Inspection .....	100
Appendix I – Permitted Investments and Investment Restrictions .....	101
Appendix II - Recognised Exchanges .....	107

## DEFINITIONS

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

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

"1933 Act"	means the U.S. Securities Act of 1933, as amended.
"1940 Act"	means the U.S. Investment Company Act of 1940, as amended.
"Accounting Date"	means the 31 <sup>st</sup> October in each year.
"Accounting Period"	means a period ending on the Accounting Date and commencing, in the case of the first such period on the date of incorporation of the Company and, in subsequent such periods, on the expiry of the last Accounting Period.
"Act"	means the Companies Acts 1963 to 2013 and every amendment or re-enactment of the same.
"Additional Transfer Agent"	means any transfer agent appointed in the Secondary Market in conjunction with the Administrator in respect of Dematerialised Shares as disclosed in the relevant Supplement from time to time.
"Administrator"	means State Street Fund Services (Ireland) Limited.
"Administration Agreement"	means the Administration Agreement made between the Company and the Administrator dated 30 <sup>th</sup> September, 2014.
"Application Form"	means any application form to be completed by subscribers for Shares as prescribed by the Company from time to time.
"Articles of Association"	means the Memorandum and Articles of Association of the Company.
"Auditors"	means Ernst & Young of Ernst & Young Building, Harcourt Centre, Harcourt Street Dublin 2, Ireland.

Authorised Participant"	means a person or entity who has been approved by the Company or its delegate to act as an authorised participant in relation to subscriptions and redemptions in the Primary Market for Shares in the Company.
"Base Currency"	means the currency of account of a Fund as shall be specified in the relevant Supplement for that Fund.
"Business Day"	means in relation to a Fund such day or days as shall be specified in the relevant Supplement for that Fund.
"Central Bank"	means the Central Bank of Ireland and any successor body thereto.
"CFTC"	means the U.S. Commodity Futures Trading Commission and any successor body thereto.
"Class"	means a particular division of Shares in a Fund.
"Clearing Agent"	means any entity affiliated with one or more Relevant Stock Exchanges and which facilitates the validation, delivery and settlement of the Company's Shares.
"Code"	means the U.S. Internal Revenue Code of 1986, as amended.
"Collateral"	means assets delivered as defined under the relevant credit support annex for a Fund and which are acceptable collateral in accordance with the Central Bank's UCITS notices.
"Commodity Act"	means the U.S. Commodity Exchange Act, as amended.
"Company"	means UTI Goldfinch Funds plc.
"Creation Unit"	means 500,000 Shares
"Custodian"	means State Street Custodial Services (Ireland) Limited.
"Custodian Agreement"	means the Custodian Agreement made between the Company and the Custodian dated 30 <sup>th</sup> September, 2014

"Dealing Day"	means in relation to a Fund such Business Day or Business Days as shall be specified in the relevant Supplement for that Fund and/or such other day or days as may be determined by the Directors from time to time and notified in advance to the Shareholders, provided that there shall be at least one Dealing Day every fortnight. "Dealing Day" shall be construed accordingly.
"Dealing Deadline"	means in relation to a Fund, such time in respect of each Dealing Day as shall be specified in the relevant Supplement for that Fund.
"Dematerialised Shares"	means, Shares, title to which is recorded on the register of the Company as being in uncertificated form and which may be transferred by means of a computer based settlement system in accordance with the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996 (of Ireland).
"Directors"	means the directors of the Company or any duly authorised committee or delegate thereof.
"Distribution Agreement"	means the Distribution Agreement dated 30 <sup>th</sup> September, 2014 made between the Company and the Distributor.
"Distributor"	means UTI International (Singapore) Private Limited.
"ERISA"	means the U.S. Employee Retirement Income Security Act of 1974, as amended.
"Euro" or "€"	means the lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the EC Treaty of Rome dated 25th March 1957 (as amended).
"Exempt Irish Investor"	see definition in "Taxation" section of this Prospectus.
"Facilities Agent"	means UTI International Limited
"FCA"	means the Financial Conduct Authority of the United Kingdom.
"Financial Instruments"	means the transferable securities, financial derivative

instruments (“FDIs”) and all other investments as outlined in Appendix 1 entitled “Permitted Investments and Investment Restrictions”, including any cash balances and liabilities of the relevant Fund.

"FSMA"

means the United Kingdom Financial Services and Markets Act 2000 and every amendment or re-enactment of the same.

"Fund"

means a sub-fund of the Company representing the designation by the Directors of a particular class or classes of Shares as a sub-fund the proceeds of issue of which are pooled separately and invested in accordance with the investment objective and policies applicable to such sub-fund and which is established by the Directors from time to time with the prior approval of the Central Bank.

"Global Share Certificate"

means the certificates issued (as described in further detail under the heading “The Shares”).

"Index"

means the index of securities which a Fund may aim to track or replicate, pursuant to its investment objective and, in accordance with its investment policies (as set out in the relevant Supplement).

"Index Provider"

means in relation to a Fund, the entity or person acting by itself or through a designated agent, which compiles, calculates and publishes information on the Index corresponding to a Fund and has licensed the Index as specified in the relevant Supplement.

"Initial Price"

means the initial price payable for a Share as specified in the relevant Supplement for each Fund or Class.

"Intermediary"

see definition in “Taxation” section of this Prospectus.

"Investment Manager"

means UTI International (Singapore) Private Limited or any successor(s) thereto appointed by the Company to act as investment manager to one or more Funds as detailed in the relevant Supplement. In the Prospectus, the term “Investment Manager” shall include each of these entities, unless otherwise indicated .



"Investment Management Agreement"	means one or more Investment Management Agreements made between the Company and one or more Investment Managers as described in the relevant Supplement.
"Ireland"	means the Republic of Ireland.
"Market Maker"	means financial institutions that are a member of the Relevant Stock Exchanges and have signed a market-making contract with the Company or that are registered as such with the Relevant Stock Exchanges.
"MAS"	means the Monetary Authority of Singapore.
"Member"	means a Shareholder or a person who is registered as the holder of one or more non-participating shares in the Company.
"Member State"	means a member state of the European Union.
"Minimum Holding"	means the minimum number of value of Shares which must be held by Shareholders as specified in the relevant Supplement.
"Minimum Subscription"	means the minimum subscription for Shares as specified in the relevant Supplement.
"Minimum Redemption"	means the amount as may be specified by the Directors and set out in the relevant Supplement as being the minimum amount in respect of which requests for redemption may be made in the Primary Market.
"Net Asset Value"	means the Net Asset Value of a Fund or attributable to a Class (as appropriate) calculated as referred to herein.
"Net Asset Value per Share"	means the Net Asset Value of a Fund divided by the number of Shares in issue in that Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class rounded to four decimal places.
"Ordinarily Resident in Ireland"	see definition in the "Taxation" section of this Ireland" Prospectus.

"Prospectus"	the prospectus of the Company and any Supplements and addenda thereto issued in accordance with the requirements of the Central Bank.
"Primary Market"	The issue of Shares to a person registered or eligible to be registered as the holder of Shares in the register of Shareholders, the redemption of Shares by a person who is registered as the holder of Shares in the register of Shareholders or the transfer of Shares by a person who is registered as the holder of Shares in the register of Shareholders to a person who is registered or eligible to be registered as the holder of Shares in the register of Shareholders.
"Recognised Exchange"	means the stock exchanges or regulated markets set out in Appendix II.
"Relevant Declaration"	see definition in "Taxation" section of this Prospectus.
"Relevant Stock Exchanges"	means markets on which the Shares of a Fund will be listed as would be disclosed in the relevant Supplement.
"Resident in the Republic of Ireland"	see definition in "Taxation" section of this Prospectus.
"SEC"	means the U.S. Securities and Exchange Commission and any successor body thereto.
"Secondary Market"	means with respect to Classes of Shares listed and traded on a Relevant Stock Exchange only, the Relevant Stock Exchanges on which Shares of the Company may be acquired or sold through Authorised Participants/brokers operating on such Relevant Stock Exchanges.
"Share"	means a participating share or, save as otherwise provided in this Prospectus or a Supplement, a fraction of a participating share in the capital of the Company.
"Shareholder"	means a person who is registered as the holder of Shares in the register of Shareholders for the time being kept by or on behalf of the Company.

"Sterling" or "£"	means the lawful currency for the time being of the United Kingdom.
"Supplement"	means a supplement to this Prospectus specifying certain information in respect of a Fund and/or one or more Classes.
"Tracking Error"	means the standard deviation of the difference in returns between a Fund and the Index.
"UCITS"	means an Undertaking for Collective Investment in Transferable Securities established pursuant to EC Council Directive 85/611/EEC of 20 December 1985 as amended.
"UCITS Notices"	means a notice or notices with respect to UCITS issued from time to time by the Central Bank as the competent authority with responsibility for the authorisation and supervision of UCITS.
"UCITS Regulations"	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) (as amended, consolidated or substituted from time to time) and any regulations or notices issued by the Central Bank pursuant thereto for the time being in force.
"UK"	means the United Kingdom of Great Britain and Northern Ireland.
"United States"	means the United States of America (including the States, Puerto Rico and the District of Colombia) its territories, possessions and all other areas subject to its jurisdiction.
"US Dollar", "USD" or "US\$"	means United States Dollars, the lawful currency for the time being of the United States of America.
"U.S. Person"	means (other than in the discussion of "Certain United States Federal Income Tax Considerations" in Appendix III) a person who is (i) included in the definition of "U.S. person" under Rule 902 of Regulation S under the 1933 Act and (ii) excluded from the definition of a "Non-United

States person” as used in CFTC Rule 4.7 under the  
Commodity Act.

"Valuation Point"

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

## **1. THE COMPANY**

### **General**

The Company is an open-ended investment company with variable capital, incorporated in Ireland on the 27<sup>th</sup> of March 2014 under the Act with registration number 541549. The Company has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

The Company is structured as an umbrella fund consisting of different Funds each comprising one or more Classes. The Shares of each Class of a Fund will rank *pari passu* with each other in all respects provided that they may differ as to certain matters including but not limited to currency of denomination, hedging strategies if any applied to the currency of a particular Class, dividend policy, the level of fees and expenses to be charged or Minimum Subscription, Minimum Redemption, where applicable, Minimum Holding applicable or other particular features as the Directors may from time to time determine. Specific information relating to the characteristics of each Class shall be set out in the relevant Supplement. The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. A separate portfolio of assets is not maintained for each Class. The investment objective and policies and other details in relation to each Fund are set out in the relevant Supplement which forms part of and should be read in conjunction with this Prospectus. As further described in the section entitled “Net Asset Value & Valuation of Assets”, a separate Net Asset Value per Share will be calculated for each issued Class of Shares. At the date of this document, there is one Fund of the Company, namely the UTI India Sovereign Bond UCITS ETF. Shares in that Fund are issued on the terms and conditions set out in the relevant Supplement to the Fund.

The Company is an umbrella fund with segregated liability between Funds. Accordingly any liability incurred on behalf of or attributable to any Fund of the Company shall be discharged solely out of the assets of that Fund, and neither the Company nor any director, receiver, examiner, liquidator, provisional liquidator or other person shall apply, nor be obliged to apply, the assets of any such Fund in satisfaction of any liability incurred on behalf of or attributable to any other Fund of the Company, irrespective of when such liability was incurred.

The Base Currency of each Fund is specified in the relevant Supplement. Additional Funds in respect of which a Supplement or Supplements will be issued may be established by the Directors with the prior approval of the Central Bank. Additional Classes in respect of which a Supplement or Supplements will be issued may be established by the Directors and notified to and cleared in advance with the Central Bank or otherwise must be created in accordance with requirements of the Central Bank. If the Directors decide to create additional Funds or Classes, they may, in their discretion, apply for the Shares of such Funds or Classes to be listed on a Relevant Stock Exchange.

### **Investment Objective**

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

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

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

Potential investors should be aware that there is no guarantee that a Fund will achieve its investment objective or be profitable. Investors may not receive a return on amounts invested and could lose all or a portion of their investment in any Fund of the Company.

### **Investment Restrictions**

Investment of the assets of each Fund must comply with the UCITS Regulations. The Directors may impose further restrictions in respect of any Fund. The investment and borrowing restrictions applying to the Company and each Fund are set out in Appendix I. Each Fund may also hold ancillary liquid assets.

### **Borrowing Powers**

The Company may only borrow for cash flow purposes on a temporary basis for the account of a Fund and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of such Fund. Subject to this limit the Directors may exercise all borrowing powers on behalf of the Company and may charge the assets of a Fund as security for such borrowings only in accordance with the provisions of the UCITS Regulations.

### **Adherence to Investment and Borrowing Restrictions**

The Company will adhere to any investment or borrowing restrictions stated herein or imposed by the Irish Stock Exchange for so long as any Shares in the Company are listed on the Irish Stock Exchange, subject to the UCITS Regulations.

### **Change to Investment and Borrowing Restrictions**

It is intended that the Company shall have the power, subject to the prior approval of the Central Bank and the prior approval of Shareholders and as disclosed in an updated Prospectus, to avail of any change in the investment and borrowing restrictions specified in the UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited.

## **Financial Derivative Instruments**

The Company, on behalf of each Fund, may invest in financial derivative instruments including equivalent cash settled instruments dealt on a Recognised Exchange and/or in OTC derivative instruments in each case under and in accordance with conditions or requirements imposed by the Central Bank. The financial derivative instruments in which the Company may invest on behalf of each Fund, the purpose and the expected effect of investment in such financial derivative instruments on the risk profile of a Fund are disclosed in the relevant Supplement. If other financial derivative instruments may be invested in for a particular Fund, such instruments and their expected effect on the risk profile of such Fund and the extent to which a Fund may be leveraged through the use of financial derivative instruments will be disclosed in the relevant Supplement.

The Company will employ a risk management process which will enable it to accurately measure, monitor and manage the risks attached to financial derivative positions and details of this process have been provided to the Central Bank. The Company will not utilise financial derivatives which have not been included in the risk management process until such time as a revised risk management process has been submitted to and cleared by the Central Bank. The Company will provide on request to Shareholders supplementary information relating to the risk management methods employed by the Company including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

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

## **Efficient Portfolio Management**

The Company may, on behalf of each Fund, subject to the requirements of the Central Bank engage in techniques and instruments relating to transferable securities and Money Market Instruments for efficient portfolio management purposes. Efficient portfolio management transactions relating to the assets of the Company may be entered into by the Investment Manager with one of the following aims: i) the reduction or stabilisation of risk; ii) the reduction of cost with no increase or a minimal increase in risk; iii) the generation of additional capital or income for the Fund with a level of risk consistent with the risk profile of the Fund and the diversification requirements in accordance with the Central Bank's UCITS Notice 9 "Eligible Assets and Investment Restrictions" and as disclosed in Appendix I to the Prospectus. Such techniques and instruments may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund, further details of which will be set out in the Supplement.

The Company may also employ (subject to the conditions and within the limits laid down by the Central Bank) techniques and instruments intended to provide protection against exchange and/or interest rate risks in the context of the management of its assets and liabilities. The techniques and

instruments which the Company may use on behalf of any Fund will be set out in the relevant Supplement.

All the revenues arising from efficient portfolio management techniques shall be returned to the relevant Fund following the deduction of any direct and indirect operational costs and fees arising. Such direct and indirect operational costs and fees (which are all fully transparent) shall include fees and expenses payable to counterparties, who are not related to the Manager or the Custodian, engaged by the Company from time to time and shall not include hidden revenue. Such fees and expenses of any counterparties engaged by the Company, which will be at normal commercial rates together with VAT, if any, thereon, will be borne by the relevant Fund in respect of which the relevant party has been engaged. Details of revenues arising and attendant direct and indirect operational costs and fees as well as the identity of any counterparties engaged by the Company from time to time shall be included in the Company's semi-annual and annual reports.

In relation to efficient portfolio management operations, the Investment Manager will seek to ensure that the techniques and instruments entered into for the purposes of efficient portfolio management are realised in a cost effective manner.

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

### **Hedged Classes**

The Company may (but is not obliged to) enter into certain currency related transactions in order to hedge the currency exposure of the assets of a Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management. In addition, a Class designated in a currency other than the Base Currency may be hedged against exchange rate fluctuation risks between the designated currency of the Class and the Base Currency. Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of a Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class. Where a Class of Shares is to be hedged this will be disclosed in the Supplement for the Fund in which such Class is issued. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Fund. The currency exposure of the assets attributable to a Class may not be allocated to other Classes. Where the Company seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However over-hedged positions will not exceed 105% of the Net Asset Value and hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level and to ensure that positions materially in excess of 100% of Net Asset Value of the Class will not be carried forward from month to month. To the extent that hedging is successful for a particular Class the performance of the Class is likely to move in line with the performance of the underlying assets with the result that investors in that Class will not



gain if the Class currency falls against the Base Currency and/or the currency in which the assets of the particular Fund are denominated.

### **Collateral Policy**

In the context of efficient portfolio management techniques for hedging or investment purposes, collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund. Any receipt or posting of collateral by a Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the Company's collateral policy outlined below. Currently it is not intended that any of the Funds of the Company will post or receive collateral in connection with the derivative contracts it enters into. Should a Fund ever decide to post or receive collateral the relevant Supplement will be updated in advance of such use of collateral.

### **Collateral – Received by the Fund**

Collateral posted by the counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. Such a Fund will require receipt of the necessary level of collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced to the extent that the value of the collateral received corresponds with the value of the amount exposed to counterparty risk at any given time.

The Investment Manager will liaise with the Custodian in order to manage all aspects of the counterparty collateral process.

Risks linked to the management of collateral, such as operational and legal risks, shall be identified, managed and mitigated by the Manager's risk management process. If a Fund receives collateral for at least 30% of its assets it will put in place an appropriate stress testing policy to ensure regular stress tests are carried out under normal and exceptional liquidity conditions to enable the relevant Fund to assess the liquidity risk attached to the collateral. The liquidity stress testing policy will at least prescribe the following:

- (a) Design of stress test scenario analysis including calibration, certification and sensitivity analysis;
- (b) Empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- (c) Reporting frequency and limit/loss tolerance threshold/s; and
- (d) Mitigation actions to reduce loss including haircut policy and gap risk protection.

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

### **Non-Cash Collateral**

Collateral received must, at all times, meet with the following criteria:

- Liquidity: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of Regulation 74 of the Regulations.
- Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- Issuer credit quality: Collateral received should be of high quality.
- Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the relevant 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.
- Immediately available: Collateral received should be capable of being fully enforced by the relevant Fund at any time without reference to or approval from the counterparty.
- Safe-keeping: Collateral received on a title transfer basis should be held by the Custodian or its agent. For other types of collateral arrangement, 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.
- Haircuts: The Investment Manager, on behalf of the relevant Fund, shall apply suitably conservative haircuts to assets being received as collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed as referred to above. The Investment Manager has determined that generally if issuer or issue credit quality of the collateral is not of the necessary quality or the collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Investment Manager on an on-going basis. However, the application of such a haircut will be determined on a case by case basis, depending on the exact details of the assessment of the collateral. The Investment Manager, in its discretion, may consider it appropriate in certain circumstances to resolve to accept certain collateral with more conservative, less conservative or no haircuts applied if it so determines, on an objectively justifiable basis. Any extenuating circumstances that warrant the acceptance of relevant collateral with haircut provisions other than the guideline levels must be outlined in writing. Documentation of the rationale behind this is imperative.

Non-cash collateral cannot be sold, pledged or re-invested.

## **Cash Collateral**

Cash collateral may not be invested other than in the following:

- (i) deposits with relevant institutions;
- high-quality government bonds; and
- short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral outlined above in (v) above under the heading "Non-Cash Collateral". Invested cash collateral may not be placed on deposit with the counterparty or a related entity. Exposure created through the reinvestment of collateral must be taken into account in determining risk exposures to a counterparty. Re-investment of cash collateral in accordance with the provisions above can still present additional risk for the Fund – please refer to the section of the Supplement "Risk Factors; Reinvestment of Cash Collateral Risk" for more details.

## **Collateral – Posted by the Fund**

Collateral posted to a counterparty by or on behalf of a Fund must be taken into account when calculating counterparty risk exposure. Collateral posted to a counterparty and collateral received by such counterparty may be taken into account on a net basis provided the relevant Fund is able to legally enforce netting arrangements with the counterparty.

## **Dividend Policy**

The dividend policy and, if applicable, information on the declaration and payment of dividends for each Fund will be specified in the relevant Supplement. The Articles empower the Directors to declare dividends in respect of any Shares in the Company out of the net income of the Company being the income of the Company from dividends, interest or otherwise and net realised and unrealised gains (i.e. realised and unrealised capital gains net of all realised and unrealised losses) less accrued expenses of the Company, subject to certain adjustments. Any dividend unclaimed after six years from the date when it first became payable or on the winding up of the Company, if earlier, shall be forfeited automatically and shall revert to the relevant Fund, without the necessity for any declaration or other action by the Company.

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

The Net Asset Value per Share shall be made available on Bloomberg and shall be updated following each calculation of the Net Asset Value per Share. The Net Asset Value per Share may also be obtained from the Administrator during normal business hours. The Net Asset Value per Share shall also be available from such other sources as may be set out in the Supplement for the relevant Fund.

## **Risk Factors**

### ***General***

The risks described herein should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the Company carries a degree of risk.

Different risks may apply to different Funds and/or Classes. Investors should review the Supplement of the relevant Fund in which he/she intends to invest as this Supplement may describe risks attaching to a particular Fund or Class which are additional to those described in this section. Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Prospective investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment. Past performance of the Company or any Fund should not be relied upon as an indicator of future performance. The attention of potential investors is drawn to the taxation risks associated with investing in the Company. Please refer to the Section of the Prospectus entitled "Taxation". The securities and instruments in which the Company invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

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

### **Market Risk**

Investors are exposed to market risk which could arise due to changes in the prices of assets purchased and held by a Fund. Changes to such prices may be as a result of changing supply and demand factors, macro-economic factors, company or sector specific factors. The risks described above are greater with respect to investments in Recognised Exchanges located in emerging markets.

### **Exchange Control and Repatriation Risk**

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

### **Political, Regulatory, Settlement and Sub-Custodial Risk**

The value of a Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions on foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investment may be made. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets. As some of the Funds may invest in markets where the trading, settlement and custodial systems are not fully developed, the assets of a Fund which are traded in such markets and which have been entrusted to sub-custodians in such markets may be exposed to risk in circumstances where the Custodian will have no liability.

### **Liquidity Risk**

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

### **Redemption Risk**

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

### **Credit Risk**

There can be no assurance that issuers of the securities or other instruments in which the Fund invests will not be subject to credit difficulties leading to the loss of some or all of the sums invested in such securities or instruments or payments due on such securities or instruments. Funds will also be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in financial derivative instruments and may bear the risk of counterparty default.

### **Currency Risk**

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk. The Fund's Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments.

Funds may from time to time enter into currency exchange transactions either on a spot basis or by buying currency exchange forward contracts. Neither spot transactions nor forward currency exchange contracts eliminate fluctuations in the prices of a Fund's securities or in foreign exchange rates, or prevent loss if the prices of these securities should decline. Performance of a Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by a Fund may not correspond with the securities positions held.

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

#### **Share Currency Designation Risk**

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency. The Fund's Investment Manager may try but is not obliged to mitigate this risk by using financial instruments such as those described under the heading "Currency Risk", provided that such instruments shall not result in over hedged positions exceeding 105% of the Net Asset Value attributable to the relevant Class of Shares of the Fund and hedged positions materially in excess of 100% of Net Asset Value will not be carried forward from month to month. Investors should be aware that this strategy may substantially limit Shareholders of the relevant Class from benefiting if the designated currency falls against the Base Currency and/or the currency/currencies in which the assets of the Fund are denominated. In such circumstances Shareholders of the relevant Class of Shares of the Fund may be exposed to fluctuations in the Net Asset Value per Share reflecting the gains/losses on and the costs of the relevant financial instruments. Financial instruments used to implement such strategies shall be assets/liabilities of the Fund as a whole. However, the gains/losses on and the costs of the relevant financial instruments will accrue solely to the relevant Class of Shares of the Fund.

#### **Valuation Risk**

A Fund may invest some of its assets in unquoted securities or instruments. Such investments or

instruments will be valued by the Directors or their delegate in good faith in consultation with the Investment Manager as to their probable realisation value. Such investments are inherently difficult to value and are the subject of substantial uncertainty. There is no assurance that the estimates resulting from the valuation process will reflect the actual sales or “close-out” prices of such securities.

The nature of a Fund’s investments, the Index tracked or replicated by a Fund or the financial derivative instruments used by a Fund to achieve tracking or replication of an Index may be complex. In certain circumstances, valuations of these complex instruments or indices may only be available from a limited number of market participants who may also act as counterparties to these transactions. Valuations received from such market participants may therefore be subjective and there may be substantial differences between any available valuations.

### **Cross-Liability for other Funds**

The Company is established as an umbrella fund with segregated liability between Funds. Under Irish law the assets of one Fund are not available to satisfy the liabilities of or attributable to another Fund. However the Company may operate or have assets in countries other than Ireland which may not recognise segregation between Funds and there is no guarantee that creditors of one Fund will not seek to enforce one Fund’s obligations against another Fund. As at the date of this document the Directors were not aware of any such existing or contingent liability.

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

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

### **Investing in Fixed Income Securities**

Investment in fixed income securities is subject to interest rate, sector, security and credit risks. Lower-rated securities will usually offer higher yields than higher-rated securities to compensate for the reduced creditworthiness and increased risk of default that these securities carry. Lower-rated securities generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which respond primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated securities and it may be harder to buy and sell such securities at an optimum time.

The volume of transactions effected in certain international bond markets may be appreciably below that of the world’s largest markets, such as the United States. Accordingly, a Fund’s investment in such markets may be less liquid and their prices may be more volatile than comparable investments in securities trading in markets with larger trading volumes. Moreover, the settlement periods in certain markets may be longer than in others which may affect portfolio liquidity.

### **Investing in Equities**

To the extent a Fund invests in equity or equity-related investments, it will be subject to equity risk. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labour shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

### **Investing in Other Collective Investment Schemes**

A Fund may purchase shares of other collective investment schemes to the extent that such investment is consistent with its investment objective, policies and restrictions. In such cases, the relevant Fund may invest in underlying schemes which use substantial leverage for their investments. During periods when underlying schemes are leveraged, any event which may adversely affect the value of any scheme could significantly affect the net assets of the relevant Fund. The amount of leverage employed in the underlying schemes (which may be unlimited) is monitored through the due diligence processes used by the Investment Manager.

The cost of investing in a Fund which purchases shares of other collective investment schemes will generally be higher than the cost of investing in an investment fund that invests directly in individual stocks and bonds. By investing in the relevant Fund, an investor will indirectly bear fees and expenses charged by the underlying funds in addition to the Fund's direct fees and expenses. Where a Fund invests substantially in other collective investment schemes, the risks associated with investing in that Fund may be closely related to the risks associated with the securities and other investments held by the other collective investment schemes.

### **Emerging Markets Risk**

Investment in emerging markets involves risk factors and special considerations which may not be typically associated with investing in more developed markets. Political or economic change and instability may be more likely to occur and have a greater effect on the economies and markets of emerging countries. Adverse government policies, taxation, restrictions on foreign investment and on currency convertibility and repatriation, currency fluctuations and other developments in the laws and regulations of emerging countries in which investment may be made, including expropriation, nationalisation or other confiscation could result in loss to the relevant Fund.

By comparison with more developed securities markets, most emerging countries' securities markets are comparatively small, less liquid and more volatile. This may result in greater volatility in the Net Asset Value per Share of the Fund (and consequently subscription and redemption prices for Shares in the Fund) than would be the case in relation to funds invested in more developed markets. In addition, if a large number of securities have to be realised at short notice to meet substantial



redemption requests in the Fund such sales may have to be effected at unfavourable prices which may in turn have an adverse effect on the Net Asset Value per Share of the Fund.

In addition settlement, clearing, safe custody and registration procedures may be underdeveloped increased the risks of error, fraud or default. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets may not provide the same degree of investor information or protection as would generally apply in more developed markets. Investments in certain emerging markets may require consents or be subject to restrictions which may limit the availability of attractive investment opportunities to the Fund. Emerging markets generally are not as efficient as those in developed countries. In some cases, a market for the security may not exist locally and so transactions may need to be made on a neighbouring exchange.

Emerging markets securities may incur brokerage or stock transfer taxes levied by foreign governments which would have the effect of increasing the cost of investment and which may reduce the realised gain or increase the loss on such securities at the time of same. The issues of emerging markets securities, such as banks and other financial institutions, may be subject to less stringent regulation than would be the case for issuers in developed countries, and therefore potentially carry greater risk. In addition custodial expenses for emerging market securities are generally higher than for developed market securities. Dividend and interest payments from, and capital gains in respect of, emerging markets securities may be subject to foreign taxes that may or may not be reclaimable.

Laws governing foreign investment and securities transactions in emerging markets may be less sophisticated than in developed countries. Accordingly, the Fund may be subject to additional risks, including inadequate investor protection, unclear or contradictory legislation or regulations and lack of enforcement thereof, ignorance or breach of legislation or regulations on the part of other market participants, lack of legal redress and breaches of confidentiality. It may be difficult to obtain and enforce a judgement in certain emerging markets in which assets of the Fund are invested.

Taxation law and practice in emerging countries may not be as well established as that of developed countries. It is possible therefore that the current interpretation of the law or understanding of practice may change or, indeed, that the law in any of these countries may be changed retrospectively. Accordingly, it is possible that the relevant Fund could become subject to taxation in these countries that is not anticipated at the date of the Prospectus or when investments are made, valued or disposed of.

Although the Investment Manager will take reasonable steps to mitigate a Fund's tax liabilities, investors should appreciate that one of the risks inherent in investing in a Fund is the unpredictability of the tax treatment to which it will be subjected in the countries in which it invests.

### **Taxation Risk**

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 or any Fund's ability to provide the 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 and each Supplement. 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 as set out in the section headed "Taxation".

### **Derivatives and Techniques and Instruments Risk**

#### **General**

The prices of derivative instruments, including futures and options prices, are highly volatile. Price movements of forward contracts, futures contracts and other derivative contracts are influenced by, among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programmes and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly markets in currencies and interest rate related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. The use of techniques and instruments also involves certain special risks, including (1) dependence on the ability to predict movements in the prices of securities being hedged and movements in interest rates, (2) imperfect correlation between the hedging instruments and the securities or market sectors being hedged, (3) the fact that skills needed to use these instruments are different from those needed to select the Fund's securities and (4) the possible absence of a liquid market for any particular instrument at any particular time, and (5) possible impediments to effective portfolio management or the ability to meet redemption.

#### ***Correlation Risk***

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

#### ***Liquidity Risk***

Liquidity may be essential to a Fund's performance. Under certain market conditions, such as during volatile markets or when trading in a Financial Instrument or market is otherwise impaired, the liquidity of a Fund's portfolio positions may be reduced. During such times, a Fund may be unable to dispose of certain Financial Instrument, which would adversely affect the Fund's ability to rebalance its portfolio or to meet redemption requests. In addition, such circumstances may force the relevant Fund to dispose of Financial Instruments at reduced prices, thereby adversely affecting the Fund's performance. If other market participants are seeking to dispose of similar Financial Instruments at the same time, the Fund may be unable to sell or exit such Financial Instruments or prevent losses

relating to such Financial Instruments. Furthermore, if the Fund incurs substantial trading losses, the need for liquidity could rise sharply while its access to liquidity could be impaired. In addition, in conjunction with a market downturn, the Fund's counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Fund's credit risk with respect to them.

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

#### *Foreign Exchange Transactions*

Where a Fund utilizes derivatives which alter the currency exposure characteristics of transferable securities held by the Fund, the performance of the Fund may be strongly influenced by movements in foreign exchange rates because currency positions held by the Fund may not correspond with the securities positions held.

#### *Markets Risk*

The investments of a Fund are subject to risks inherent in all Financial Instruments. The value of holdings may fall as well as rise, sometimes rapidly and unpredictably. The price of Financial Instruments will fluctuate and can decline in value due to factors affecting financial markets generally or particular industries, sectors, companies, countries or geographies represented in the portfolio, and reduce the value of a portfolio. The value of a Financial Instruments may decline due to general market conditions which are not specifically related to a particular Financial Instruments, such as real or perceived adverse economic conditions, changes in the general outlook of macro-economic fundamentals, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular region, sector or industry, such as labour shortages or increased production costs and competitive conditions. Some Financial Instruments may be less liquid and/or more volatile than others and therefore may involve greater risk.

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

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

### *Counterparty Risk*

Each Fund will have credit exposure to counterparties by virtue of positions in swaps, repurchase transactions, forward exchange rate and other financial or derivative contracts held by the Fund. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights.

A Fund will also be exposed to a credit risk on parties with whom it trades securities, and may also bear the risk of settlement default, in particular in relation to debt securities such as bonds, notes and similar debt obligations or instruments.

### *Legal Risk*

The use of OTC derivatives, such as forward contracts, swap agreements and contracts for difference, may expose a Fund to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties or that the contract may not be enforceable against the counterparty in its jurisdiction of incorporation.

### *Absence of Regulation; Counterparty Default*

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts, certain options on currencies and swaps are generally traded) than of transactions entered into on Recognised Exchanges. In addition, many of the protections afforded to participants on some Recognised Exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. OTC options are not regulated. OTC options are non-exchange traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific firm involved in the transaction rather than a Recognised Exchange and accordingly the bankruptcy or default of a counterparty with which the Fund trades OTC options could result in substantial losses to the Fund. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Fund's investment restrictions. However, regardless of the measures the Fund may implement to reduce counterparty credit risk, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

### *Necessity for Counterparty Trading Relationships*

Participants in the OTC currency market typically enter into transactions only with those counterparties which they believe to be sufficiently creditworthy, unless the counterparty provides margin, collateral, letters of credit or other credit enhancements. While the Company believes that the Company will be able to establish the necessary counterparty business relationships to permit a Fund to effect transactions in the OTC currency market and other counterparty markets, including the swaps market, there can be no assurance that it will be able to do so. An inability to establish such relationships would limit a Fund's activities and could require a Fund to conduct a more substantial portion of such activities in the futures markets. Moreover, the counterparties with which a Fund expects to establish such relationships will not be obligated to maintain the credit lines extended to a Fund, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

### *OTC Swap Contracts*

The Company may enter into OTC swap contracts in respect of a particular Fund. Under the relevant OTC swap contract, the relevant counterparty may seek to track or replicate the return in a chosen Index or reference assets for the relevant Fund or provide exposure to a chosen Index or reference assets for the relevant Fund. Due to certain factors beyond the control of the relevant Fund, there is a risk that the return of the Index will not be achieved and the return of the OTC swap may therefore similarly not be achieved.

### *Trading in derivatives is Speculative and Volatile*

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

### *Forward Trading*

Forward contracts and options thereon, unlike futures contracts, are not traded on exchanges and are not standardized; rather, banks and dealers act as principals in these markets, negotiating each transaction on an individual basis. Forward and "cash" trading is substantially unregulated; there is no limitation on daily price movements and speculative position limits are not applicable. The principals who deal in the forward markets are not required to continue to make markets in the currencies or commodities they trade and these markets can experience periods of illiquidity, sometimes of significant duration. Market illiquidity or disruption could result in major losses to a Fund.

### *Securities Lending Risk*

As with any extensions of credit, there are risks of delay and recovery. Should the borrower of securities fail financially or default in any of its obligations under any securities lending transaction, the collateral provided in connection with such transaction will be called upon. The value of the collateral will be maintained to equal or exceed the value of the securities transferred. However there is a risk that the value of the collateral may fall below the value of the securities transferred. In addition, as a Fund may invest cash collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund investing collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

### **Investment Manager and Counterparty Valuation Risk**

The Administrator may consult with an Investment Manager of the relevant Fund with respect to the valuation of certain investments. While there is an inherent conflict of interest between the involvement of an Investment Manager in determining the valuation price of a Fund's investment and the Investment Manager's other duties and responsibilities in relation to the relevant Fund, the Investment Manager may have in place a pricing committee charged with reviewing all pricing procedures which follows industry standard procedures for valuing unlisted investments. Any pricing committee in place by an Investment Manager will be disclosed in the relevant Supplement.

In many cases, the counterparty to a financial derivative instrument may be required to provide valuations of such financial derivative instruments. These daily valuations will form the basis upon which the value of certain assets of a Fund is calculated. Notwithstanding that there may be a potential conflict of interest by virtue of the counterparty providing such valuations; the Company believes that such conflicts can be adequately managed. In addition, the valuation provided by the relevant counterparty will be verified by an entity independent of the counterparty on a weekly basis.

### **Foreign Account Tax Compliance**

See "Appendix III -- Certain United States Federal Income Tax Considerations -- United States Federal Income Taxation of the Company" for a discussion of certain risks relating to the FATCA provisions of the U.S. Hiring Incentives to Restore Employment Act (the "HIRE Act").

### **Re-Investment of Cash Collateral**

Where cash collateral is re-invested, in accordance with the conditions imposed by the Central Bank, a Fund will be exposed to the risk of a failure or default of the issuer of the relevant security in which the cash collateral has been invested or a failure or default of a counterparty to any reverse repurchase agreement.

### **Risk Factors Not Exhaustive**

The investment risks set out in this Prospectus do not purport to be exhaustive and potential investors

should be aware that an investment in the Company or any Fund may be exposed to risks of an exceptional nature from time to time.

## **2. MANAGEMENT AND ADMINISTRATION**

The Directors control the affairs of the Company and are responsible for the formulation of investment policy. The Directors have delegated certain of their duties to the Investment Manager and Distributor, the Administrator, the Custodian and the Corporate Governance Services Provider.

### **Directors**

The Company shall be managed and its affairs supervised by the Directors all of whom are non-executive directors of the Company and whose details are set out below:-

#### ***Mr. Praveen Jagwani (Indian)***

Mr. Jagwani is an investment and banking professional with a 20-year track record in the financial services industry. He has been with UTI International (Singapore) in his current role for over four years. Having worked in many geographies and multi-cultural environments he displays a good balance between results and people orientation. He started his career with ANZ Grindlays Bank in India and worked later in Australia and Bahrain across Credit, Consumer Finance, Systems & Private Banking. He later joined Standard Chartered Bank and built the Wealth Management and Investment Advisory business in the Middle East. He was appointed the Chief Investment Officer for Middle East & South Asia and was responsible for Product, Research, Certification and Compliance. He then joined Merrill Lynch and worked with them in London and Dubai in their Hedge Fund & Private Equity Advisory business. Mr. Jagwani holds a graduate degree in Computer Science (B.Sc.) and a Master's degree in Operations Research (M.Sc.) from Delhi University. He also has a Master's of Business Administration from XLRI Jamshedpur and has completed Chartered Financial Analysis (CFA) program from CFA institute USA.

#### ***Samantha McConnell – (Irish)***

Ms McConnell has work for over 15 years in the investment industry. She has overall responsibility for the provision of investment management services for IFG Ireland and distribution arrangements with third party investment managers. She is one of the four man executive team for IFG Ireland.

Ms McConnell was one of the founding Principals of Pensco a pension consultancy company, which was acquired by IFG Group in 2008.

Ms McConnell is a member of the Taoiseach's committee on asset management and the IAPF investment subcommittee. She is involved with the CFA education advisory board at global level which sets the curriculum for the global CFA program. She is a director of CFA Ireland and is involved in regulatory and oversight issues and papers pertaining to this topic. She is also a CFA Charterholder.



***Mr. Simon McDowell (Irish)***

Mr. McDowell started his career as a Trainee Chartered Accountant with McFeely & McKiernan before spending time with KPMG. Following this he moved into the fund administration space as Financial Reporting Controller for BISYS Fund Services in 1996 before moving on in 1998 to Cap Advisers, a US Family Office. There he was an Investment Committee Member and Vice President of Managed Funds and developed an extensive knowledge of the Hedge Fund space. In 2007 he moved to GlobalReach Securities to manage their Hedge Fund of Fund before moving on to Enterprise Ireland where he was a Senior Advisor in the Financial Services Division.

Mr. McDowell established his own investment consulting business which specialised in assisting clients operating across the alternative investment sector and a family office. Mr. McDowell holds a Bachelor of Science (Mgmt.) from Trinity College, Dublin.

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

None of the Directors have had any convictions in relation to indictable offences, been involved in any bankruptcies, individual voluntary arrangements, receiverships, liquidations, creditors voluntary liquidations, administrations, company or partnership voluntary arrangements, any composition or arrangements with its creditors generally or any class of its creditors of any company where they were a director or partner with an executive function at the time of or within the 12 months preceding, nor have any had any public incrimination and / or sanctions by statutory or regulatory authorities (including recognised professional bodies) nor has any director ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

**Investment Manager**

The Company may appoint one or more Investment Managers in respect of each Fund established by the Company, the details of which will be specified in the Supplement for the relevant Fund.

**The Distributor**

The Company may appoint one or more Distributors in relation to each Fund or Class. Details of any such Distributor will be disclosed in the relevant Supplement.

**Investment Committee**

The investment committee will provide an oversight role for the Investment Manager and details of any such investment committee shall be provided in the Supplement for the relevant Fund. The investment committee will provide additional review and oversight on the role of the Investment Manager for the Board of Directors. It shall assist the board in providing an additional check that the portfolio is managed in compliance with the UCITS regulations applicable to the Fund. It shall also provide additional assistance to the Board of Directors in monitoring the performance and investment

strategy of the Investment Manager. The Investment Committee will neither have any discretionary investment management powers nor will they receive a fee for their role. It will also not provide any advice to the Investment Manager. It may request the Investment Manager to explain any of its investment management decisions. The Investment Manager however retains full investment management powers.

### **Investment Advisor**

The Investment Manager may appoint from time to time an Investment Advisor to provide non-discretionary investment advice in respect of each Fund established by the Company, the details of which will be specified in the Supplement for the relevant Fund.

### **The Administrator**

Pursuant to the Administration Agreement the Company has appointed the Administrator to act as administrator, registrar, company secretary and transfer agent. The Administrator will have the responsibility for the day to day administration of the Company's affairs including the calculation of the Net Asset Value per Share and preparation of the accounts of the Company, subject to overall supervision of Company.

The Administrator is a limited liability company incorporated in Ireland on 23rd March, 1992 and is ultimately a wholly owned subsidiary of the State Street Corporation. The authorised share capital of State Street Fund Services (Ireland) Limited is GBP£5,000,000 with an issued and paid up capital of GBP£350,000.

State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street is headquartered in Boston, Massachusetts, U.S.A., and trades on the New York Stock Exchange with the symbol "STT".

The Administrator will only be liable to the Company and the Shareholders for any loss suffered by them as a result of the negligence, fraud, bad faith, recklessness or wilful default on the part of the Administrator.

The Company undertakes to hold harmless and indemnify the Administrator on its own behalf and on behalf of its permitted delegates, servants and agents against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the Investments or Shares) and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Administrator, its permitted delegates, servants or agents in the performance or non-performance of its obligations and duties hereunder and from and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Administrator or its permitted delegates, servants or agents provided that such indemnity shall not be given where the Administrator, its delegates, servants or agents is or are guilty of negligence, fraud, bad faith, recklessness or wilful default in the performance or non-performance of its duties under the Administration Agreement.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is responsible and liable only for its duties that it provides to the Company in accordance with the Administration Agreement.

### **The Custodian**

State Street Custodial Services (Ireland) Limited was appointed as custodian of the Company's assets pursuant to the Custodian Agreement. The Custodian is authorised and regulated by the Central Bank of Ireland. The Custodian provides safe custody for all the Company's assets.

The Custodian is a limited liability company incorporated in Ireland on 22<sup>nd</sup> May 1991 and is, like the Administrator, ultimately owned by the State Street Corporation. Its authorised share capital is GBP£5,000,000 and its issued and paid up capital is GBP£200,000.

The Custodian's principal business in the provision of custodial and trustee services for collective investment schemes and other portfolios.

The Custodian has power to appoint agents, sub-custodians and delegates. The Custodian's liability shall not be affected by the fact that it has entrusted some or all of the Company's assets in safekeeping to any third party. The Custodian Agreement provides that the Custodian will discharge its responsibilities in respect of third parties by exercising care and diligence in choosing and appointing a third party to be a sub-custodian so as to ensure that the sub-custodian has and maintains the expertise, competence and standing appropriate to discharge the responsibilities involved. The Custodian shall maintain an appropriate level of supervision over a sub-custodian and make appropriate enquiries from time to time to confirm that the obligations of the sub-custodian continue to be competently discharged. In addition, the Custodian will be obliged to enquire into the conduct of the Company in each financial year and to report thereon to the Shareholders. The Custodian's report shall be delivered to the Directors in good time to enable the Directors to include a copy of the report in the annual report of the Company. The Custodian's report shall state whether in the Custodian's opinion the Company has been managed in that period:

- (A) in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Articles of Association and by the Central Bank under the powers granted to it by the Act; and
- (B) otherwise in accordance with the provisions of the Articles of Association and the Act.

If the Company has not complied with (A) or (B) above, the Custodian must state why this is the case and outline the steps which the Custodian has taken to rectify the situation.

The Custodian is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the Company and is responsible and liable only for the trustee and custodial services that it provides to the Company pursuant to the Custodian Agreement.

### **Corporate Governance Service Provider**

The Company has appointed Bridge Consulting Limited to provide services to assist the Directors in carrying out the governance functions specified by the Central Bank in relation to a UCITS. Bridge Consulting Limited will assist the Directors in respect of the following management functions for the Company; monitoring compliance, risk management, monitoring of the Investment Policy, monitoring of Investment Strategies and Performance, monitoring of Financial Control, monitoring of Internal Audit, monitoring of Capital, supervision of Delegates, complaints handling and Accounting Policies and Procedures.

The Corporate Governance Service Provider is a private limited company incorporated in Ireland on 1 March, 2005, under registration number 398390. The Corporate Governance Services Provider's principal business is the provision of business advisory and governance services to collective investment schemes and investment management firms.

### **Company Secretary**

The Company has appointed State Street Fund Services Ireland Limited to provide company secretarial services to the Company.

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

Local laws/regulations in EEA Member States may require the appointment of paying agents/representatives/distributors/correspondent banks ("Paying Agents") and maintenance of accounts by such Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to the Administrator (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Administrator for the account of the Company or the relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder. Fees and expenses of Paying Agents appointed by the Company which will be at normal commercial rates will be borne by the Company in respect of which a Paying Agent has been appointed.

Fees and expenses of Paying Agents appointed by the Company which will be at normal commercial rates will be borne by the Company or the Fund in respect of which a Paying Agent has been appointed unless otherwise disclosed in the Supplement relating to the relevant Fund. Where the fees and expenses will be borne by the Company or the Fund, such fees and expenses will be payable only from the Net Asset Value attributable to the Class(es) all Shareholders of which are entitled to avail of the services of the Paying Agent.

### **Facilities Agent in the United Kingdom**

In connection with the Company's recognition under Section 264 of the FSMA, the Company, by way of a Facilities Agency Agreement has appointed UTI International Limited (the "Facilities Agent") to maintain the facilities required of a recognised scheme pursuant to the rules contained in the Collective Investment Schemes Sourcebook ("COLL") governing recognised schemes, published by the FCA as part of the FCA's Handbook of Rules and Guidance.

The facilities will be located at the offices of the Facilities Agent at 32 City Road, London EC1Y 2BD, United Kingdom. The Company does not have a permanent place on business in the United Kingdom.

At these facilities:

- 1 any person may inspect (free of charge) a copy in English of:
  - (a) the rules of the scheme or instrument of incorporation for the scheme and any subsequent amendments to these;
  - (b) the most recent Prospectus issued by the Company as the same may be amended and supplemented from time to time;
  - (c) the most recent Key Investor Information Document issued by the Company;
  - (d) the latest annual and half-yearly reports of the Company; and
  - (e) any other documents required from time to time by COLL to be made available.
- 2 any person may obtain a copy in English of any of the above documents (free of charge in the case of documents (a),(b), (c) and (d)) and that no more than a reasonable charge in the case of the other documents;
- 3 any person may obtain information in English about the prices of shares;
- 4 a Shareholder may redeem or arrange for the redemption of its Shares and obtain payment in relation to such redemption. Any such redemption requests received by the Facilities Agent shall be sent to the Administrator for processing; and
- 5 any person may make a complaint about the operation of the scheme, which complaint the Facilities Agent will transmit to the Company.

The Company will pay the fees and out of pocket expenses of the Facilities Agent, which shall be calculated at normal commercial rates. The Facilities Agent will also be entitled to receive, from the Company transaction charges at normal commercial rates.

### **Conflicts of Interest**

The Directors, the Investment Manager(s), the Promoter, the Administrator, the Registrar and Transfer Agent, the Custodian, the Index Provider, an Authorised Participant or Market Maker and any Distributor appointed with respect to a particular Fund and their respective affiliates, officers, directors

and shareholders, employees and agents (collectively the “Parties”) are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the Company and/or their respective roles with respect to the Company. These activities may include managing or advising other funds, purchases and sales of securities, banking and investment management services, brokerage services, valuation of unlisted securities (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the Company may invest. An Authorised Participant or one of its affiliates may also act as the index provider or the market-maker in accordance with the relevant agreements which are in place. The Directors acknowledge that, by the virtue of the functions which the Parties carry on in connection with the Company, potential conflicts of interest are likely to arise. The Directors expect that each Party and its affiliate will use reasonable endeavours to seek to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and where such conflicts cannot be resolved to disclose it fully to potential investors. In particular the Investment Manager may be involved in advising or managing other investment funds in which a Fund may invest or which have similar or overlapping investment objectives to or with the Company or Funds.

The Investment Manager will use its best efforts in connection with the purposes and objectives of the Company and will devote so much of its time and effort to the affairs of the Company as may, in its judgment, be necessary to accomplish the purposes of the Company.

In addition, principals and employees of the Investment Manager may, directly or through investments in other investment funds, have interests in the securities in which the Company invests as well as interests in investments in which the Company does not invest. As a result of the foregoing, the Investment Manager (and its officers, directors, employees and affiliates) may have conflicts of interest in allocating their time and activity between the Company and other entities, in allocating investments among the Company and other entities and in effecting transactions for the Company and other entities, including ones in which the Investment Manager (and its officers, directors, employees and affiliates) may have a greater financial interest.

The Investment Manager (and its directors, officers, employees and affiliates) may give advice or take action with respect to such other clients that differs from the advice given with respect to the Company. To the extent a particular investment is suitable for both the Company and other clients, such investments will be allocated between the Company or the other clients pro rata based on assets under management or in some other manner which the Investment Manager determines is fair and equitable under the circumstances to all clients, including the Company. From the standpoint of the Company, simultaneous identical portfolio transactions for the Company or other clients may tend to decrease the prices received, and increase the prices required to be paid, by the Company for its portfolio sales and purchases. Where less than the maximum desired number of shares of a particular security to be purchased are available at a favourable price, the shares purchased will be allocated among the Company and the other clients in an equitable manner as determined by the Investment Manager.

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be resolved fairly.

There is no prohibition on transactions with the Company by the Investment Manager and Distributor, the Administrator, the Custodian or entities related to each of the Investment Manager and Distributor, the Administrator or the Custodian with respect to a particular Fund including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the Company and none of them shall have any obligation to account to the Company for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are consistent with the best interests of Shareholders and dealings are carried out as if effected on normal commercial terms negotiated on an arm's length basis.

Transactions permitted are subject to:

- (a) certified valuation by a person approved by the Custodian (or Directors in the case of a transaction with the Custodian) as independent and competent; or
- (b) executed on best terms on an organised investment exchange under its rules; or
- (c) where the conditions set out in (a) and (b) above are not practical, execution on terms which the Custodian is (or in the case of a transaction involving the Custodian, the Directors are) satisfied conform with normal commercial terms negotiated at arm's length. Transactions must be consistent with the best interests of Shareholders.

Investors in a Fund may also be counterparties with whom the Company, in respect of a Fund, may enter into OTC swap contracts.

The Investment Manager or an associated company of the Investment Manager may invest in Shares so that a Fund or Class may have a viable minimum size or is able to operate more efficiently. In such circumstances the Investment Manager or its associated company may hold a high proportion of the Shares of a Fund or Class in issue.

In the event that a conflict of interest does arise, the Company will endeavour, so far as is reasonably possible, to ensure it is resolved fairly.

Details of interests of the Directors are set out in the section of the Prospectus entitled "General Information - Directors' Interests".

### **Soft Commissions**

The Investment Manager, its delegates or connected persons of the Investment Manager may not retain cash or other rebates but may receive, and are entitled to retain, research products and services (known as soft dollar benefits) from brokers and other persons through whom investment transactions are carried out ("brokers") which are of demonstrable benefit to the Shareholders (as

may be permitted under applicable rules and regulations) and where such arrangements are made on best execution terms and brokerage rates are not in excess of customary institutional full-service brokerage rates and the services provided must be of a type which assist in the provision of investment services to the Company.

### **Fee Rebate**

Where the Investment Manager, or any of its delegates, successfully negotiates the recapture of a portion of commissions charged by brokers or dealers in connection with the purchase and/or sale of securities, financial derivative instruments or techniques and instruments for the Company or a Fund, the rebated commission shall be paid to the Company or the relevant Fund as the case may be. The Investment Manager or its delegates may be paid/reimbursed out of the assets of the Company or the relevant Fund for reasonable properly vouched costs and expenses directly incurred by the Investment Manager or its delegates in this regard. If the Investment Manager, or any of its delegates, will receive a fee for the arrangement and management of the provision of brokerage services, such fee will be disclosed in the relevant Supplement.

The Investment Manager may from time to time at its sole discretion and out of its own resources decide to give rebates to some or all Shareholders or their agents or intermediaries of part of or all of the Investment Manager fee. The Investment Manager also reserves the right to waive all of the Investment Manager fee, sales charge, redemption fee and conversion fee.

## **3. FEES AND EXPENSES**

### **Establishment Expenses**

The fees and expenses relating to the establishment and organisation of the Company including the fees of the Company's professional advisers and the fees will be borne by the Company. Such fees and expenses are estimated to amount to USD 150,000.00 and will be amortised over the first five financial years from the commencement of trading of the Company in such manner as the Directors in their absolute discretion deem fair.

### **Operating Expenses and Fees**

Unless otherwise provided for in the relevant Supplement, the Company will pay all its operating expenses and the fees hereinafter described as being payable by the Company. Expenses paid by the Company throughout the duration of the Company unless otherwise provided for in the relevant Supplement, in addition to fees and expenses payable to the Administrator Registrar and Transfer Agent, the Custodian, the Investment Manager, the Distributor and the Paying Agent appointed by or on behalf of the Company include but are not limited to brokerage and banking commissions and charges, legal and other professional advisory fees, company secretarial fees, Companies Registration Office filings and statutory fees, regulatory fees, auditing fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the Company costs of preparation, translation, printing and distribution of reports and notices, all marketing material



and advertisements and periodic update of the Prospectus, stock exchange listing fees, all expenses in connection with registration, listing and distribution of the Company and Shares issued or to be issued, all expenses in connection with obtaining and maintaining a credit rating for any Funds or Classes or Shares, expenses of Shareholders meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of Shares, postage, telephone, facsimile and telex expenses and any other expenses in each case together with any applicable value added tax. Any such expenses may be deferred and amortised by the Company in accordance with standard accounting practice, at the discretion of the Directors. While this is not in accordance with Accounting Standards issued by the Accounting Standards Board, and may result in the audit opinion on the annual report being qualified in this regard, the Directors believe that such amortisation would be fair and equitable to investors. An estimated accrual for operating expenses of the Company will be provided for in the calculation of the Net Asset Value of each Fund. Operating expenses and the fees and expenses of service providers which are payable by the Company shall be borne by all Funds in proportion to the Net Asset Value of the relevant Fund or attributable to the relevant Class provided that fees and expenses directly or indirectly attributable to a particular Fund or Class shall be borne solely by the relevant Fund or Class.

### **Directors' Fees**

The Directors are authorised to charge a fee for their services at a rate determined by the Directors up to a maximum fee per Director of Euro 10,500 per annum and may be entitled to special remuneration if called upon to perform any special or extra services to the Company.

All Directors will be entitled to reimbursement by the Company of expenses properly incurred in connection with the business of the Company or the discharge of their duties.

### **Administrator's Fee**

The Administrator shall be entitled to receive from the Company a maximum annual fee of 1.5% of the NAV of the Company. Such fee shall be calculated and accrued as at each Valuation Point and shall be payable monthly in arrears.

The Administrator shall also be entitled to be reimbursed out of the assets of the Company for all reasonable out-of-pocket expenses incurred by the Administrator in the proper performance of its duties.

### **Custodian's Fees**

The Custodian shall be entitled to receive from the Company a maximum annual fee 0.5% of the NAV of the Company which shall consist of a fee per Class, a fee based on the market value of the assets of the Company (which shall vary from country to country), a fee per transaction (which shall also vary from country to country) and a fee for each third party fixed deposit, foreign exchange deal and outward payment affected by the Custodian on behalf of the Company. Such fees shall be calculated and accrued as at each Valuation Point and shall be payable monthly in arrears.

The Custodian shall also be entitled to be reimbursed by the Company out of the assets of the Company any properly vouched reasonable out-of-pocket expenses incurred by it on behalf of the Company including those arising from settlement and custody activities in specific markets, such as stamp duty, securities re-registration fees and proxy voting physical representation and the fees of any Sub-Custodian appointed by it at normal commercial terms.

All fees and charges payable by the Company under the Custodian Agreement shall be increased by the amount of any applicable value added taxes or duties.

#### **Auditors' Fee**

The Company shall pay a maximum annual fee to the Auditors of up to €25,000 (excluding VAT), as may agreed from time to time by the Directors.

#### **Corporate Governance Service Provider Fee**

The Company shall pay a maximum annual fee to the Governance Services Provider of up to €50,000 (excluding VAT), which shall accrue and be payable quarterly in arrears.

The Company may also be required to discharge any out-of-pocket expenses incurred by the Governance Services Provider in the provision of services to the Company, such as courier charges and travel costs and expenses. All fees and expenses shall be subject to VAT.

#### **Service Providers' Fees**

Unless otherwise provided for in the relevant Supplement, the annual fees and expenses of the Administrator Registrar and Transfer Agent, the Custodian, Investment Manager, the Distributor and any other service providers in respect of each Fund shall be paid out of the assets of the relevant Fund. The details of fees and expenses payable to the service providers in respect of each Fund, which are payable out of the assets of the relevant Fund, shall be disclosed in the relevant Supplement.

#### **Subscription Fees, Redemption Fees and Conversion Fees**

Details of any subscription fee, redemption fee and conversion fees payable to the Company will be set out in the relevant Supplement.

#### **Anti-Dilution Levy/Duties and Charges**

The Company reserves the right to impose "an anti-dilution levy" representing a provision for market spreads (the difference between the prices at which assets are valued and/or bought or sold), duties and charges relating to the acquisition or disposal of assets in order to preserve the value of the underlying assets of a Fund in the event of receipt for processing in the Primary Market of net

subscription or redemption requests exceeding 1% of the Net Asset Value of a Fund including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund into another Fund. Any such provision will be added to the price at which Shares will be issued in the case of net subscription requests exceeding 1% of the Net Asset Value of the Fund and deducted from the price at which Shares will be redeemed in the case of net redemption requests exceeding 1% of the Net Asset Value of the Fund including the price of Shares issued or redeemed as a result of requests for conversion unless the Directors approve otherwise.

### **Fee Increases**

The rates of fees for the provision of services may be increased within the maximum levels stated above so long as at least one month's written notice of the new rate(s) is given to Shareholders of the relevant Fund or Class.

## 4. THE SHARES

### General

Shares in a Fund may be subscribed for in the Primary Market as detailed below under “Application for Shares in the Primary Market” and in the relevant Supplement to this Prospectus.

Where the Shares of a Class in a Fund are listed and actively traded on a Relevant Stock Exchange, the Shares of that Class may also be acquired or purchased through the Secondary Market. General information on this is detailed below under “Dealing in the Secondary Market where a Fund is an Exchange Traded Fund”. Furthermore where it is intended that Shares of a Class in a Fund will be listed and actively traded on a Relevant Stock Exchange, this will be disclosed in the Supplement relating to the relevant Fund.

Shares issued in a Fund or Class on the Primary Market will be in such form (e.g. registered shares, bearer shares, certificated shares, un-certificated shares, etc) and denominated in such currency as set out in the relevant Supplement. Registered Shares may be represented by a Global Share Certificate or may be issued in dematerialised (or uncertificated) form in accordance with the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996. Such Global Share Certificates will be issued and deposited with a Clearing Agent. Global Share Certificates will be transferable in accordance with applicable laws and any rules and procedures issued by any Clearing Agent concerned with such transfer. Such Registered Shares represented by a Global Share Certificate are freely transferable subject to and in accordance with the rules of the relevant Clearing Agent. Shareholders who are not participants in such systems will only be able to transfer such Registered Shares represented by a Global Share Certificate through a financial intermediary who is a participant in the settlement system of the relevant Clearing Agent

Where Shares in a Fund or Class are issued in registered form, title to Shares will be evidenced by the entering of the investor’s name in writing on the Company’s register of Shareholders. Amendments to a Shareholder’s registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder. Where Shares in bearer form are issued, they will be evidenced by the issue of a bearer certificate, details of which will be inserted in the Company’s register of Shareholders.

Shares will have no par value and save where otherwise disclosed in the relevant Supplement, will first be issued in the Primary Market on the last Business Day of the initial offer period specified in the relevant Supplement at the Initial Price as specified in the relevant Supplement. Thereafter Shares shall be issued in the Primary Market on any Dealing Day at the Net Asset Value per Share. Save where disclosed in the relevant Supplement, it is not intended to impose a subscription fee on Shares subscribed for on the Primary Market.

The Directors may decline to accept any application for Shares without giving any reason and may restrict the ownership of Shares by any person, firm or corporation in certain circumstances including where such ownership would be in breach of any regulatory or legal requirement or might affect the

tax status of the Company or might result in the Company suffering certain disadvantages which it might not otherwise suffer. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who holds Shares in contravention of restrictions imposed by the Directors or, by virtue of his holding, is in breach of the laws and regulations of any applicable jurisdiction or whose holding could, in the opinion of the Directors, cause the Company to incur any liability to taxation or to suffer any pecuniary disadvantage which it or the Shareholders or any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the Company, the Investment Manager and Distributor, the Custodian, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the Company.

The Directors have power under the Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of any restrictions imposed by them or in breach of any law or regulation.

None of the Company, the Investment Manager and Distributor, the Administrator or the Custodian or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of instructions from Shareholders reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions. The Administrator shall, however, employ reasonable procedures to confirm that instructions are genuine.

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

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

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

- (i) to the extent that there is a delay between a change in the value of a Funds portfolio holdings and the time when that change is reflected in the Net Asset Value per Share, a Fund is exposed to the risk that investors in the Primary Market may seek to exploit this delay by purchasing or redeeming Shares at a Net Asset Value per Share which does not reflect appropriate fair value prices. The Directors seek to deter and prevent this activity, sometimes referred to as “stale price arbitrage”, by the appropriate use of their power to adjust the value of any investment having regard to relevant considerations in order to reflect the fair value of such investment.

- (ii) the Directors may monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices and reserve the right to exercise their discretion to reject any subscription or conversion transaction without assigning any reason therefor and without payment of compensation if, in their judgment, the transaction may adversely affect the interest of a Fund or its Shareholders. The Directors may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as they deem appropriate to restrict such activities.

There can be no assurances that abusive trading practices can be mitigated or eliminated. For example, nominee accounts in which purchases and sales of Shares by multiple investors may be aggregated for dealing with the Fund on the Primary Market on a net basis, conceal the identity of underlying investors in a Fund which makes it more difficult for the Directors and their delegates to identify abusive trading practices.

### **Application for Shares in the Primary Market**

Initial applications on the Primary Market should be made using an Application Form obtained from the Administrator or Distributor but may, if the Directors so determine, be made by facsimile subject to prompt transmission to the Administrator of the original signed Application Form and such other papers (such as documentation relating to money laundering prevention checks) as may be required by the Directors or their delegate. No redemptions or dividends will be processed until the original Application Form and such other papers as may be required by the Directors have been received and all anti-money laundering procedures have been completed. Subsequent applications to purchase Shares on the Primary Market following the initial subscription may be made by facsimile, without a requirement to submit original documentation and such applications should contain such information as may be specified from time to time by the Directors or their delegate. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

Applications accepted by the Administrator on behalf of the Company and received by the Administrator prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any applications received after the Dealing Deadline will be dealt with on the following Dealing Day subsequent to the relevant Dealing Day unless the Directors in their absolute discretion and in exceptional circumstances only may otherwise determine. Such discretion may only be exercised by the Directors where the application is received subsequent to the Dealing Deadline but before the Net Asset Valuation Point. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

Following the expiry of the Initial Offer Period, Shares will be issued at the Net Asset Value per Share plus any applicable duties and charges and payments as described in the relevant Supplement. For additional information on applications for Shares by U.S. Persons please see Appendix III to this Prospectus.

### *Fractions*

Subscription monies representing less than the subscription price for a Share will not be returned to the investor. Fractions of Shares will, save where otherwise provided in the relevant Supplement, be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be calculated to less than two decimal places of a Share.

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

### *Method of Payment*

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form by such time as set out in the relevant Supplement. Other methods of payment are subject to the prior approval of the Directors and agreement of the Administrator.

Unless otherwise disclosed in a Fund Supplement and subject to the below listed conditions, the Directors may on any Dealing Day allot Shares in any Class on terms that settlement shall be made by the vesting in the Company assets of the type in which the subscription monies for the relevant shares may be invested in accordance with the investment objective, policy and restrictions of the relevant Fund.

### *Currency of Payment*

Subscription monies are payable in the currency applicable to each Class. However, the Company may accept payment in such other currencies, with the agreement of the Administrator and Directors as at the prevailing exchange rate quoted by the Administrator. The cost and risk of converting currency will be borne by the investor.

### *Timing of Payment*

Payment in respect of subscriptions must be received in cleared funds by the Administrator by such time specified in the relevant Supplement. If payment in cleared funds in respect of a subscription has not been received by the relevant time specified in the Supplement, the Directors or its delegate may (and in the event of non-clearance of funds, shall) cancel the allotment.

### *Subscriptions in specie*

At the discretion of the Directors, where provided for in the relevant Supplement and subject to the below listed conditions, the Company may accept in specie applications for Shares provided that the nature of the assets to be transferred into the Company qualify as investments in which the

subscription monies for the relevant shares may be invested in accordance with the investment objective, policy and restrictions of the relevant Fund.

Where permitted Shares can be purchased in Creation Unit aggregations in exchange for the in specie deposit by the purchaser of a basket of securities in the form of the constituents of the Index and in the proportions set down in the Index ("Deposit Securities"), together with the deposit of a specified cash payment ("Balancing Amount").

The Balancing Amount per Creation Unit is an amount equal to the difference between (1) the Net Asset Value per Creation Unit of the Fund at the Valuation Point and (2) the total aggregate market value (per Creation Unit of the Fund) of the Deposit Securities determined at the Valuation Point ("Securities Deposit Value"). The Balancing Amount serves the function of compensating for any differences that may exist, between the Net Asset Value per Creation Unit and the Securities Deposit Value at the Valuation Point in respect of each Creation Unit. For example, the Balancing Amount may cover undistributed income accrued and held by a Fund. If the Balancing Amount is a negative number (i.e. if the Net Asset Value per Creation Unit is less than the Securities Deposit Value), the investor will receive the Balancing Amount.

The Administrator will make available on the Business Day following each Dealing Day at 8.00 a.m. GMT the list of Deposit Securities for that Dealing Day, which will contain the names and the required number of the securities and the Balancing Amount to be included in the current list of Deposit Securities (the "Portfolio Deposit") of the Fund for orders submitted on the Dealing Day. The identity and number of Deposit Securities required for a Portfolio Deposit of the Fund changes from day to day as rebalancing adjustments to the Fund's portfolio are effected from time to time by the Investment Manager with a view to achieving the investment objective of the Fund. The identity and required number of the Deposit Securities and the Balancing Amount required for a Portfolio Deposit will be available upon request from the Administrator.

Assets so transferred shall be vested with the Custodian or arrangements shall be made to vest the assets with the Custodian. The number of Shares to be issued shall not exceed the amount that would be issued for the cash equivalent. The Custodian shall be satisfied that the terms of any exchange will not be such as are likely to result in any prejudice to the existing shareholders of the Fund. The cost of such subscription in specie shall be borne by the relevant Shareholder.

- (i) No Shares shall be issued until the investments have been vested or arrangements are made to vest the investments with the Custodian or its sub-custodian to the Custodian's satisfaction;
- (ii) Any such exchange shall be effected on terms that the number of Shares to be issued shall be the number (including, at the Director's discretion, fractions of Shares) which would have been issued at the subscription price for a cash amount equal to the value of the investments including such sum as the Directors may consider represents an appropriate provision for charges arising in connection with the vesting of the investments;
- (iii) The investments to be transferred to the Company shall be valued by applying the rules



relating to valuation of investments contained in the Articles;

- (iv) There may be paid to the incoming Shareholder out of the assets of the relevant Fund a sum in cash equal to the value at the current price of any fraction of a Share excluded from the calculation aforesaid; and
- (v) The Custodian shall be satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to the existing Shareholders.

#### *Confirmations*

Confirmation in writing of entry on the register of Shareholders in the Primary Market will be sent to Shareholders within such period as set out in the relevant Supplement.

Application Forms may be obtained from the Company or the Administrator. The Minimum Subscription, Minimum Redemption and, where applicable, the Minimum Holding for Shares obtained on the Primary Market are set out in the Supplement for each Fund

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

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity, address and source of funds and where applicable the beneficial owner on a risk sensitive basis and the on-going monitoring of the business relationship. Additional verification in the case of a politically exposed person ("PEP's"), an individual who is or has, at any time in the preceding year, been entrusted with prominent public function, an investor who is an immediate family member of PEP, or an investor known to close associates of a PEP, must also be treated as a PEP. By way of example of suitable verification an individual may be required to produce an original certified copy of a passport or their photographic identification, together with two original copies of evidence of his/her address, such as a utility bill or bank statement. The investor may also be asked to provide his/her date of birth and tax residence if not shown on the material provided. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business address of all directors. Depending on the circumstances of each application, a detailed verification might not be required where for example, the application is made through a recognised intermediary. This exception will only apply if the intermediary referred to above is located within certain countries recognised by the company as having equivalent anti-money laundering and counter terrorist financing regulations (a list of these countries is available from the Administrator) and the investor produces a letter of undertaking from the recognised intermediary. Intermediaries cannot rely on third parties to meet the obligation to monitor the on-going business relationship with an investor which remains their ultimate responsibility.

The Company (or Administrator on behalf of the Company) may request such additional information as it believes is necessary to verify the investor's identity, address and source of funds. Verification of the investor's identity is in general required to take place before the subscription is assessed.

In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Company may refuse to accept the application or to return the subscription monies or may refuse to make payment of any repurchase proceeds until the required information is provided. If an application is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. None of the Company, the Directors, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or payment of repurchase proceeds is delayed in such circumstances.

## **Data Protection**

### *Data Protection Information*

Prospective investors should note that by completing the Application Form they are providing personal information to the Company, which may constitute personal data within the meaning of data protection legislation in Ireland. This data will be used for the purposes of client identification, administration, statistical analysis, market research, to comply with any applicable legal or regulatory requirements and, if an applicant's consent is given, for direct marketing purposes. Data may be disclosed to third parties including regulatory bodies, tax authorities in accordance with the European Savings Directive, delegates, advisers and service providers of the Company and their or the Company's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. By signing the application form, investors consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the Application Form. Investors have a right to obtain a copy of their personal data kept by the Company on payment of a fee and the right to rectify any inaccuracies in personal data held by the Company.

## **Redemption of Shares in the Primary Market**

Shareholders may redeem their Shares on a Dealing Day at the Net Asset Value per Share for that class calculated as at the Valuation Point in relation to that Dealing Day (save during any period when the calculation of Net Asset Value is suspended).

Applications for the redemption of Shares in the Primary Market should be made to the Administrator by facsimile or signed original redemption application and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be dealt with on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be dealt with on the next Dealing Day subsequent to the relevant Dealing Day unless the Directors in their absolute discretion and in an equitable manner determine otherwise. Such discretion may only be exercised by the

Directors where the request is received subsequent to the Dealing Deadline but before the Net Asset Valuation Point. Redemption requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

The Directors may impose a minimum value of Shares which may be redeemed in any one redemption transaction, in which case such minimum value shall be disclosed in the relevant Supplement for the relevant Fund. If the redemption of part only of a Shareholder's shareholding would leave the Shareholder holding less than the Minimum Holding for the relevant Fund, the Administrator acting on the instructions of the Investment Manager may redeem the whole of that Shareholder's holding.

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

In accordance with the requirements of the Central Bank, a determination to provide redemption in specie may be solely at the discretion of the Directors where the redeeming Shareholder requests redemption of a number of Shares that represents 5% or more of the Net Asset Value of a relevant Fund provided that any such Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant Shareholder. The above regularly requirements may be disapplied in the case of any Fund which has been established as an exchange traded fund where relevant Shareholder has subscribed for Shares in specie.

The Directors may in their absolute discretion refuse to accept a request for redemption in specie where the Directors determine, in consultation with the Investment Manager, that it would not be practicable to satisfy such a request. Where a request for redemption in specie has been refused by the Directors, in consultation with the Investment Manager, on the basis that it would not be practicable to satisfy such a request, the Administrator will reject the instruction from the relevant Shareholder and inform the Shareholder of the reason for the rejection. The Shareholder then has the option to submit a cash redemption request for settlement in the currency of the relevant Fund or Class.

The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors (subject to the approval of the Custodian as to the allocation of assets) on such basis as the Directors in their discretion shall deem equitable and not prejudicial to the interests of the remaining Shareholders in the relevant Fund or Class.

#### *Deferral of Redemptions*

If the number of Shares to be redeemed on any Dealing Day exceeds 10% of the total number of Shares of a Fund in issue on that day or exceeds 10% of the Net Asset Value of the relevant Fund, the Directors or their delegate may at their discretion refuse to redeem any Shares in excess of 10% of the total number of Shares in issue or any Shares in excess of 10% of the Net Asset Value of the relevant Fund as the case may be, and, if they so refuse, the requests for redemption on such Dealing Day shall be reduced pro rata and Shares which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all Shares to which the original request related have been redeemed. Redemption requests which have been carried forward from an earlier Dealing Day shall (subject always to the foregoing limits) be complied with in priority to later requests.

#### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form. Any amendments to an investor's registration details and payment instructions will only be effected on receipt of original documentation by the Administrator.

#### *Currency of Payment*

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

#### **Withdrawal of Redemption Requests**

Requests for redemption may not be withdrawn save with the written consent of the Company or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the Funds in respect of which the redemption request was made.

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

Shareholders are required to notify the Administrator through whom Shares have been purchased immediately if they become U.S. Persons. Any persons who are subject to restrictions on ownership of Shares in the Company imposed by the Directors may be required to redeem or transfer their Shares. The Company may redeem any Shares which are or become owned, directly or indirectly, by or for the benefit of any person in breach of any restrictions on ownership from time to time specified by the Directors or if the holding of Shares by any person is unlawful or is likely to result or results in any tax, fiscal, legal, regulatory, pecuniary liability or disadvantage or material administrative disadvantage to any of the Company, Shareholders or any Fund. The Company may also redeem any Shares which are held by any person who holds less than the Minimum Holding, if applicable, or does not supply any information or declaration required under the Articles of Association within seven days of a request to do so. Any such redemption will be effected on a Dealing Day at the Net Asset Value per Share calculated on or with respect to the relevant Dealing Day on which the Shares are to

be redeemed. The Company may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by a Shareholder including any interest or penalties payable thereon. The attention of investors in relation to the section of the prospectus entitled "Taxation" and in particular the section therein headed "Taxation of the Company in Ireland" which details circumstances in which the Company shall be entitled to deduct from payments to Shareholders who are resident or ordinarily resident in Ireland amounts in respect of liability of to Irish taxation including any penalties and interest thereon and/or compulsorily redeem Shares to discharge such liability. Relevant Shareholders will indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of an event giving rise to a charge to taxation.

The HIRE Act was signed into U.S. law in March 2010. It includes provisions generally known as FATCA. The obligations of Irish financial institutions under FATCA will be covered by the provisions of the Ireland/U.S. Intergovernmental Agreement ("IGA") and supporting Irish legislation/regulations. Although the full impact of the FATCA rules in Ireland is not yet known, the Company will generally require Shareholders to provide documentary evidence of their tax residence and certain additional information in order to comply with the FATCA requirements.

### **Total Redemption of Shares**

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

- (a) on the giving by the Company of not less than four nor more than twelve weeks' notice expiring on a Dealing Day to Shareholders of its intention to redeem such Shares; or
- (b) if the holders of 75% in value of the relevant Class(es) or Fund resolve at a meeting of the Shareholders duly convened and held that such Shares should be redeemed the redemption of such Shares is approved by resolution in writing signed by all the holders of Shares in that Class or Fund;
- (c) at the sole discretion of the Directors where they deem it appropriate because a material administrative disadvantage or adverse political, economic, fiscal, regulatory or other changes or circumstances affecting the relevant Fund or Class;
- (d) where the Shares of a Fund are de-listed from a Relevant Stock Exchange and are not listed or re-listed within three months on another Relevant Stock Exchange;
- (e) if the licence agreement relating to a Fund's use of an index is terminated or where the index provider ceases to publish a Fund's Index; or
- (f) in circumstances where an OTC swap contract entered into by the Company with respect to a Fund is terminated earlier than its anticipated term for reasons such as modification or cancellation of the relevant Index for that Fund, illegality, material impediment to the counterparty to maintain or effect its hedge.

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

### **Conversion of Shares in the Primary Market**

Subject to the approval of the Directors and the Minimum Subscription, Minimum Redemption and Minimum Holding of the relevant Fund or Classes and the provisions relating to the subscription and redemption of Shares in the Primary Market set out above, Shareholders may convert some or all of their Shares in one Fund or Class ("the Original Fund") to Shares in another Fund or Class or another Class in the same Fund ("the New Fund"). Shareholders may apply to convert Shares on any day which is a Dealing Day by facsimile or written communication or as otherwise described in the relevant Supplement and should include such information as may be specified from time to time by the Directors or their delegate. Requests for conversion should be received prior to the earlier of the Dealing Deadline for redemptions in the Original Fund and the Dealing Deadline for subscriptions in the New Fund. Any applications received after such time will be dealt with on the next Dealing Day which is a dealing date for the relevant Funds, unless the Directors in their absolute discretion otherwise determine. Such discretion may only be exercised by the Directors where the application is received subsequent to the relevant Dealing Deadline but before the relevant Valuation Point for the relevant Dealing Day. Conversion requests will only be accepted where cleared funds and completed documents are in place from original subscriptions.

A conversion request will not be processed where the investor would be an initial investor in the New Fund and would not comply with the Minimum Subscription requirement for Shares in the New Fund.

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

Fractions of Shares which shall not be less than two decimal places of a Share may where not otherwise provided for in a Supplement, be issued by the Company on conversion where the value of Shares converted from the Original Fund are not sufficient to purchase an integral number of Shares in the New Fund and any balance representing less than two decimal places of a Share will be retained by the Company in order to defray administration costs.

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

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

where:-

S = the number of Shares of the New Fund that will be issued;

R = the number of Shares of the Original Fund to be converted;

NAV= is the Net Asset Value per Share of the Original Fund at the Valuation Point on the relevant Dealing Day;

ER= the rate of exchange (if any) determined by the Directors on the relevant Dealing Day as the appropriate rate at which the Base Currency of the Original Fund Shares should be converted into the Base Currency of the New Fund Shares;

F = a conversion charge (if any) of up to 5% of the Subscription Price of Shares to be issued in the New Fund or Class.

SP= the Subscription Price of a Share in the New Fund at the Valuation Point on the relevant Dealing Day.

It is not intended to impose a conversion charge.

#### **Withdrawal of Conversion Requests**

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

#### **Transfer of Shares in the Primary Market**

Transfer of Shares in the Primary Market must be effected in writing in any usual or common form or in any other form approved by the Directors from time to time. Every form of transfer must state the full name and address of each of the transferors and the transferees and must be signed by or on behalf of the transferors.

It is not intended to impose a fee for the registration of instruments of transfer.

The registration of transfers in the Primary Market may be suspended for such periods as the Directors may determine provided always that each registration may not be suspended for more than 30 days.

Shares are freely transferable save that the Directors may decline to register any transfer of Shares:-

- (i) where a Minimum Holding has been imposed with respect to a Fund or Class and in consequence of such transfer the transferor or the transferee would hold a number of Shares

less than the Minimum Holding or the transferee would hold less than the Minimum Subscription;

- (ii) all applicable taxes and/or stamp duties have not been paid in respect of the instrument of transfer;
  - (iii) the instrument of transfer is not deposited at the registered office of the Administrator or such other place as the Directors may reasonably request, accompanied, where applicable, by such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, such relevant information and declarations as the Directors may reasonably require from the transferee including, without limitation, information and declarations of the type which may be requested from an applicant for Shares in the Company and such fee as may from time to time be specified by the Directors for the registration of any instrument of transfer;
- they are aware or reasonably believe the transfer would result in the beneficial ownership of such Shares by a person in contravention of any restrictions on ownership imposed as set out herein or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the Company or the relevant Fund or Shareholders as a whole; or
  - for Shares issued to U.S. Persons, as provided in Appendix III to this Prospectus.

A transfer of Shares issued in dematerialised form in the Primary Market shall be made in accordance with and subject to the Companies Act, 1990 (Uncertificated Securities Regulations, 1996) (S.I. No. 68 of 1996) as may be amended from time to time and conditions imposed thereunder which may affect the Company and facilities and requirements of a generally recognised book entry or other settlement system or clearing system and in accordance with any arrangements made by the Company pursuant to the Articles.

### **Dealing In Shares In The Secondary Market**

Where the Directors determine that a Fund of the Company will be an exchange-traded fund, Shares of one or more Classes of that Fund will be listed on one or more Relevant Stock Exchanges. The purpose of the listing of the Shares on Relevant Stock Exchanges is to enable investors to buy and sell Shares on the secondary market, normally via a broker/dealer or third party administrator, in smaller quantities than would be possible if they were to subscribe and/or redeem Shares through the Company in the Primary Market. Upon such listings there is an expectation that members of the Relevant Stock Exchanges will act as market makers and provide offer and bid prices at which the Shares can be purchased or sold, respectively, by investors in accordance with the requirements of the Relevant Stock Exchange. The spread between such bid and offer prices is typically monitored by the Relevant Stock Exchanges. Certain Authorised Participants who subscribe for Shares may act as market makers; other Authorised Participants are expected to subscribe for Shares in order to be able to offer to buy Shares from or sell Shares to their customers as part of their broker/dealer business.



Through such Authorised Participants being able to subscribe for or redeem Shares, a liquid and efficient secondary market may develop over time on one or more Relevant Stock Exchanges and/or other stock exchanges as they meet secondary market demand for such Shares. Through the operation of such a secondary market, persons who are not Authorised Participants will be able to buy Shares from or sell Shares to other secondary market investors or market makers, broker/dealers, or other Authorised Participants at prices which should approximate, after currency conversion, the Net Asset Value of the Shares.

Investors in a Secondary Market will be obliged to provide such information to their broker operating in the Relevant Stock Exchange as is necessary to verify the identity of an investor prior to an account being opened in that investor's name. Investors should contact their broker for further details on the anti-money laundering requirements imposed by the Relevant Stock Exchange.

The Company does not charge any transfer fee for purchases of Shares on the secondary market. Orders to buy Shares on the secondary market may incur costs over which the Company has no control. The approval of any listing particulars pursuant to the listing requirements of the Relevant Stock Exchange does not constitute a warranty or representation by such Relevant Stock Exchange as to the competence of the service providers or as to the adequacy of information contained in the listing particulars or the suitability of the Shares for investment or for any other purpose.

For so long as the Shares are listed on any Relevant Stock Exchange, the Company shall endeavor to comply with the requirements of the Relevant Stock Exchange relating to those Shares. For the purposes of compliance with the national laws and regulations concerning the offering and/or listing of the Shares outside Ireland this document may have attached to it one or more documents setting out information relevant for the jurisdictions in which the Shares are offered for subscription. Each Class of Shares of the relevant Fund may be listed on one or more Relevant Stock Exchanges.

Investors in the secondary market should be aware that the market price of a Share listed on a Relevant Stock Exchange may not reflect the Net Asset Value per Share. Any transactions in the Shares of the Company on a Relevant Stock Exchange will be subject to the customary brokerage commissions and/or transfer taxes associated with the trading and settlement through the Relevant Stock Exchange. The settlement of trades in Shares on Relevant Stock Exchanges will be through the facilities of one or more Recognized Clearing Systems following applicable procedures which are available from the Relevant Stock Exchanges. Depending on the Relevant Stock Exchange the interest acquired in the Shares may be the legal and/or beneficial ownership. There can be no guarantee once the Shares are listed on a Relevant Stock Exchange that they will remain listed. Investors wishing to purchase or redeem Shares on the secondary market should contact their broker or third party administrator.

### **Intra-Day Portfolio Value**

Where the Directors determine that a Fund of the Company will be an exchange-traded fund, the directors may, at their discretion make available, or may designate other persons to make available on their behalf, on each day on which the Relevant Stock Exchange is open for trading, an indicative

net asset value for one or more Shares. If the Company makes such information available on any Business Day, the intra-day portfolio value will be calculated based upon information available during the trading day or any portion of the trading day, and will ordinarily be based upon the current value of the assets/exposures of the relevant Fund in effect on such Business Day, together with any cash amount in the relevant Fund as at the previous Business Day. The Company will make available an intraday portfolio value if this is required by (and at the frequency required by) any Relevant Stock Exchange.

Any intra-day portfolio value is not, and should not be taken to be or relied on as being, the value of a Share or the price at which Shares may be subscribed for or redeemed or purchased or sold on any Relevant Stock Exchange. In particular, any intra-day portfolio value provided for the Company where the assets of the Company are not actively traded during the time of publication of such intra-day portfolio value may not reflect the true value of a Share, may be misleading and should not be relied on. The inability of the Company or its designee to provide an intra-day portfolio value, on a real-time basis, or for any period of time, will not in itself result in a halt in the trading of the Shares on a Relevant Stock Exchange, which will be determined by the rules of the Relevant Stock Exchange in the circumstances. Investors on the secondary market should be aware that the calculation and reporting of any intra-day portfolio value may reflect time delays in the receipt of the relevant constituent asset prices in comparison to other calculated values based upon the same constituent assets. An inaccuracy in the intra-day net asset value could result from various factors, including the difficulty of pricing Fixed Income Instruments on an intra-day basis. Investors interested in subscribing for or redeeming Shares on a Relevant Stock Exchange should not rely solely on any intra-day portfolio value which is made available in making investment decisions, but should also consider other market information and relevant economic and other factors. None of the Company, the Directors, or any Authorised Participant and the other service providers shall be liable to any person who relies on the intraday portfolio value.

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

The Directors have delegated the calculation of the Net Asset Value to the Administrator.

The Net Asset Value of each Fund or, if there are different Classes within a Fund, each Class will be calculated by the Administrator as at the Valuation Point on or with respect to each Dealing Day in accordance with the Articles. The Net Asset Value of a Fund shall be determined as at the Valuation Point for the relevant Dealing Day by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees, including those to be incurred in the event of a subsequent termination of a Fund or liquidation of the Company and all other liabilities). The Net Asset Value attributable to a Class shall be determined as at the Valuation Point for the relevant Dealing Day by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class as at the Valuation Point subject to adjustment to take account of assets and/or liabilities attributable to the Class. Accordingly the Net Asset Value per Share of the different Classes of Shares can differ within each Fund as a result of the declaration/payment of dividends, differing fee and cost structure for each Class of Shares. The Net Asset Value of a Fund will be expressed in the

Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class or in a specific case.

The Net Asset Value per Share shall be calculated as at the Valuation Point on or with respect to each Dealing Day by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Shares in issue or deemed to be in issue in the Fund or Class at the relevant Valuation Point and rounding the resulting total to 4 decimal places.

In determining the Net Asset Value of the Company and each Fund:-

- (a) Each asset which is quoted, listed or traded on or under the rules of any Recognised Exchange save as hereinafter provided at (d), (e), (f), (g) and (h) shall be valued using the index method of valuations. Accordingly, depending on the terms of the relevant index, such assets will be valued at (a) closing bid price, (b) last bid price, (c) last traded price, (d) closing mid-market price or (e) last mid-market price on the relevant Recognised Exchange at the close of business on such Recognised Exchange on each Dealing Day. Prices will be obtained for this purpose by the Administrator from independent sources, such as recognised pricing services or brokers specialising in the relevant markets. If the investment is normally quoted, listed or traded on or under the rules of more than one Recognised Exchange, the relevant Recognised Exchange shall be either (a) that which is the main market for the investment or (b) the market which the Directors determine provides the fairest criteria in a value for the security, as the Directors may determine. If prices for an investment quoted, listed or traded on the relevant Recognised Exchange are not available at the relevant time, or are unrepresentative in the opinion of the Directors, such investment shall be valued at such value as shall be estimated with care and in good faith as the probable realisation value of the investment by a competent professional person, firm or corporation appointed for such purpose by the Directors and approved for the purpose by the Custodian. If the investment is quoted, listed or traded on a Recognised Exchange but acquired or traded at a premium or discount outside of or off the Recognised Exchange, the investment shall be valued taking into account the level of premium or discount as of the date of valuation of the instrument and the Custodian must ensure the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. Neither the Directors or their delegates nor the Custodian shall be under any liability if a price reasonably believed by them to be the (a) closing bid price, (b) last bid price, (c) last traded price, (d) closing mid-market price or (e) last mid-market price for the time being, may be found not to be such.
- (b) The value of any Investment which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be either (i) the probable realisation value as estimated with care and good faith by a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Custodian or (ii) the value as determined by any other means provided that such value is approved by the Custodian. Where reliable market quotations are not available for fixed income securities the value of such securities may be determined by reference to the valuation of

other securities which are comparable in rating, yield, due date and other characteristics. The matrix methodology will be compiled by the Directors as outlined above.

- (c) Cash and other liquid assets will be valued at its nominal value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs, unless in any case the Directors are of the opinion that such assets are 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 or their delegate (with the approval of the Custodian) may consider appropriate in such case to reflect the true value thereof.
- (d) Derivative contracts traded on a regulated market including without limitation futures and options contracts and index futures shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or (ii) a competent person firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Custodian. OTC derivative contracts will be valued daily either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is selected by the Directors and approved for the purpose by the Custodian and who is independent of the counterparty (the "Counterparty Valuation"); or (ii) using an alternative valuation provided by a competent person (including the Investment Manager) appointed by the Directors and approved for the purpose by the Custodian (the "Alternative Valuation"). Where such Alternative Valuation method is used the Company will follow international best practise and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA and will be reconciled to the Counterparty valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained.
- (e) Forward foreign exchange and interest rate swap contracts shall be valued in the same manner as OTC derivatives contracts or by reference to freely available market quotations.
- (f) Notwithstanding paragraph (a) above units in collective investment schemes shall be valued at the latest available net asset value of such share, unit or participation as published by such open-ended collective investment scheme. Where a final net asset value per share is not available an estimated net asset value per share received from the administrator or investment manager of the relevant collective investment scheme may be used. Where estimated values are used, these shall be final and conclusive notwithstanding any subsequent variation in the net asset value of the collective investment scheme.
- (g) In the case of a Fund which is a money market fund, the Directors may use the amortised cost method of valuation where the securities are valued at their acquisition cost, adjusted for amortisation of premium or accretion of discount on the securities provided; (A) the money market fund is restricted to securities which comply with the following criteria:- (i) have a maturity at issuance of up to and including 397 days; (ii) have a residual maturity of up to and including 397 days; (iii) undergo regular yield adjustments in line with money market conditions

at least every 397 days; and/or (iv) the risk profile, including credit and interest rate risks, corresponds to that of financial instruments which have a maturity of up to and including 397 days or are subject to a yield adjustment at least every 397 days and which in the case of (iii) and (iv) also meet with the final maturity requirements of the relevant rating agency; (B) the weighted average maturity of the portfolio does not exceed 60 days. The Directors or their delegates shall review or cause a review to be carried out weekly of discrepancies between the market value and the amortised value of the Money Market Instruments and ensure escalation procedures in accordance with the requirements of the Central Bank are put in place to address material discrepancies.

- (h) In the case of a Fund which is not a money market fund, the Directors may value securities having a residual maturity not exceeding three months using the amortised cost method of valuation provided such securities have no specific sensitivity to market parameters, including credit risk.  
In the
- (i) The Directors may, with the approval of the Custodian, adjust the value of any investment if, having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof.
- (j) Any value expressed otherwise than in the Base Currency of the relevant Fund shall be converted into the Base Currency of the relevant Fund at the exchange rate (whether official or otherwise) which the Directors or their delegate shall determine to be appropriate.

If it is impossible or would be incorrect to carry out a valuation of a specific investment in accordance with the above rules owing to particular circumstances the Directors or a competent person with the approval of the Custodian shall use any such alternative method of valuation as approved by the Custodian, which can be examined by the Auditors, in order to reach a proper valuation of the total assets of the Company.

*In calculating the value of assets of the Company and each Fund the following principles will apply:*

- (a) every Share agreed to be issued by the Directors with respect to each Dealing Day shall be deemed to be in issue at the close of business on the relevant Dealing Day and the assets of the relevant Fund shall be deemed to include as at the close of business on the relevant Dealing Day not only cash and property in the hands of the Custodian but also the amount of any cash or other property to be received in respect of Shares agreed to be issued after deducting therefrom (in the case of Shares agreed to be issued for cash) or providing for preliminary charges;
- (b) where investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed;

- (c) there shall be added to the assets of the relevant Fund any actual or estimated amount of any taxation of a capital nature which may be recoverable by the Company which is attributable to that Fund;
- (d) there shall be added to the assets of each relevant Fund a sum representing any interest, dividends or other income accrued but not received and a sum representing unamortised expenses;
- (e) there shall be added to the assets of each relevant Fund the total amount (whether actual or estimated by the Directors or their delegate) of any claims for repayment of any taxation levied on income or capital gains including claims in respect of double taxation relief;
- (f) where notice of the redemption of Shares has been received by the Company with respect to a Dealing Day and the cancellation of such Shares has not been completed, the Shares to be redeemed shall be deemed not to be in issue at the close of business on the relevant Dealing Day and the value of the assets of the relevant Fund shall be deemed to be reduced by the amount payable upon such redemption as at the close of business on the relevant Dealing Day;
- (g) there shall be deducted from the assets of the relevant Fund:
  - (i) the total amount of any actual or estimated liabilities properly payable out of the assets of the relevant Fund including any and all outstanding borrowings of the Company in respect of the relevant Fund, interest, fees and expenses payable on such borrowings and any estimated liability for tax and such amount in respect of contingent or projected expenses as the Directors consider fair and reasonable as of the relevant Valuation Point;
  - (ii) such sum in respect of tax (if any) on income or capital gains realised on the investments of the relevant Fund as in the estimate of the Directors will become payable;
  - (iii) the amount (if any) of any distribution declared but not distributed in respect thereof;
  - (iv) the remuneration of the Investment Manager and Distributor, the Administrator, the Custodian and any other providers of services to the Company accrued but remaining unpaid together with a sum equal to the value added tax chargeable thereon (if any);
  - (v) the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable out of the assets of the relevant Fund (including all establishment, operational and on-going administrative fees, costs and expenses) as of the relevant Valuation Point;

- (vi) an amount as of the relevant Valuation Point representing the projected liability of the relevant Fund in respect of costs and expenses to be incurred by the relevant Fund in the event of a subsequent liquidation;
- (vii) an amount as of the relevant Valuation Point representing the projected liability of the relevant calls on Shares in respect of options written by the relevant Fund or Class of Shares Company; and
- (viii) any other liability which may properly be deducted.

In the absence of negligence, fraud or wilful default, every decision taken by the Directors or any committee of the Directors or by any duly authorised person on behalf of the Company in determining the value of any investment or calculating the Net Asset Value of the Company a Fund or Class or the Net Asset Value per Share shall be final and binding on the Company and on present, past or future Shareholders.

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

The Net Asset Value per Share shall be made available on Bloomberg at [www.bloomberg.com](http://www.bloomberg.com) and shall be updated following each calculation of the Net Asset Value per Share. The Net Asset Value per Share may also be obtained from the Administrator during normal business hours. The Net Asset Value per Share shall also be available from such other sources as may be set out in the Supplement for the relevant Fund.

The current Net Asset Value will be notified to the Irish Stock Exchange immediately upon calculation and will be published on [www.ise.ie](http://www.ise.ie)

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

The Directors may at any time and from time to time temporarily suspend the determination of the Net Asset Value of any Fund and the issue, conversion and redemption of Shares in any Fund during:

- (a) the whole or part of any period (other than for ordinary holidays or customary weekends) when any of the Recognised Exchanges on which the relevant Funds investments are quoted, listed, traded or dealt are closed or during which dealings therein are restricted or suspended or trading is suspended or restricted; or
- (b) the whole or part of any period when circumstances outside the control of the Directors exist as a result of which any disposal or valuation of investments of the Fund is not reasonably practicable or would be detrimental to the interests of Shareholders or it is not possible to transfer monies involved in the acquisition or disposition of investments to or from the relevant account of the Company; or

- (c) the whole or any part of any period when any breakdown occurs in the means of communication normally employed in determining the value of any of the relevant Funds investments; or
- (d) the whole or any part of any period when for any reason the value of any of the Funds investments cannot be reasonably, promptly or accurately ascertained;
- (e) the whole or any part of any period when the Company or any Fund is unable to repatriate funds required for making redemption payments or when such payments cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (f) during the whole or any part of any period when subscription proceeds cannot be transmitted to or from the account of any Fund or the Company is unable to repatriate funds required for making redemption payments or when such payments cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- (g) when settlement or clearing of securities in a recognised clearing and settlement system is disrupted;
- (h) when dealings of the Shares which are listed on any Relevant Stock Exchange are restricted or suspended;
- (i) following the circulation to the relevant Shareholders of a notice of a general meeting at which a resolution proposing the wind-up of the Company or terminate the relevant Fund is to be considered;
- (j) upon mutual agreement between the Company and the Custodian for the purpose of winding up the Company or terminating any Fund; or
- (k) if any other reason makes it impossible or impracticable to determine the value of a substantial portion of the investments of the Company or any Fund.

Any suspension of valuation shall be notified immediately (without delay) to the Central Bank, in the case of a listing to the Relevant Stock Exchanges and any other relevant regulatory authority with respect to any Fund or Class which is listed and the Custodian immediately and, in any event, within the same Business Day and shall be published on [www.bloomberg.com](http://www.bloomberg.com). Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

The Central Bank may also require that the Company temporarily suspends the determination of the Net Asset Value and the issue and redemption of Shares in a Fund if it decides that it is in the best interests of the general public and the Shareholders to do so.



## **5. TAXATION**

### **General**

The section below on Irish taxation is a brief summary of the tax advice received by the Directors relating to current law and practice which may be subject to change and interpretation.

The information given below does not constitute legal or tax advice and prospective investors should consult their professional advisers on the possible tax consequences of buying, selling, converting, holding or redeeming Shares under the laws of the jurisdictions in which they may be subject to tax. Investors are also advised to inform themselves as to any exchange control regulations applicable in their country of residence.

Generally the tax consequences of acquiring, holding, converting, redeeming or disposing of Shares in the Company will depend on the relevant laws of the jurisdiction to which the Shareholder is subject. These consequences will vary with the law and practice of the Shareholder's country of residence, domicile or incorporation and with his personal circumstances.

Dividends, interest and capital gains (if any) on securities issued in countries other than Ireland may be subject to taxes including withholding taxes imposed by such countries. The Company may not be able to benefit from a reduction in the rate of withholding tax by virtue of the double taxation agreement in operation between Ireland and other countries. The Company may not, therefore, be able to reclaim withholding tax suffered by it in particular countries. If this position changes in the future, and the application for 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.

### **Taxation of the Company in Ireland**

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

The Company will be regarded as resident in Ireland for tax purposes if the central management and control of its business is exercised in Ireland and the Company is not regarded as resident elsewhere. It is the intention of the Directors that the business of the Company will be conducted in such a manner as to ensure that it is Irish Resident for tax purposes.

The Directors have been advised that the Company qualifies as an investment undertaking as defined in Section 739B of the TCA. Under current Irish law and practice, on that basis, the Company is not chargeable to Irish tax on its income and gains.

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

A chargeable event does not include:

- An exchange by a Shareholder, effected by way of an arm’s length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- Any transactions (which might otherwise be a chargeable event) in relation to Shares held in a Recognised Clearing System as designated by order of the Irish Revenue Commissioners (in this regard it is the intention of the Directors that all Shares in the Company will be held in a Recognised Clearing System);
- A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses or civil partners and former spouses, subject to certain conditions; or
- An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the TCA) of the Company with another investment undertaking.
- The cancellation of shares arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA of the TCA).

The holding of Shares at the end of a Relevant Period will also constitute a chargeable event. In the case of Shares held in a Recognised Clearing System, no chargeable event is deemed to arise and the Shareholders may have to account for the appropriate tax arising at the end of a Relevant Period on a self-assessment basis.

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

Please see the “Taxation of Shareholders in Ireland” section below dealing with the tax consequences for the Company and the Shareholders of chargeable events in respect of: -

- (a) Shares which are held in a Recognised Clearing System
- (b) Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland; and
- (c) Shareholders who are Irish Residents or Ordinarily Resident in Ireland and the Shares are not held in a Recognised Clearing System.

As a result of provisions introduced by Finance Act 2012 (and the subsequent Return of Values (Investment Undertakings Regulations 2013), the Company is obliged to report certain details in relation to Shares acquired by investors from 1 January 2012 onwards. The details to be reported include the name, address, date of birth (if an individual) and the value of the units held. For new Shares acquired on or after 1 January 2014, the details to be reported will also include the tax reference number or, in the absence of the number, a special marker indicating that this was not provided. No details are required to be reported in respect of Shareholders who are:

- Exempted Irish Investors, (provided the Relevant Declaration has been made); or
- Shareholders whose shares are held in a Recognised Clearing System; or
- Shareholders who are neither Irish Residents nor Irish Ordinary Residents (provided a Relevant Declaration has been made).

#### Taxation of Shareholders in Ireland

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

Where Shares are held in a Recognised Clearing System, the obligation falls on the Shareholder (rather than the Company) to self-account for any tax arising on a chargeable event. In the case of an individual tax currently at the rate of 41% should be accounted for by the Shareholder in respect of a distribution where payments are made annually or at more frequent intervals and on any other distribution or gain arising to the Shareholder on an encashment, redemption or transfer of Shares by a Shareholder. Irish resident corporate Shareholders holding Shares other than in the course of a trade and who receive any distributions or gains on an encashment, redemption, cancellation or transfer of shares will be treated as having received income chargeable to tax under Case IV of Schedule D of the Taxes Act. We refer you to the “*Personal Portfolio Investment Undertaking (“PPIU”)*” section below for the appropriate tax rates that would apply if the investment constitutes a PPIU.

Where the Shareholder has not correctly included the income in their tax return, the normal rates apply (i.e. 41% or up to 80% in the case of an investment that constitutes a PPIU).

It should be noted that a Relevant Declaration or approval in relation to the equivalent measures under Finance Act 2010 provisions is not required to be made where the Shares, the subject of the application for subscription or registration of transfer on a transfer of Shares, are held in a Recognised Clearing system so designated by the Irish Revenue Commissioners. It is the intention of the Directors that all Shares will be held in a Recognised Clearing System. If in the future, the Directors

permit Shares to be held in certificated form outside a Recognised Clearing System, prospective investors for Shares on subscription and proposed transferees of Shares will be required to complete a Relevant Declaration as a pre-requisite to being issued Shares in the Company or being registered as a transferee of the Shares (as the case may be). A Relevant Declaration will not be required to be completed in this regard where the Company has received approval under the Finance Act 2010 provisions where appropriate equivalent measures have been put in place.

Where the shares are not held for the purpose of a trade carried on by a company a gain arising on the disposal of Shares by a Shareholder cannot be offset by a loss on the disposal of Shares by a Shareholder or by losses arising from the disposal of other assets which are subject to Capital Gains Tax. Losses arising on the disposal of Shares by a Shareholder cannot be offset against income or gains arising from the disposal of assets which are subject to Capital Gains Tax.

For the purposes of a Shareholder completing their annual tax return income and gains arising on Shares in the Company are treated as income and gains arising on an Offshore Fund.

To the extent that any Shares are not held in a Recognised Clearing System, the following tax consequences will arise on a chargeable event.

*Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland and the shares are not held in a Recognised Clearing System*

The Company will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder where (a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration and (c) the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or (d) the Company has put in place appropriate equivalent measures to ensure that Shareholders in the Company are neither Irish Resident nor Irish Ordinarily Resident and the Company has received the appropriate approval from the Revenue Commissioners, (see paragraph headed “*Equivalent Measures*” below). In the absence of either a Relevant Declaration (provided in a timely manner) or the Company satisfying and availing of equivalent measures, tax will arise on the happening of a chargeable event in the Company regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described in the “*Shareholders who are Irish Residents or Ordinarily Resident in Ireland and the Shares are not held in a Recognised Clearing System*” section below.

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

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

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

*Shareholders who are Irish Residents or Ordinarily Resident in Ireland and the Shares are not held in a Recognised Clearing System*

Unless a Shareholder is an Exempt Irish Investor, makes a Relevant Declaration to that effect to the Company and the Company is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or if the Company has obtained approval from the Irish Revenue Commissioners that the appropriate equivalent measures are in place and this approval has not been withdrawn or unless the Shares are purchased by the Courts Service, tax, currently at the rate of 41% (25% in respect of Irish corporate investors) will be required to be deducted by the Company from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration or in respect of whom the Irish Revenue Commissioners have confirmed appropriate equivalent measures are in place) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland shall be taxable at a rate of 41% (25% in respect of Irish corporate investors) and will be required to be deducted by the Company. Tax will also have to be deducted in respect of Shares held at the end of a Relevant Period (in respect of any excess in value over the cost of the Relevant Shares) to the extent that the Shareholder is Irish Resident or Irish Ordinarily Resident and is not an Exempted Irish Investor who has made a Relevant Declaration or in respect of whom the Irish Revenue Commissioners have given approval that appropriate equivalent measures are in place and this approval has not been withdrawn.

There are a number of Irish Resident and Ordinarily Resident in Ireland Shareholders who are exempted from the provisions of the above regime once Relevant Declarations are in place. These are Exempted Irish Investors. Additionally, where Shares are held by the Courts Service no tax is deducted by the Company on payments made to the Courts Service. The Courts Service will be required to operate the tax on payments to it by the Company when they allocate those payments to the beneficial owners.

Corporate Shareholders who are Irish Resident who receive any distributions or gains on an encashment, redemption, cancellation or transfer of shares from which tax has been deducted will be treated as having received an annual payment subject to tax under Case IV of Schedule D of the TCA from which tax at the relevant rate has been deducted. Corporate Shareholders who are Irish Resident and whose Shares are held in connection with a trade will be taxable on any income or gains as part of that trade with a set off against corporation tax payable for any tax deducted by the Company.

In general, non-corporate Shareholders who are Irish Resident or Ordinarily Resident in Ireland will not be subject to further Irish tax on income from their Shares or gains made on the disposal of their Shares where tax has been deducted by the Company on payments received. Where a currency gain is made by a Shareholder on the disposal of his/her Shares, such Shareholder may be liable to capital gains tax in the year of assessment in which the Shares are disposed of.

Any Shareholder who is Irish Resident or Ordinarily Resident in Ireland and receives a distribution or a gain on an encashment, cancellation, redemption, or transfer from which tax has not been deducted by the Company may be liable to income tax or corporation tax on the amount of such distribution or gain.

#### *Equivalent Measures*

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

#### *Personal Portfolio Investment Undertaking ("PPIU")*

The Finance Act 2007 introduced new provisions regarding the taxation of Irish Resident individuals or individuals Ordinarily Resident in Ireland who hold shares in a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking, either directly or through persons acting on behalf of or connected to the investor. Depending on an individual's circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those

individuals who can “influence” selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual, will be currently taxed at 60%. Where the payment is not correctly included in the individual’s tax return, the payment will be liable to tax at the rate of 80%. Specific exemptions apply where the property invested in has been clearly identified in the investment undertaking’s marketing and promotional literature and the investment is widely marketed to the public. Further restrictions may be required where the investments held by the investment undertaking are in land or real property or unquoted shares deriving their value from such investments.

#### Other Relevant Irish Taxes

Distributions paid by the Company are not subject to dividend withholding tax.

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

#### *Stamp Duty*

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the Company. However, where any subscription for or redemption of Shares is satisfied by the in specie transfer of Irish securities or other Irish property, Irish stamp duty might arise on the transfer of such securities or property.

Irish Stamp Duty applies at the rate of 1% on the higher of the market value of or consideration paid for the acquisition of stocks and marketable securities issued by a company registered in Ireland. Generally, no Irish stamp duty will be payable by the Company on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B of the TCA) which is registered in Ireland.

#### Capital Acquisitions Tax

The disposal of Shares will not be subject to Irish gift or inheritance tax (Capital Acquisitions Tax), provided that the Company falls within the definition of investment undertaking (within the meaning of Section 739B of the TCA), and that:

- (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland;

- (b) at the date of the disposition, the Shareholder disposing (“disponer”) of the Shares is neither domiciled nor Ordinarily Resident in Ireland; and
- (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

With regard to Irish tax residency for Capital Acquisitions Tax purposes, special rules apply for non-Irish domiciled persons. A non-Irish domiciled donee or disponer will not be deemed to be resident or ordinarily resident in Ireland at the relevant date unless;

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

#### European Union Taxation of Savings Income Directive

The EU has adopted EC Directive 2003/48/EC regarding the taxation of savings income. Ireland has transposed the European Union Taxation of Savings Income Directive into Irish law. Subject to a number of important conditions being met the Directive requires Member States and certain other relevant territories to provide to the tax authorities of other Member States details of payments of interest (which may include distributions or redemption payments by collective investment funds, including UCITS) or other similar income paid by a paying agent to an individual or other certain persons in another Member State, except that Austria, Belgium, Luxembourg, and certain non-EU territories may instead impose a withholding system for a transitional period unless during such period they elect otherwise. Ireland and the United Kingdom amongst others have opted for exchange of information rather than a withholding tax system. The Savings Directive has been enacted into legislation by Member States and applies to interest payments made on or after 1 July 2005.

Accordingly, the Custodian, Administrator, paying agent or such other entity considered a “paying agent” (for these purposes a “paying agent” is the economic operator who pays interest to or secures the payment of interest for the immediate benefit of the beneficial owner) for the purposes of the Taxation of Savings Income Directive may be required to disclose details of payments of savings interest income to investors in the Company who are individuals or residual entities to the Irish Revenue Commissioners who will pass such details to the Member State where the investor resides. To the extent that the paying agent is located in the jurisdictions that operate a withholding tax system under the terms of the Directive, rather than an exchange of information system, tax may be deducted from interest payments to investors.

For the purposes of the Directive, interest payments include income distributions made by certain collective investment funds (in the case of EU domiciled funds, the Directive currently only applies to UCITS), to the extent that the Company has invested more than 15% of its assets directly or indirectly in interest bearing securities and income realised upon the sale, repurchase or redemption of fund units to the extent that the Company has invested more than 25% of its assets directly or indirectly in interest bearing securities.



## Tax Definitions

For the purposes of the above Irish taxation section, the following definitions shall apply.

### *“Courts Service”*

The Courts Service is responsible for the administration of monies under the control or subject to the order of the Courts.

### *“Irish Resident”*

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

*An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 30 days in each period. In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day.*

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

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

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country;
- or
- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

A company which is incorporated in Ireland and managed and controlled in a country with which Ireland has a double taxation treaty will be treated as Irish tax resident where the company would otherwise:

- (i) be treated as tax resident in the other double taxation treaty country if incorporated there instead of in Ireland,
- (ii) (ii) be treated as Irish tax resident if managed and controlled in Ireland instead of that double taxation treaty country, and
- (iii) in the absence of the above requirements, be treated as not tax resident in Ireland or any other double taxation treaty country.

This will take effect from 24 October 2013 as respects a company incorporated on or after that date, and 1 January 2015 as respects a company incorporated before that date.

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

*“Ordinarily Resident in Ireland”*

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

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year). An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2014 to 31 December 2014 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2017 to 31 December 2017.

**“Exempt Irish Investor”**

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the TCA or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the TCA applies;
- a company carrying on life business within the meaning of Section 706 of the TCA;
- an investment undertaking within the meaning of Section 739B(1) of the TCA;
- an investment limited partnership within the meaning of Section 739 of the TCA;
- a special investment scheme within the meaning of Section 737 of the TCA;
- a charity being a person referred to in Section 739D(6)(f)(i) of the TCA;
- a unit trust to which Section 731(5)(a) of the TCA applies;

- a qualifying fund manager within the meaning of Section 784A(1)(a) of the TCA where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the TCA;
- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the TCA and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Pensions Reserve Fund Commission;
- the National Asset Management Agency;
- a company that is or will be within the charge to corporation tax in accordance with Section 110(2) of the TCA in respect of payments made to it by the Company;
- an Irish Resident company investing in a money market fund being a person referred to in Section 739(6)(m) of the TCA; or
- any other Irish Resident or Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the Company or jeopardising tax exemptions associated with the Company giving rise to a charge to tax in the Company;

provided that they have correctly completed the Relevant Declaration under Schedule 2B of the TCA.

#### “Intermediary”

means a person who:-

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

#### “Personal Portfolio Investment Undertaking”

means an investment undertaking, under the terms of which some or all of the property of the undertaking may be, or was, selected by, or the selection of some or all of the property may be, or was, influenced by:

- the investor;
- a person acting on behalf of the investor;
- a person connected with the investor;

- a person connected with a person acting on behalf of the investor;
- the investor and a person connected with the investor; or
- a person acting on behalf of both the investors and a person connected with the investor.
- An investment undertaking is not a personal portfolio investment undertaking if the only property which may be or has been selected was available to the public at the time that the property is available for selection by an investor and is clearly identified in the investment undertaking's marketing or other promotional material. The investment undertaking must also deal with all investors on a non-discriminatory basis. In the case of investments deriving 50% or more of their value from land, any investment made by an individual is limited to 1% of the total capital required.

**“Recognised Clearing System”**

means Bank One NA, Depository and Clearing Centre, Central Moneymarkets office, Clearstream Banking AG, Clearstream Banking SA, CREST, Depository Trust Company of New York, Euroclear, Monte Titoli Company of New York, Netherlands Centraal Instituut voor Giraal Effectenverkeer BV, National Securities Clearing System, Sicovam SA, SIS Sega Intersettle AG or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the TCA, by the Irish Revenue Commissioners as a Recognised Clearing System.

**“Relevant Declaration”**

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

**“Relevant Period”**

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

**“TCA”**

The Taxes Consolidation Act, 1997 (of Ireland) as amended.

**United Kingdom Taxation**

The taxation of income and capital gains of both the Company and Shareholders is subject to the fiscal law and practice of Ireland and of the jurisdictions in which the Company invests or in which Shareholders are resident or otherwise subject to tax. The following is a summary of various aspects of the UK taxation regime which may apply to UK resident or ordinarily resident persons acquiring

Shares in the classes of the Company, and where such persons are individuals, only to those domiciled in the UK. It is intended as a general summary only, based on current law and practice in force as of the date of this Prospectus. There can be no guarantee that the tax position or proposed tax position prevailing at the time an investment in the Company is made will endure indefinitely. Such law and practice may be subject to change, and the below summary is not exhaustive. Furthermore, it will apply only to those UK Shareholders holding Shares as an investment rather than those which hold Shares as part of a financial trade; and does not cover UK Shareholders which are tax exempt or subject to special taxation regimes.

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

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

### *The Company*

The affairs of the Company are intended to be conducted in such a manner that it should not become resident in the UK for taxation purposes. Therefore, on the condition that the Company does not carry on a trade in the UK through a permanent establishment located there, then the Company will not be subject to UK corporation tax on income or chargeable gains arising to it, other than on certain UK source income.

Certain income and gains received by the Company that have a UK source, may be subject to withholding or similar taxes in the UK.

### *Shareholders*

Subject to their personal tax position, Shareholders resident in the UK for taxation purposes may be liable to UK income tax or corporation tax in respect of any dividends or other income distributions of the Company (including Redemption Dividends and any dividends funded out of realised capital profits of the Company), whether or not reinvested. In addition, UK resident Shareholders holding Shares at the end of each “reporting period” (as defined for UK tax purposes) will potentially be subject to UK income or corporation tax on their share of a class’s “reported income”, to the extent that this amount exceeds dividends received. Further details on the reporting regime and its implication for investors are discussed in more detail below.

Under Part 9A of the Corporation Tax Act 2009, from 1 July 2009 distributions from an offshore fund structured as a company made to companies resident in the UK are likely to fall within one of a number of exemptions from UK corporation tax. For example, if the UK corporate investor holds less than a 10% shareholding in the company making the distribution then the dividends received by the UK corporate investor will fall within an exempt class for portfolio holdings. In addition, distributions to

non-UK companies carrying on a trade in the UK through a permanent establishment in the UK should also fall within the exemption from UK corporation tax on dividends to the extent that the shares held by that fund are used by, or held for, that permanent establishment. Reported income will be treated in the same way as a dividend distribution for these purposes.

Holdings in the Company will constitute interests in “offshore funds”, as defined for the purposes of the Taxation (International and other Provisions) Act 2010, with each Class treated as a separate “offshore fund” for these purposes, consistent with the previous rules.

#### *Equalisation*

An equalisation account may be operated for certain funds and therefore if shares in such a fund are acquired otherwise than at the beginning of an account period over which distributions are calculated, the first distribution after acquisition will include a refund of capital, referred to as an equalisation payment, which is not subject to tax. The amount of the equalisation payment must be deducted from the original purchase cost of the shares in computing the allowable cost of the Units for capital gains purposes.

#### *UK Reporting Fund Regime*

The Offshore Funds (Tax) Regulations 2009 (the “Tax Regulations”) introduced a regime for the taxation of investments in “offshore funds” that operates by reference to whether a fund opts into a reporting regime (“reporting funds”) or not (“non-reporting funds”). The Tax Regulations provide that if an investor resident or ordinarily resident in the UK for taxation purposes holds an interest in an offshore fund and that offshore fund is a ‘non-reporting fund’, any gain accruing to that investor upon the sale or other disposal of that interest will be charged to UK tax as income and not as a capital gain. Alternatively, where an investor resident or ordinarily resident in the UK holds an interest in an offshore fund that has been a reporting fund for all periods of account for which they hold their interest, any gain accruing upon sale or other disposal of the interest will be subject to tax as a capital gain rather than income; with relief for any accumulated or reinvested profits which have already been subject to UK income tax or corporation tax on income (even where such profits are exempt from UK corporation tax). Investors in non-reporting funds would not be subject to income tax on income retained by the non-reporting fund.

Where an offshore fund has been a non-reporting fund for part of the time during which the UK Shareholder held their interest and a reporting fund for the remainder of that time, there are elections that can potentially be made by the Shareholder in order to pro-rate any gain upon disposal; the impact being that the portion of the gain made during the time when the offshore fund was a reporting fund would be taxed as a capital gain. Such elections have specified time limits in which they can be made. Investors should refer to their tax advisors for further information.

In broad terms, a reporting fund is an offshore fund that meets certain upfront and annual reporting requirements to HM Revenue & Customs and its Shareholders. The Directors intend to manage the affairs of the Company so that these upfront and annual duties are met and continue to be met on an on-going basis for each of the relevant share classes within the Company, which have been accepted

into the UK reporting fund regime. Such annual duties will include calculating and reporting the income returns of the offshore fund for each reporting period (as defined for UK tax purposes) on a per-Share basis to all relevant Shareholders (as defined for these purposes). UK Shareholders that hold their interests at the end of the reporting period, to which the reported income relates, will be subject to income tax or corporation tax on the higher of any cash distribution paid and the full reported amount. The reported income will be deemed to arise to UK Shareholders on the date six months following the end of the reporting period.

The Manager intends to issue the annual investor report via post, electronic communication, website, or a nationally-available UK newspaper.

Once reporting fund status is obtained from HM Revenue & Customs for the relevant classes, it will remain in place permanently so long as the annual requirements are undertaken. Investors should refer to their tax advisors in relation to the implications of the Company's obtaining such status.

#### *General*

The attention of individual shareholders ordinarily resident in the UK is drawn to the provisions of Chapter 2 of Part 13 of the Income Taxes Act 2007. These provisions are aimed at preventing the avoidance of UK income tax by individuals through transactions resulting in the transfer of assets or income to persons (including companies) resident or domiciled outside the UK, and may render them liable to income tax in respect of undistributed income of the Company on an annual basis. The legislation is not directed towards the taxation of capital gains.

The attention of UK resident corporate Shareholders is drawn to Chapter 3 of Part 6 of the Corporation Tax Act 2009, whereby interests of UK companies in offshore funds may be deemed to constitute a loan relationship. These provisions apply to offshore funds that are more than 60% invested in "qualifying investments" at any point in the relevant reporting period. Qualifying investments are broadly defined as investments which yield a return directly or indirectly in the form of interest. On the basis of the investment policies of the Company each of the Funds could hold more than 60% of its assets in qualifying investments during a reporting period. In that eventuality, the Shares in such Fund(s) will be taxed as loan relationships with any distributions taxed as interest and in most cases any increases/decreases in the value of the holding taxed/relieved annually on a mark to market basis.

The attention of investors resident or ordinarily resident in the UK for taxation purposes is drawn to the provisions of Section 13 of Taxation of Chargeable Gains Act 1992. These provisions can apply to any such person whose proportionate interest in a Company (whether as a Shareholder or otherwise as a "participator" for UK taxation purposes) when aggregated with that of persons connected with that person is 10%, or greater, and if, at the same time, the Company is itself controlled in such manner that it would, were it to be resident in the UK for taxation purposes, be a "close" company for those purposes. Section 13 could, if applied, result in a person with such an interest in the Company being treated for the purposes of UK taxation of chargeable gains as if a part of any capital gain accruing to the Company (such as on a disposal of any of its investments) had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person's

proportionate interest in the Company (determined as mentioned above). No liability under section 13 could be incurred by such a person, however, in respect of a chargeable gain or an offshore income gain accruing to the Company if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons connected with him for UK taxation purposes does not exceed one-tenth of the gain.

Any individual Shareholder domiciled or deemed to be domiciled in the UK for UK tax purposes may be liable to UK inheritance tax on their Shares in the event of death or on making certain categories of lifetime transfer.

Shareholders who are life insurance companies within the charge to UK taxation holding their Share in the Company for the purposes of their long term business (other than pension business) will be deemed to dispose of and immediately re-acquire those Shares at the end of each accounting period. Such Shareholders should seek their own professional advice as to the tax consequences of the deemed disposal.

Under the rules for the taxation of corporate and government debt contained in the Finance Act 1996, special rules will apply to insurance companies, investment trusts, authorised unit trusts and open-ended investment companies.

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

Since the Company is not incorporated in the UK and the register of Shareholders will be kept outside the UK, no liability to stamp duty reserve tax should arise by reason of the transfer, subscription for and or redemption of shares except as stated above.

Liability to UK Stamp Duty should not arise provided that any instrument in writing, transferring Shares in the Company, or shares acquired by the Company, is executed and retained at all times outside the UK. However, the Company may be liable to transfer taxes in the UK on acquisitions and disposals of investments. In the UK, stamp duty or stamp duty reserve tax at a rate of 0.5% will be payable by the Company on the acquisition of shares in companies that are either incorporated in the UK or that maintain a share register there. This liability will arise in the course of the Company's normal investment activity and on the acquisition of investments from subscribers on subscription for Shares.

In the absence of an exemption applicable to a prospective Shareholder (such as that available to intermediaries under section 88A of the Finance Act 1986) stamp duty reserve tax (or stamp duty) at the same rate as above will also be payable by prospective Shareholders on the acquisition of shares in companies incorporated in the UK or which maintain a share register in the UK for the purpose of subsequent subscription for shares, and may arise on the transfer of investments to Shareholders on redemption.

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





## **6. GENERAL INFORMATION**

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

- (a) The Company was incorporated in Ireland on 27<sup>th</sup> of March, 2014 as an investment company with variable capital with limited liability under registration number 541549. The Company has no subsidiaries.
- (b) The registered office of the Company is set out in the directory.
- (c) Clause 3 of the Articles of Association of the Company provides that the Company's sole object is the collective investment in transferable securities and/or other liquid financial assets referred to in Regulation 68 of the UCITS Regulations of capital raised from the public and the Company operates on the principal of risk spreading in accordance with the UCITS Regulations.
- (d) The authorised share capital of the Company is 300,000 redeemable non-participating shares of no par value and 500,000,000,000 participating Shares of no par value. Non-participating Shares do not entitle the holders thereof to any dividend and on a winding up entitle the holders thereof to receive the amount paid up thereon but do not otherwise entitle them to participate in the assets of the Company. The Directors have the power to allot shares up to the authorised share capital of the Company.
- (e) No share capital of the Company has been put under option nor has any share capital been agreed (conditionally or unconditionally) to be put under option.

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

- (a) The rights attaching to the Shares issued in any Class or Fund may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the Shareholders of three-quarters of the issued Shares of that Class or Fund, or with the sanction of an ordinary resolution passed at a general meeting of the Shareholders of that Class or Fund.
- (b) A resolution in writing signed by all the Shareholders and holders of non-participating shares for the time being entitled to attend and vote on such resolution at a general meeting of the Company shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the Company duly convened and held and if described as a special resolution shall be deemed to be a special resolution.
- (c) The rights attaching to the Shares shall not be deemed to be varied by the creation, allotment or issue of any further Shares ranking *pari passu* with Shares already in issue.
- (d) There are no rights of pre-emption upon the issue of Shares in the Company.

### **3. Voting Rights**

The following rules relating to voting rights apply:-

- (a) Fractions of Shares do not carry voting rights.
- (b) Every Shareholder or holder of non-participating shares present in person or by proxy who votes on a show of hands shall be entitled to one vote.
- (c) The chairman of a general meeting of a Fund or Class or any Shareholder of a Fund or Class present in person or by proxy at a meeting of a Fund or Class may demand a poll. The chairman of a general meeting of the Company or at least two members present in person or by proxy or any Shareholder or Shareholders present in person or by proxy representing at least one tenth of the Shares in issue having the right to vote at such meeting may demand a poll.
- (d) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of non-participating shares shall be entitled to one vote in respect of all non-participating shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.
- (e) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- (f) Any person (whether a Shareholder or not) may be appointed to act as a proxy; a Shareholder may appoint more than one proxy to attend on the same occasion.
- (g) Any instrument appointing a proxy must be deposited at the registered office, not less than 48 hours before the meeting or at such other place and by such time as is specified in the notice convening the meeting. The Directors may at the expense of the Company send by post or otherwise to the Shareholders instruments of proxy (with or without prepaid postage for their return) and may either leave blank the appointment of the proxy or nominate one or more of the Directors or any other person to act as proxy.
- (h) To be passed, ordinary resolutions of the Company or of the Shareholders of a particular Fund or Class 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. Special resolutions of the Company or of the Shareholders of a particular fund or Class will require a majority of not less than 75% of the Shareholders present in person or by proxy and voting in general meeting in order to pass a special resolution including a resolution to amend the Articles of

Association.

#### **4. Meetings**

- (a) The Directors may convene extraordinary general meetings of the Company at any time. The Directors shall convene an annual general meeting within six months of the end of each Accounting Period.
- (b) Not less than twenty one days notice of every annual general meeting and any meeting convened for the passing of a special resolution must be given to Shareholders and fourteen days' notice must be given in the case of any other general meeting.
- (c) Two Members present either in person or by proxy shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the relevant Fund or Class. If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened on the requisition of or by Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same time, day and place in the next week or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum and in the case of a meeting of a Fund or Class convened to consider the variation of rights of Shareholders in such Fund or Class the quorum shall be one Shareholder holding Shares of the Fund or Class in question or his proxy. All general meetings will be held in Ireland.
- (d) The foregoing provisions with respect to the convening and conduct of meetings shall, save as otherwise specified, apply with respect to meetings of Funds or Classes and, subject to the Act, have effect with respect to separate meetings of each Fund or Class at which a resolution varying the rights of Shareholders in Fund or Class is tabled.

#### **5. Reports and Accounts**

The Company will prepare an annual report and audited accounts as of 31 October in each year and a half-yearly report and unaudited accounts as of 30<sup>th</sup> April in each year. The first annual audited accounts will be prepared for the period from launch to 31<sup>st</sup> October 2014. The annual audited report and accounts of the Company will be sent to the Central Bank and if a Class is listed, the Irish Stock Exchange within 4 months of the end of the relevant financial period. The initial half-yearly unaudited report and accounts will be prepared to 30<sup>th</sup> April 2015 and will be sent to the Central Bank and if a class is listed, to the Irish Stock Exchange within 2 months of the end of the half year period to which they relate.

Copies of the annual audited and half-yearly unaudited accounts of the Company will be made available to Shareholders in soft copy from the office of the Administrator, upon request.

## 6. Communication and Notices to Shareholders

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

MEANS OF DISPATCH	DEEMED RECEIVED
Delivery by Hand	: The day of delivery or next following working day if delivered outside usual business hours.
Post	: 48 hours after posting.
Facsimile	: The day on which a positive transmission receipt is received.
Electronically	: The day on which the electronic transmission has been sent to the electronic information system designated by a Shareholder.
Publication of Notice or	: The day of publication in a daily newspaper.
Advertisement of Notice	: circulating in the country or countries where shares are marketed.

## 7. Transfer of Shares

- (a) Transfers of Shares may be effected in writing in any usual or common form, signed by or on behalf of the transferor and every transfer shall state the full name and address of the transferor and transferee. Shares may also be transferred in accordance with the rules of a clearing system as the Articles permit the transfer of Shares in Dematerialised Form.

The Directors may decline to register any transfer of Shares if:-

- (i) in consequence of such transfer the transferor or the transferee would hold a number of Shares less than the Minimum Holding or the transferee would hold less than the Minimum Subscription;
- (ii) all applicable taxes and/or stamp duties have not been paid in respect of the instrument of transfer;
- (iii) the instrument of transfer is not deposited at the registered office of the Company or such other place as the Directors may reasonably require, accompanied by the certificate for the Shares to which it relates, such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, such

relevant information and declarations as the Directors may reasonably require from the transferee including, without limitation, information and declarations of the type which may be requested from an applicant for Shares in the Company and such fee as may from time to time be specified by the Directors for the registration of any instrument of transfer;

- (iv) they are aware or reasonably believe the transfer would result in the beneficial ownership of such Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the relevant Class or Shareholders generally; or
  - (v) for Shares issued to U.S. Persons, as provided in Appendix III to this Prospectus.
- (b) The registration of transfers may be suspended for such periods as the Directors may determine provided always that each registration may not be suspended for more than 30 days.

## **8. Directors**

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

- (a) Unless otherwise determined by an ordinary resolution of the Company in general meeting, the number of Directors shall not be less than two nor more than nine.
- (b) A Director need not be a Shareholder.
- (c) The Articles of Association contain no provisions requiring Directors to retire on attaining a particular age or to retire on rotation.
- (d) A Director may vote and be counted in the quorum at a meeting to consider the appointment or the fixing or variation of the terms of appointment of any Director to any office or employment with the Company or any company in which the Company is interested, but a Director may not vote or be counted in the quorum on a resolution concerning his own appointment.
- (e) The Directors of the Company for the time being are entitled to such remuneration as may be determined by the Directors and disclosed in the Prospectus and may be reimbursed all reasonable travel, hotel and other expenses incurred in connection with the business of the Company or the discharge of their duties and may be entitled to additional remuneration if called upon to perform any special or extra services to or at the request of the Company.

- (i) 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 on such terms as to tenure of office or otherwise as the Directors may determine.
- (g) No Director shall be disqualified by his office from contracting with the Company as vendor, purchaser or otherwise, nor shall any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided, nor shall any Director who is so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established, but the nature of his interest must be declared by him at the meeting of the Directors at which the proposal to enter into the contract or agreement is first considered or, if the Director in question was not at the date of that meeting interested in the proposed contract or arrangement, at the next Directors' meeting held after he becomes so interested. A general notice in writing given to the Directors by any Director to the effect that he is a member of any specified company or firm and is to be regarded as interested in any contract or arrangement which may thereafter be made with that company or firm is deemed to be a sufficient declaration of interest in relation to any contract or arrangement so made.
- (h) A Director may not vote in respect of any resolution or any contract or arrangement or any proposal whatsoever in which he has any material interest or a duty which conflicts with the interests of the Company and shall not be counted in the quorum at a meeting in relation to any resolution upon which he is debarred from voting unless the Directors resolve otherwise. However, a Director may vote and be counted in quorum in respect of any proposal concerning any other company in which he is interested directly or indirectly, whether as an officer or shareholder or otherwise, provided that he is not the holder of or beneficially interested in 5 per cent or more of the issued shares of any class of such company, or any third company through which his interest is derived, or of the voting rights available to members of such company. A Director may also vote in respect of any proposal concerning an offer of Shares or debentures or other securities in which he is interested as a participant in an underwriting or sub-underwriting arrangement and may also vote in respect of the giving of any security, guarantee or indemnity to him in respect of money lent by the Director to the Company or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiaries or associated companies or in respect of the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company for which the Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security.
- (i) The office of a Director shall be vacated in any of the following events namely:-
  - (a) if he resigns his office by notice in writing signed by him and left at the registered office of the Company;

- (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
- (c) if he becomes of unsound mind;
- (d) if he is absent from meetings of the Directors for six successive months without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated;
- (e) if he ceases to be a Director by virtue of, or becomes prohibited or restricted from being a Director by reason of, an order made under the provisions of any law or enactment;
- (f) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
- (g) if he is removed from office by ordinary resolution of the Company.

## **9. Directors' Interests**

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

Mr. Praveen Jagwani is employed by UTI International (Singapore) Private Limited which acts as both Promoter and Investment Manager of the Company.

Mr. Simon McDowell is employed by Bridge Consulting Limited which provides governance services to the Company to assist in the carrying out of the governance functions.

- (b) No present Director or any connected person has any interests beneficial or non-beneficial in the share capital of the Company.
- (c) None of the Directors has a service contract with the Company nor are any such service contracts proposed.
- (d) The Directors may hold Shares in the Company from time to time.

## **10. Winding Up**

- (a) The Company or where relevant, a Fund, may be wound up if:



- (j) at any time after the first anniversary of the incorporation of the Company or the establishment of a Fund, the Net Asset Value of the Company or Fund falls below EUR 10,000,000 on each Dealing Day for a period of six consecutive weeks and the Members of the Company or where relevant the Shareholders of the Fund resolve by ordinary resolution to wind up the Company or the Fund as appropriate;
  - (ii) The Members of the Company or where relevant the Shareholders of the Fund resolve by special resolution to wind up the Company or Fund as appropriate;
  - (iii) The Members of the Company and, where relevant the Shareholders of the Fund resolved by ordinary resolution that the Company or Fund (as appropriate) by reason of its liabilities cannot continue its business and that it be wound up;
  - (iv) If within a period of ninety days from the date on which (a) the Custodian notifies the Company of its desire to retire in accordance with the terms of the Custodian Agreement and has not withdrawn notice of its intention to so retire; (b) the appointment of the Custodian is terminated by the Company in accordance with the terms of the Custodian Agreement, or (c) the Custodian ceases to be approved by the Central Bank to act as a custodian, no new Custodian has been appointed, the Secretary at the request of the Directors or the Custodian shall forthwith convene an extraordinary general meeting of the Company at which there shall be proposed a Special Resolution to redeem all of the Shares in issue or appoint a liquidator to wind up the Company;
  - (v) When it becomes illegal or in the opinion of the Directors impracticable or inadvisable to continue operating the Company or a Fund.
- (b) In the event of a winding up, the liquidator shall firstly apply the assets of each Fund in satisfaction of creditors' claims in relation to the Fund in such manner and order as he thinks fit.
- (c) The liquidator shall apply the assets of each Fund in satisfaction of liabilities incurred on behalf of or attributable to such Fund and shall not apply the assets of any Fund in satisfaction of any liabilities incurred on behalf of or attributable to any other Fund.
- (d) The assets available for distribution shall be applied as follows:-
- (i) firstly in the payment to the Shareholders of each Class or Fund a sum as nearly as possible equal to the Net Asset Value of the Shares of the relevant Class or Fund held by such Shareholders respectively as at the date of commencement of winding up;
  - (ii) secondly, in the payment to the holders of non-participating shares of sums up to the nominal amount paid thereof provided that if there are insufficient assets to enable

such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds; and

- (iii) thirdly, in the payment to the Shareholders of each Class or Fund of any balance then remaining in the relevant Fund, in proportion to the number of Shares held in the relevant Class or Fund; and
  - (iv) fourthly, in the case of the winding up of the Company any balance then remaining and not attributable to any Fund or Class shall be apportioned between the Funds and Classes pro-rata to the Net Asset Value of each Fund or attributable to each Class immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in that Fund or Class held by them
- (e) The liquidator may, with the authority of an Ordinary Resolution of the Company or where relevant Fund, divide among the Shareholders (pro rata to the value of their respective shareholdings in the Company or where relevant Fund) in specie the whole or any part of the assets of the Company or where relevant Fund and whether or not the assets shall consist of property of a single kind provided that any Shareholder shall be entitled to request the sale of any asset or assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant Shareholder. The liquidator may, with like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator shall think fit and the liquidation of the Company or where relevant Fund may be closed and the Company the Fund dissolved, but so that no Shareholder shall be compelled to accept any asset in respect of which there is any liability. Further the liquidator may with like authority transfer the whole or part of the assets of the Company or where relevant Fund to a company or collective investment scheme (the "Transferee Company") on terms that Shareholders in the Company or the relevant Fund shall receive from the Transferee Company shares or units in the Transferee Company of equivalent value to their shareholdings in the Company or relevant Fund.
- (f) Notwithstanding any other provision contained in the Articles of Association of the Company, should the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the Members to wind up the Company or in the best interests of the Shareholders to wind up a Fund, the Secretary shall forthwith at the Directors' request convene an extraordinary general meeting of the Company where relevant Fund at which there shall be presented a proposal to appoint a liquidator to wind up the Company where relevant Fund and if so appointed, the liquidator shall distribute the assets of the Company or the Fund in accordance with the Articles of Association of the Company.

## **11. 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 to which any such person may become liable by reason of any contract entered into or any act or thing done by him as such officer in the discharge of his duties (other than in the case of fraud, negligence or wilful default). The Company acting through the Directors is empowered under the Articles of Association to purchase and maintain for the benefit of persons who are or were at any time Directors or officers of the Company insurance against any liability incurred by such persons in respect of any act or omission in the execution of their duties or exercise of their powers.

## **12. General**

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

## **13. Material Contracts**

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

- (a) *Administration Agreement* between the Company and the Administrator dated 30<sup>th</sup> September, 2014 under which the latter was appointed as Administrator to administer the affairs of the Company on behalf of the Company, subject to the terms and conditions of the Administration Agreement and subject to the overall supervision of the Directors. The Administration Agreement may be terminated by either party on 90 days prior written notice or forthwith by either party by giving notice in writing to the other party in certain circumstances such as the insolvency of either party or unremedied material breach after notice. The Company shall hold harmless and indemnify out of the assets of the Company, the Administrator on its own behalf of its permitted delegates, servants and agents against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments or shares) and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be made or brought against, suffered or incurred by the Administrator, its delegates, servants or agents in the performance or non-performance of its obligations and duties under the Administration Agreement and from and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Administrator or its permitted delegates, servants or agents provided that such indemnity shall not be given where the Administrator its delegates, servants or agents is or are guilty of negligence, fraud, bad faith, recklessness or wilful default in the performance or non-performance of its duties under the Administration Agreement.
- (b) *Custodian Agreement* between the Company and the Custodian dated 30<sup>th</sup> September, 2014, under which the latter was appointed as Custodian of the Company's assets, subject to the terms and conditions of the Custodian Agreement and subject to the overall supervision of the Directors. The Custodian Agreement shall continue for an initial period of six (6) months and thereafter may be terminated by either party on 90 days written notice or forthwith by either party by giving notice in writing to the other party in certain circumstances such as the insolvency of either party or unremedied material breach after notice provided that the Custodian shall continue to act as custodian until a successor custodian approved by the Central Bank is appointed by the Company or the Company's authorisation by the Central Bank is revoked. The Company agrees to hold harmless and indemnify the Custodian against all actions, proceedings and claims (including claims of any person purporting to be the beneficial owner of any part of the investments or cash) and against all costs, demands and expenses (including legal and professional expenses) arising therefrom which may be brought against, suffered or incurred by the Custodian by reason of the performance of the Custodian's duties under the terms of the Custodian Agreement save where any such actions, proceedings, claims, costs, demands or expenses arise as a result of the Custodian's unjustifiable failure to perform its obligations or its improper performance of them by the Custodian.
- (c) *Distribution Agreement* between the Company and the Distributor dated 30<sup>th</sup> September, 2014 under which the Distributor was appointed as distributor of the Company's assets subject to the overall supervision of the Directors. The Distribution Agreement may be terminated by either party on 90 days written notice or forthwith by notice in writing in certain

circumstances such as the insolvency of either party or unremedied breach after notice. The Distributor has the power to delegate its duties in accordance with the requirements of the Central Bank. The Agreement provides that the Company shall indemnify the Distributor and hold it harmless against all or any damages, liabilities, actions, proceedings, claims, costs and expenses which may be brought against, suffered or incurred by the Distributor by reason of the performance or non-performance of its duties other than in the circumstances set out in the Distribution Agreement pursuant to which the Distributor will be required to indemnify the Company.

Any additional material contracts which will be entered into by the Company, including any Investment Management Agreement with respect to one or more Funds, not being contracts entered into in the ordinary course of business, will be detailed in the relevant Supplement to this Prospectus.

#### **14. Documents Available for Inspection**

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

- (a) The Memorandum and Articles of Association of the Company (copies may be obtained free of charge from the Administrator).
- (b) The Act and the UCITS Regulations.
- (c) The material contracts detailed above.
- (d) Once published, the latest annual and half yearly reports of the Company (copies of which may be obtained from either the Distributor or the Administrator free of charge).

Copies of the Prospectus and Key Investor Information Document may also be obtained by Shareholders from the Administrator or the Distributor.

## Appendix I – Permitted Investments and Investment Restrictions

<b>1</b>	<b>Permitted Investments</b>
	Investments of a UCITS are confined to:
<b>1.1</b>	Transferable securities and money market instruments, as prescribed in the UCITS Notices, 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, as defined in the UCITS Notices, other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of non-UCITS as set out in the Central Bank's Guidance Note 2/03.
<b>1.6</b>	Deposits with credit institutions as prescribed in the UCITS Notices.
<b>1.7</b>	Financial derivative instruments as prescribed in the UCITS Notices.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS 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>	<p>A UCITS may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.1) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:</p> <ul style="list-style-type: none"> <li>- the 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 UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.</li> </ul>
<b>2.3</b>	A UCITS 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 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>2.5</b>	The transferable securities and money market instruments referred to in 2.4 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
<b>2.6</b>	<p>A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution.</p> <p>Deposits with any one credit institution, other than</p> <ul style="list-style-type: none"> <li>• a credit institution authorised in the EEA (European Union Member States, Norway, Iceland, Liechtenstein);</li> <li>• a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or</li> <li>• a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand</li> </ul> <p>held as ancillary liquidity, must not exceed 10% of net assets.</p> <p>This limit may be raised to 20% in the case of deposits made with the trustee/custodian.</p>
<b>2.7</b>	<p>The risk exposure of a UCITS 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 a credit institution authorised in the EEA; a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.</p>
<b>2.8</b>	<p>Notwithstanding paragraphs 2.3, 2.6 and 2.7 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>- counterparty risk exposures arising from OTC derivatives transactions.</li> </ul>
<b>2.9</b>	The limits referred to in 2.3, 2.4, 2.6, 2.7 and 2.8 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
<b>2.10</b>	Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.6, 2.7 and 2.8. 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>2.11</b>	<p>A UCITS 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), Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.</p> <p>The UCITS 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>	A UCITS may not invest more than 20% of net assets in any one CIS.
<b>3.2</b>	Investment in non-UCITS may not, in aggregate, exceed 30% of net assets.
<b>3.3</b>	The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
<b>3.4</b>	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS 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 UCITS investment in the units of such other CIS.
<b>3.5</b>	Where a commission (including a rebated commission) is received by the UCITS manager/investment manager/investment adviser by virtue of an investment in the units of another CIS, this commission must be paid into the property of the UCITS.



<b>4</b>	<b>Index Tracking UCITS</b>
<b>4.1</b>	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the UCITS Notices and is recognised by the Central Bank.
<b>4.2</b>	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	An investment company, or management company acting in connection with all of the CIS 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 UCITS 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> <ul style="list-style-type: none"> <li>(i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;</li> <li>(ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;</li> <li>(iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;</li> <li>(iv) shares held by a UCITS 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 UCITS 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 2.10, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.</li> </ul>

	(v) Shares held by an investment company or investment companies 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 units at unit-holders' request exclusively on their behalf.
<b>5.4</b>	UCITS 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 Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.11, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.
<b>5.6</b>	If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its unitholders.
<b>5.7</b>	Neither an investment company, nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of: <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments<sup>1</sup>;</li> <li>- units of CIS; or</li> <li>- financial derivative instruments.</li> </ul>
<b>5.8</b>	A UCITS may hold ancillary liquid assets.
<b>6</b>	<b>Financial Derivative Instruments ('FDIs')</b>
<b>6.1</b>	The UCITS global exposure (as prescribed in the UCITS Notices) relating to FDI must not exceed its total net asset value.
<b>6.2</b>	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Notices. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the UCITS Notices.)
<b>6.3</b>	UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.

<sup>1</sup> Any short selling of money market instruments by UCITS is prohibited

<b>6.4</b>	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank
------------	---

<b>7</b>	<b>Restrictions on Borrowing and Lending</b>
<b>(a)</b>	A UCITS may borrow up to 10% of its Net Asset Value provided such borrowing is on a temporary basis. A UCITS may charge its assets as security for such borrowings.
<b>(b)</b>	A UCITS may acquire foreign currency by means of a “back to back” loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of the borrowing restrictions set out at (a) above provided that the offsetting deposit: <ul style="list-style-type: none"> <li>(i) is denominated in the base currency of the UCITS; and</li> <li>(ii) equals or exceeds the value of the foreign currency loan outstanding.</li> </ul>

The Company will adhere to any investment or borrowing restrictions imposed by the Irish Stock Exchange for so long as the Shares in a Class are listed on the Irish Stock Exchange and any criteria necessary to obtain and/or maintain any credit rating in respect of any Shares or Class in the Company, subject to the UCITS Regulations.

It is intended that the Company shall have the power (subject to the prior approval of the Central Bank and as disclosed in an updated Prospectus) to avail itself of any change in the investment and borrowing restrictions laid down in the UCITS Regulations which would permit investment by the Company in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations.

## Appendix II - Recognised Exchanges

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

(i) any stock exchange which is:-

- located in any Member State of the European Union; or
- located in any Member State of the European Economic Area (European Union, Norway, Iceland and Liechtenstein); or
- located in any of the following countries:-
  - Australia
  - Canada
  - Japan
  - Hong Kong
  - New Zealand
  - Switzerland
  - United States of America

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

Argentina	-	Bolsa de Comercio de Buenos Aires
Argentina	-	Mercado Abierto Electronico S.A.
Bahrain	-	Bahrain Bourse
Bangladesh	-	Dhaka Stock Exchange
Bangladesh	-	Chittagong Stock Exchange
Bermuda	-	Bermuda Stock Exchange
Botswana	-	Botswana Stock Exchange
Brazil	-	BM&F BOVESPA S.A.
Chile	-	Bolsa de Comercio de Santiago
Chile	-	Bolsa Electronica de Chile
Chile		Bolsa de Valparaiso
China		
Peoples' Rep. of –		
Shanghai)	-	Shanghai Securities Exchange
China		
(Peoples' Rep. of –		

Shenzhen)	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Valores de Colombia
Costa Rica	-	Bolsa Nacional de Valores
Croatia	-	Zagreb Stock Exchange
Ecuador	-	Bolsa de Valores de Guayaquil
Ecuador	-	Bolsa de Valores de Quito
Egypt	-	Egyptian Exchange
Ghana	-	Ghana Stock Exchange
India	-	Bombay Stock Exchange Ltd
India	-	National Stock Exchange
Indonesia	-	Indonesia Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Ivory Coast	-	Bourse Regionale des Valeurs d'Immobilières
Jamaica	-	Jamaica Stock Exchange
Jordan	-	Amman Stock Exchange
Kazakhstan (Rep. Of)	-	Kazakhstan Stock Exchange
Kenya	-	Nairobi Securities Exchange
Lebanon	-	Beirut Stock Exchange
Malaysia	-	Bursa Malaysia Securities Berhad
Malaysia	-	Bursa Malaysia Derivatives Berhad
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Mexico	-	Mercado Mexicano de Derivados
Morocco	-	Bourse de Casablanca
Namibia	-	Namibian Stock Exchange
New Zealand	-	NZX Stock Exchange
Nigeria	-	Nigeria Stock Exchange
Pakistan	-	Islamabad Stock Exchange
Pakistan	-	Karachi Stock Exchange
Pakistan	-	Lahore Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Singapore	-	Singapore Stock Exchange
Singapore	-	CATALIST
South Africa	-	JSE Limited
South Africa	-	South African Futures Exchange
South Korea	-	Korea Exchange
Sri Lanka	-	Colombo Stock Exchange
Taiwan	-	
(Republic of China)	-	Taiwan Stock Exchange
Taiwan	-	
(Republic of China)	-	GreTai Securities Market
Taiwan	-	
(Republic of China)	-	Taiwan Futures Exchange

Thailand	-	Stock Exchange of Thailand
Thailand		Market for Alternative Investment
Thailand		Bond Electronic Exchange
Thailand		Thailand Futures Exchange
Tunisia	-	Bourse des Valeurs Mobilières de Tunis
Turkey	-	Istanbul Stock Exchange
Turkey		Turkish Derivatives Exchange
Ukraine	-	Persha Fondova Toegovelna Systema
Ukraine		Ukrainian Interbank Currency Exchange
Uruguay	-	Bolsa de Valores de Montevideo
Uruguay		Bolsa Electronica de Valores del Uruguay SA
Venezuela	-	Bolsa de Valores de Caracas
Zimbabwe	-	Zimbabwe Stock Exchange
Zambia	-	Lusaka Stock Exchange

(iii) any of the following markets:

MICEX (equity securities that are traded on level 1 or level 2 only);  
RTS1 (equity securities that are traded on level 1 or level 2 only);  
RTS2 (equity securities that are traded on level 1 or level 2 only);

the market organised by the International Capital Market Association;

the market conducted by the "listed money market institutions", as described in the FSA publication "The Investment Business Interim Prudential Sourcebook" (which replaces the "Grey Paper") as amended from time to time;

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

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

NASDAQ in the United States;

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

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

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

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

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

(iv) All derivatives exchanges on which permitted financial derivative instruments may be listed or traded:

- in a Member State
- in a Member State in the European Economic Area (European Union Norway, Iceland and Liechtenstein);

in the United States of America, on the

- Chicago Board of Trade
- Chicago Board Options Exchange;
- Chicago Mercantile Exchange;
- Eurex US;
- New York Futures Exchange.
- New York Board of Trade;
- New York Mercantile Exchange;

in China, on the Shanghai Futures Exchange;

in Hong Kong, on the Hong Kong Futures Exchange;

in Japan, on the

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

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

in Singapore, on the

- Singapore International Monetary Exchange;
- Singapore Commodity Exchange.

For the purposes only of determining the value of the assets of the Company, the term “Recognised Exchange” shall be deemed to include, in relation to any derivatives contract utilised by the Company, any organised exchange or market on which such contract is regularly traded.





### **Appendix III – United States Matters**

The Company is making a private placement (the “Offering”) of participating shares (the “Shares”) on the terms and conditions of this Appendix and the Prospectus of the Company dated 30<sup>th</sup> September, 2014, to which this Appendix is appended. The Offering is part of the Primary Market described in the Prospectus.

This Appendix only addresses matters of particular concern to United States investors and does not purport to be a complete description of the Company or the Shares. This Appendix should be reviewed only in conjunction with the Prospectus.

Capitalized terms used in this Appendix without definition have the respective meanings assigned to them in the Prospectus.

THE SHARES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE 1933 ACT OR THE SECURITIES LAWS OF ANY STATE OR OTHER POLITICAL SUBDIVISION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE 1933 ACT) EXCEPT TO ELIGIBLE PERSONS PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ANY APPLICABLE STATE LAWS.

THE SHARES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE. SEE “UNITED STATES SECURITIES LAW CONSIDERATIONS -- RESTRICTIONS ON TRANSFER”. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

THE SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (THE “SEC”) OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE COMPANY IS NOT AND WILL NOT BE REGISTERED UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE “1940 ACT”). PURSUANT TO SECTION 3(c)(7) OF THE 1940 ACT. ACCORDINGLY, SHARES WILL ONLY BE SOLD TO “U.S. PERSONS”, AS DEFINED IN REGULATION S UNDER THE 1933 ACT, WHO ARE “QUALIFIED PURCHASERS”, AS DEFINED IN THE 1940 ACT OR THE REGULATIONS THEREUNDER, OR AS OTHERWISE CONSISTENT WITH SECTION 3(c)(7) OF THE 1940 ACT. THE DIRECTORS MAY AT ANY TIME IN THEIR SOLE DISCRETION DECLINE TO REGISTER ANY TRANSFER OF SHARES OR COMPULSORILY REDEEM SHARES AS THE DIRECTORS CONSIDER NECESSARY FOR THE PURPOSES OF COMPLIANCE WITH THE 1940 ACT AND OTHER UNITED STATES LAWS.

UTI INTERNATIONAL (SINGAPORE) PRIVATE LIMITED (THE “INVESTMENT MANAGER”), IS EXEMPT FROM REGISTRATION WITH THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE “CFTC”) AS A COMMODITY POOL OPERATOR WITH RESPECT TO THE COMPANY PURSUANT TO RULE 4.13(a)(3) UNDER THE COMMODITY EXCHANGE ACT, AS AMENDED (THE “COMMODITY ACT”). THIS EXEMPTION IS BASED UPON THE FACT THAT (i) SHARES OF THE COMPANY ARE EXEMPT FROM REGISTRATION UNDER THE 1933 ACT AND ARE OFFERED AND SOLD WITHOUT MARKETING TO THE PUBLIC IN THE UNITED STATES, (ii) PARTICIPATION IN THE COMPANY IS LIMITED TO CERTAIN CLASSES OF INVESTORS RECOGNIZED UNDER U.S. FEDERAL SECURITIES AND COMMODITIES LAWS, (iii) THE SHARES ARE NOT MARKETING AS OR IN A VEHICLE FOR TRADING IN THE COMMODITY FUTURES OR COMMODITY OPTIONS MARKETS, AND (iv) AT ALL TIMES, THE COMPANY WILL MEET AT LEAST ONE OF THE TWO FOLLOWING TESTS WITH RESPECT TO ITS COMMODITY INTEREST POSITIONS:

- (A) THE AGGREGATE INITIAL MARGIN, PREMIUMS, AND REQUIRED MINIMUM SECURITY DEPOSIT FOR RETAIL FOREX TRANSACTIONS REQUIRED TO ESTABLISH THOSE POSITIONS, DETERMINED AT THE TIME THE MOST RECENT POSITION WAS ESTABLISHED, WILL NOT EXCEED 5% OF THE LIQUIDATION VALUE OF THE COMPANY'S PORTFOLIO, AFTER TAKING INTO ACCOUNT UNREALIZED PROFITS AND UNREALIZED LOSSES ON ANY SUCH POSITIONS IT HAS ENTERED INTO, PROVIDED THAT IN THE CASE OF AN OPTION THAT IS IN-THE-MONEY AT THE TIME OF PURCHASE, THE IN-THE-MONEY AMOUNT AS DEFINED IN THE CFTC REGULATIONS MAY BE EXCLUDED IN COMPUTING SUCH 5%; AND
- (B) THE AGGREGATE NET NOTIONAL VALUE OF THOSE POSITIONS, DETERMINED AT THE TIME THE MOST RECENT POSITION WAS ESTABLISHED IN ACCORDANCE WITH RULE 4.13(a)(3), DOES NOT EXCEED 100% OF THE LIQUIDATION VALUE OF THE COMPANY'S PORTFOLIO, AFTER TAKING INTO ACCOUNT UNREALIZED PROFITS AND UNREALIZED LOSSES ON ANY SUCH POSITIONS IT HAS ENTERED INTO.

THEREFORE, UNLIKE A REGISTERED COMMODITY POOL OPERATOR, THE INVESTMENT MANAGER IS NOT REQUIRED TO DELIVER A DISCLOSURE DOCUMENT AND A CERTIFIED ANNUAL REPORT TO PARTICIPANTS IN THE COMPANY MEETING THE REQUIREMENTS OF THE CFTC RULES APPLICABLE TO REGISTERED COMMODITY POOL OPERATORS.

THE INVESTMENT MANAGER IS EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE U.S. INVESTMENT ADVISERS ACT OF 1940, AS AMENDED (THE "ADVISERS ACT"). ACCORDINGLY THE INVESTMENT MANAGER IS NOT SUBJECT TO THE REGULATIONS PROMULGATED UNDER THE ADVISERS ACT OR TO INSPECTION BY THE STAFF OF THE SEC PURSUANT TO THE ADVISERS ACT.

THESE SECURITIES INVOLVE A HIGH DEGREE OF RISK. SEE "THE COMPANY -- RISK FACTORS" IN THE PROSPECTUS. THIS OFFERING IS SPECULATIVE, AND THESE SECURITIES SHOULD BE PURCHASED ONLY BY PERSONS WHO CAN AFFORD THE RISK OF LOSS OF THEIR ENTIRE INVESTMENT.

THIS PROSPECTUS DOES NOT CONTAIN AN UNTRUE STATEMENT OF A MATERIAL FACT OR OMIT TO STATE A MATERIAL FACT NECESSARY TO MAKE THE STATEMENTS MADE, IN LIGHT OF THE CIRCUMSTANCES UNDER WHICH THEY WERE MADE, NOT MISLEADING. IT CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN.

The Company, the Investment Manager, their respective directors, and the other persons referred to in this Prospectus (the "Relevant Parties") are located outside of the United States and all or a substantial portion of the assets of the Relevant Parties are located outside of the United States. As a result, it may be difficult for purchasers of the Shares to effect service of process within the United States upon the Relevant Parties, or to realize against them civil liabilities under United States

securities laws. Moreover, there is doubt whether courts outside the United States would enforce judgments of United States courts predicated solely on United States securities laws or would entertain actions brought before them in the first instance on the basis of liabilities predicated solely upon such laws.

## UNITED STATES SECURITIES LAW CONSIDERATIONS

### *United States Securities Act of 1933*

The Shares have not been, nor will they be, registered under the U.S. Securities Act of 1933, as amended (the “**1933 Act**”), or registered or qualified under the securities laws of any state or other political subdivision of the United States. Except as specified herein, the Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Person (as defined below under “Definition of U.S. Person”). Notwithstanding the foregoing, (a) Shares may be offered and sold by the Company to U.S. Persons that are “accredited investors” within the meaning of Rule 501(a) under the 1933 Act in reliance upon the exemption from the registration requirements of the 1933 Act provided in Rule 506 under the 1933 Act and (b) once issued, Shares may be transferred or sold to U.S. Persons, subject to the limitations set forth in “Restrictions on Transfer” below, in transactions that are exempt from the registration requirements of the 1933 Act and applicable state and other securities laws.

The following investors qualify as “accredited investors”:

- (i) Any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase of Shares, exceeds \$1,000,000 (not including that person’s primary residence as an asset and not including as a liability debt secured by the primary residence, up to the estimated fair market value of the primary residence, other than debt incurred in the prior 60 days not as a result of acquiring the primary residence);
- (ii) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (iii) Any corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000;
- (iv) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Shares, whose purchase is directed by a sophisticated person who has such knowledge and experience in financial and business matters that he is capable of evaluating the merits and risks of an investment in Shares;
- (v) Any plan established and maintained by a state, its political subdivisions or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees provided the plan has total assets in excess of \$5,000,000;
- (vi) Any employee benefit plan within the meaning of the ERISA, if the decision to purchase Shares is made by a plan fiduciary, as defined in Section 3(21) of ERISA, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, if investment decisions are made solely by persons that are accredited investors;
- (vii) Any organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”), not formed for the specific purpose of acquiring the Shares, with total assets in excess of \$5,000,000;

- (viii) Any bank as defined in Section 3(a)(2) of the 1933 Act or a savings and loan association or other institution as defined in Section 3(a)(5)(A) of the 1933 Act acting for its own account or for the account of an accredited investor;
- (ix) Any broker or dealer registered pursuant to Section 15 of the Securities Exchange Act of 1934, as amended, acting for its own account or the account of an accredited investor;
- (x) Any insurance company as defined in Section 2(13) of the 1933 Act;
- (xi) Any investment company registered under the 1940 Act, or a business development company as defined in Section 2(a)(48) of the 1940 Act that was not formed for the specific purpose of acquiring the Shares;
- (xii) Any small business investment company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958, as amended;
- (xiii) A private business development company as defined in Section 202(a)(22) of the U.S. Investment Advisers Act of 1940, as amended;
- (xiv) Any director, executive officer, or general partner of the Company; and
- (xv) Any entity in which all of the equity owners are accredited investors, as described above.

### ***U.S. Investment Company Act of 1940***

The Company has not been, and will not be, registered under the 1940 Act pursuant to Section 3(c)(7) of the 1940 Act. Accordingly, Shares will only be sold to “U.S. Persons”, as defined in Regulation S under the 1933 Act, who are “qualified purchasers”, as defined in the 1940 Act or the regulations thereunder, or as otherwise consistent with Section 3(c)(7) of the 1940 Act. The Directors have power under the Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of any restrictions imposed by them or in breach of any law or regulation. The Directors intend to exercise this power as necessary so that the Company remains exempt from the registration requirements of the 1940 Act.

The following investors qualify as “qualified purchasers”:

- (i) Any natural person who owns \$5,000,000 or more in “investments”, as defined below;
- (ii) Any person, acting for his own account or for the accounts of other qualified purchasers, who, in the aggregate, owns and invests on a discretionary basis, not less than \$25,000,000 in “investments”, as defined below;
- (iii) Any company (not formed for the specific purpose of acquiring the Shares) that owns not less than \$5,000,000 in “investments”, as defined below, that is owned directly or indirectly by or for two or more natural persons who are related as siblings or spouse (including former spouses), or direct lineal descendants by birth or adoption, spouses of such persons, the estates of such persons, or foundations, charitable organizations or trusts established by or for the benefit of such persons;

- (iv) Any trust that was not formed for the specific purpose of acquiring the Shares, as to which each trustee and settlor or other person who contributed assets to the trust meets the requirements under (i),(ii) or (iii) above;
- (v) Any qualified institutional buyer (as defined in paragraph (a) of Rule 144A promulgated under the 1933 Act) meeting the requirements of Rule 2a51-1(g) promulgated under the 1940 Act; and
- (vi) Any company all of the securities of which are beneficially owned by “qualified purchasers”.

For purposes of the definition of “qualified purchaser”, the term “investments” means:

- (i) Securities, such as stocks, bonds, options, warrants, notes and partnership interests, other than securities of an issuer that controls, is controlled by, or is under common control with the prospective qualified purchaser who owns the securities unless the issuer is: (A) an investment company registered under the 1940 Act; (B) an investment fund that qualifies for certain exemptions under the 1940 Act; (C) a commodity pool; (D) a U.S. public company; (E) a company listed on one or more of specified non-U.S. exchanges; or (F) a company with shareholders equity of at least US\$50,000,000 as reflected in its most recent financial statements;
- (ii) Real estate held for investment purposes (this generally does not include real estate used by the investor for personal purposes or as a place of business);
- (iii) Futures contracts, options on commodity futures contracts, and options on physical commodities traded on or under the rules of certain U.S. contract markets or non-U.S. boards of trade or exchange;
- (v) Physical commodities with respect to which contracts or options referred to in paragraph (iii) are traded;
- (vi) Certain financial contracts entered into for investment purposes;
- (vii) Cash and cash equivalents (including foreign currencies) held for investment purposes; and
- (vii) For an investor that is a private investment fund or commodity pool, binding capital commitments to such investor.

### ***U.S. Application Form***

In order to apply for Shares in the Offering, investors that are U.S. Persons as defined in “Definition of U.S. Person” below must complete and execute a U.S. Application Form containing additional representations and covenants designed to address specific U.S. regulatory and tax requirements. Investors should consult their own counsel if they have any questions concerning the representations and warranties in the U.S. Application Form.



### ***Restrictions on Transfer***

The Shares issued in the Offering may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account of, any U.S. Person, as defined in “Definition of U.S. Person” below, except, with the consent of the Directors, to one or more persons each of whom is an “accredited investor” (as that term is defined under Rule 501 under the 1933 Act) in a transaction exempt from the registration requirements of the 1933 Act and applicable state and other securities laws. Any such consent may be granted or withheld in the sole discretion of the Directors.

Transferees of Shares issued in the Offering will be required to execute a U.S. Application Form in the same form as investors applying to the Company for Shares in the Offering. Among other things, the U.S. Application Form provides that the Shares may not be offered, sold, transferred, or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, U.S. Persons without the prior written consent of the Company and unless:

- (a) such offer, sale, transfer or delivery is duly registered under the 1933 Act and any applicable state securities laws, or the transferor provides the Company with an opinion of counsel, satisfactory in form and substance to the Company, to the effect that such offer, sale, transfer or delivery is exempt from the registration requirements of the 1933 Act and any applicable state securities laws;
- (b) the transferee provides the Company with evidence, satisfactory in form and substance to the Company, to the effect that the transferee is a “qualified purchaser” as defined in the 1940 Act or otherwise permitted to invest in a fund that relies on the Section 3(c)(7) exemption from the registration under Section 3(c)(1) requirements of the 1940 Act;
- (c) the transferee provides the Company with evidence satisfactory in form and substance to the Company that (i) the transferee is not purchasing the transferred Shares on or through an “established securities market” (as such term is used in Section 7704(b) of the Code and applicable U.S. Treasury regulations and (ii) the transferee is not purchasing the transferred Shares on or through a “secondary market or the substantial equivalent thereof” (as such term is used in Section 7704(b) of the Code and the Treasury regulations thereunder); and
- (d) the transferee undertakes to comply with these restrictions in respect of any further transfers of the Shares.

The Company has no obligation to register the Shares under the 1933 Act or any state securities laws or to assist any investor in effecting any such registration. As a result, U.S. Persons that invest in Shares may have to bear the economic risk of an investment in the Shares for an indefinite period of time.

No public market in the United States is expected to develop for the Shares.

### ***Mandatory Transfers***

The Directors may at any time impose such restrictions as they may think necessary for the purpose of ensuring that no Shares in the Company are acquired or held directly or beneficially by any person in breach of the law or requirements of any country or governmental authority by virtue of which such person is not qualified to hold Shares. Any such transfer shall have, as the Directors may determine, such retroactive effect as may be required for the purposes of compliance with United States law.

### ***Definition of U.S. Person***

In this Appendix (other than in the discussion of “Certain United States Federal Income Tax Considerations”, below), U.S. Person means a person who is (i) included in the definition of “U.S. person” under Rule 902 of Regulation S under the 1933 Act and (ii) excluded from the definition of a “Non-United States person” as used in CFTC Rule 4.7 under the Commodity Act.

“U.S. person” under Rule 902 means the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organized or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a U.S. Person;
- (d) any trust of which any trustee is a U.S. Person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. Person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or, if an individual, resident in the United States; or
- (h) any partnership or corporation if (i) organized or incorporated under the laws of any non-U.S. jurisdiction and (ii) formed by a U.S. Person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organized 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.

Notwithstanding the foregoing “U.S. Person” does not include: (a) a discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-U.S. Person by a dealer or other professional fiduciary organized, incorporated, or, if an individual, resident in the United States; (b) any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person if (i) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate, and (ii) the estate is governed by non-U.S. law; (c) any trust of which any professional fiduciary acting as trustee is a U.S. Person if a trustee who is not a U.S. 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 U.S. Person; (d) 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; (e) any agency or branch of a U.S. Person located outside the United States if (i) the agency or branch operates for valid business reasons, and (ii) 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; or (f) 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 organizations, their agencies, affiliates and pension plans.

Rule 4.7 under the Commodity Act currently provides in relevant part that the following persons are considered “Non-United States persons”:

1. a natural person who is not a resident of the United States;
2. a partnership, corporation or other entity, other than an entity organized principally for passive investment, organized under the laws of a non-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
3. an estate or trust, the income of which is not subject to United States income tax regardless of source;
4. an entity organized principally for passive investment such as a commodity 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” (as defined in Rule 4.7(a)(2) under the Commodity Act) 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 regulations by virtue of its participants being Non-United States persons; or
5. a pension plan for the employees, officers or principals of an entity organized and with its principal place of business outside the United States.

## **CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS**

THE DISCUSSION HEREIN IS FOR INFORMATIONAL PURPOSES ONLY AND IS A DISCUSSION OF CERTAIN U.S. FEDERAL INCOME TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY TO PROSPECTIVE SHAREHOLDERS ACQUIRING SHARES IN THE COMPANY PURSUANT TO THE PROSPECTUS DATED 30<sup>th</sup> SEPTEMBER, 2014. EACH PROSPECTIVE SHAREHOLDER SHOULD CONSULT ITS PROFESSIONAL TAX ADVISOR WITH RESPECT TO THE TAX ASPECTS OF AN INVESTMENT IN THE COMPANY. TAX CONSEQUENCES MAY VARY DEPENDING UPON THE PARTICULAR CIRCUMSTANCES OF A PROSPECTIVE SHAREHOLDER. IN ADDITION, SPECIAL CONSIDERATIONS (NOT DISCUSSED HEREIN) MAY APPLY TO PERSONS WHO ARE NOT DIRECT SHAREHOLDERS IN THE COMPANY BUT WHO HOLD SHARES THROUGH AN ENTITY THAT IS TREATED AS A PARTNERSHIP OR OTHER PASS-THROUGH ENTITY FOR U.S. FEDERAL INCOME TAX PURPOSES, OR WHO ARE DEEMED TO OWN SHARES AS A RESULT OF THE APPLICATION OF CERTAIN ATTRIBUTION RULES. MOREOVER, THIS DISCUSSION DOES NOT ADDRESS ANY TAX CONSIDERATIONS THAT MAY BE SPECIFICALLY RELEVANT TO A SHAREHOLDER SUBJECT TO SPECIAL TAX RULES, INCLUDING, WITHOUT LIMITATION, A SHAREHOLDER THAT IS A DEALER IN SECURITIES (OR OTHER PERSON NOT HOLDING SHARES IN THE COMPANY AS CAPITAL ASSETS OR THAT HAS ELECTED MARK-TO-MARKET TREATMENT), A SHAREHOLDER RECEIVING SHARES AS COMPENSATION, A SHAREHOLDER THAT IS A REGULATED INVESTMENT COMPANY, REAL ESTATE INVESTMENT TRUST, S CORPORATION, FINANCIAL INSTITUTION OR INSURANCE COMPANY, A SHAREHOLDER TREATED AS A PARTNERSHIP FOR U.S. FEDERAL INCOME TAX PURPOSES, A SHAREHOLDER THAT IS A GOVERNMENT OR AN AGENCY OR INSTRUMENTALITY THEREOF, A SHAREHOLDER THAT HAS A "FUNCTIONAL CURRENCY" OTHER THAN THE US DOLLAR, A SHAREHOLDER THAT ACQUIRES SHARES AS PART OF A STRADDLE, HEDGE, CONVERSION TRANSACTION OR OTHER INTEGRATED INVESTMENT, A SHAREHOLDER THAT IS SUBJECT TO THE ALTERNATIVE MINIMUM TAX, A SHAREHOLDER THAT IS SUBJECT TO THE RULES THAT APPLY TO EXPATRIATES UNDER THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), A SHAREHOLDER THAT IS NOT A U.S. PERSON (AS DEFINED BELOW), OR (EXCEPT TO THE LIMITED EXTENT EXPRESSLY SET FORTH BELOW) A TAX-EXEMPT ENTITY OR A SHAREHOLDER THAT OWNS, OR IS CONSIDERED AS OWNING, SHARES REPRESENTING 10 PER CENT OR MORE OF THE COMBINED VOTING POWER OF THE COMPANY OR STOCK REPRESENTING 10 PER CENT OR MORE OF THE COMBINED VOTING POWER OF ANY ENTITY IN WHICH THE COMPANY INVESTS.

The discussion contained herein is not a full description of all of the U.S. federal income tax consequences of an investment in the Company and is based upon the Code, existing judicial decisions and temporary and permanent U.S. Treasury Regulations (the "Treasury Regulations"), and published U.S. Internal Revenue Service ("IRS") rulings and procedures, all of which are subject to change, retroactively as well as prospectively. This discussion does not address any state, local, non-U.S. or non-income tax matters, nor does it discuss any tax consequences that may result from the application of any tax treaty. A decision to invest in a Fund should be based upon an evaluation of

the merits of the Fund's investment objective and approach, and not upon any anticipated U.S. tax benefits.

CIRCULAR 230 DISCLOSURE: THIS DOCUMENT WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING ANY FEDERAL TAX PENALTIES THAT THE IRS MAY ATTEMPT TO IMPOSE. BECAUSE THIS DISCUSSION COULD BE VIEWED AS A "MARKETED OPINION" UNDER THE TREASURY REGULATIONS, WE INFORM YOU THAT IT WAS WRITTEN TO SUPPORT THE "PROMOTION OR MARKETING" OF THE MATTERS SET FORTH IN THIS DOCUMENT. EACH RECIPIENT OF THIS DOCUMENT SHOULD SEEK ADVICE BASED ON THAT PERSON'S PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

For purposes of this discussion, the term "U.S. Person" means a Shareholder that is, for U.S. federal income tax purposes, (A) with respect to individuals, a U.S. citizen or "resident alien" within the meaning of the U.S. federal income tax laws, and, (B) with respect to persons other than individuals, (i) a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized in the U.S. or under the laws of the U.S. or any state (including the District of Columbia), (ii) a trust if (a) a U.S. court is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust or (b) the trust has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person or (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source.

#### Classification of the Company for United States Federal Income Tax Purposes

The Company may be treated as a single corporation for United States federal income tax purposes, in which case the Funds will be treated as divisions of the Company for United States federal income tax purposes. However, under Irish law, each Fund's assets and liabilities are segregated from the assets and liabilities of the other Funds, and as a result of that segregation, each Fund may instead be treated as a separate corporation for United States federal income tax purposes. If each Fund were to be treated as a separate corporation for United States federal income tax purposes, the following discussion would generally still apply, but references to "the Company" below would generally need to be read as references to each Fund, and references to "Shareholders" would generally need to be read as references to Shareholders of that Fund. The remainder of this discussion assumes that the Company will be treated as a single corporation for U.S. federal income tax purposes. Under those circumstances, each Fund would be jointly and severally liable with each other Fund for any U.S. federal income tax liability incurred by the Company or any Fund, and the Company's U.S. federal income tax status (including whether it will be treated as engaged in a U.S. trade or business, and whether it will be a "PFIC" or "controlled foreign corporation", each as defined below) and its income and earnings and profits would be calculated on an aggregate basis.

The Company expects that it will be classified as a corporation that is a "passive foreign investment company" (a "PFIC") for U.S. federal income tax purposes. A non-U.S. entity treated as a corporation for U.S. federal income tax purposes will generally be classified as a PFIC if (i) 75 per cent or more of its gross income in a taxable year is passive income, or (ii) 50 per cent or more of its assets held

during the taxable year produce, or are held for the production of, passive income. Passive income generally includes, among other items, and subject to certain exceptions, dividends, interest, rents, royalties, and gains from the disposition of passive assets. Passive income also generally includes (i) the excess of foreign currency gains over foreign currency losses from transactions in currencies other than the entity's functional currency, (ii) the excess of gains over losses from some commodities transactions, and (iii) net income from notional principal contracts. For purposes of determining whether an entity is classified as a PFIC, if the entity owns (directly or indirectly) 25 per cent or more of the value of the stock of another corporation, the entity will be treated as if it received its proportionate share of the income of the other corporation and as if it held its proportionate share of the assets of the other corporation. If the entity holds (directly or indirectly) positions equal to or exceeding 25 per cent of the equity interests in companies that do not earn solely passive income or that do not hold solely assets that produce (or are held to produce) passive income, such positions might cause the entity not to be classified as a PFIC.

## United States Federal Income Taxation of the Company

### In General

The Directors intend to conduct the affairs of the Company in such a manner as will not result in the Company being treated as engaged in a trade or business in the United States or otherwise being subject to United States federal income taxation on a net income basis on its income and gains. While the Company believes that it will not be treated as engaged in a trade or business in the United States, this test is applied annually based on the activities of the Company and the activities of any entity in which the Company invests that is not classified as a corporation for United States federal income tax purposes (whether the Company's investment is made directly or indirectly through one or more other entities that are not themselves classified as corporations for United States federal income tax purposes). There can be no assurance that the IRS will not contend that the Company is engaged in a trade or business in the United States in any one or more of its tax years. If the Company were deemed to be engaged in a trade or business in the United States, the Company would be subject to United States federal income tax and branch profits tax on its income that is effectively connected with that trade or business.

Even if the Company is not engaged in a United States trade or business, any gains realized by the Company from the sale or disposition of stock or securities (other than debt instruments with no equity component) of a "United States real property holding corporation", as defined in the Code, and stock or securities of certain "real estate investment trusts", will be generally subject to U.S. income tax on a net basis as well as to certain withholding taxes, subject to certain exceptions. In addition, even if the Company is not engaged in a United States trade or business, it may nevertheless be subject to United States withholding taxes at a rate of up to 30 per cent on the gross amount of certain income, if any, realised from sources within the United States.

### Foreign Account Tax Compliance Act ("FATCA")

Unless a "foreign financial institution," as defined in the Code and Treasury Regulations, timely agrees to collect and disclose to the United States Treasury certain information with respect to its investors

and its investors' investments, or collects and discloses such information to a foreign government pursuant to an applicable intergovernmental agreement between the United States and that foreign government, and meets certain other conditions, certain payments made to that foreign financial institution on or after 1 July 2014 (or, in certain cases, on or after later dates) of dividends, interest, and certain other categories of income from sources within the United States, and payments made on or after 1 January 2017 of proceeds from the sale of property that can produce dividends, interest or certain other categories of income from sources within the United States, will generally (and subject to certain grandfathering rules) be subject to a 30 per cent United States federal withholding tax. The Company expects to be treated as a foreign financial institution for this purpose. If the Company timely agrees to collect and disclose such information to the U.S. Treasury, then it will not be subject to such withholding; however, a 30 per cent withholding tax may then apply to certain payments by the Company to Shareholders that fail to comply with reasonable requests for similar information or that, under certain circumstances, fail to provide similar information directly to the U.S. Treasury, and to Shareholders that are "foreign financial institutions" and that fail to agree to provide similar information to the United States Treasury, or, in certain circumstances, to a non-U.S. government with respect to their own (and possibly certain of their affiliates') account holders. Similar rules apply if the Company collects and discloses such information to Ireland pursuant to the intergovernmental agreement between the United States and Ireland. Shareholders may be required to provide information to the Company from time to time so the Company can meet its obligations under these rules.

Rules and principles similar to the foregoing may apply to partially or wholly owned subsidiaries or other vehicles in which the Company may invest. The Company may be required to provide information to those vehicles so those vehicles can meet their obligations under those rules.

#### Tax-Exempt U.S. Persons

For purposes of this discussion, a "Tax-Exempt U.S. Person" is a U.S. Person that is generally exempt from payment of U.S. federal income tax. Generally, a Tax-Exempt U.S. Person is exempt from federal income tax on certain categories of income, such as dividends, interest, capital gains and similar income realised from securities investment or trading activity. This type of income is exempt even if it is realised from securities trading activity that constitutes a trade or business. This general exemption from tax does not, however, apply to the "unrelated business taxable income" ("UBTI") of a Tax-Exempt U.S. Person. Generally, except as noted above with respect to certain categories of exempt trading activity, UBTI includes income or gain derived from a trade or business, the conduct of which is substantially unrelated to the exercise or performance of the Tax-Exempt U.S. Person's exempt purpose or function. UBTI also includes (i) income derived by a Tax-Exempt U.S. Person from debt-financed property and (ii) gains derived by a Tax-Exempt U.S. Person from the disposition of debt-financed property.

While the Company may borrow money or otherwise utilise leverage, under current law that leverage should not be attributed to, or otherwise flow through to, Tax-Exempt U.S. Persons that invest in the Company. Accordingly, any dividends from the Company or gain on the sale or redemption of Shares in the Company should not constitute UBTI to a Tax-Exempt U.S. Person, assuming the Tax-Exempt

U.S. Person does not borrow money or otherwise utilise leverage in purchasing its Shares in the Company.

Tax-Exempt U.S. Persons may be subject to certain IRS tax return filing requirements in the U.S. as a result of their investments in the Company, and are urged to consult with their own tax advisors concerning those requirements.

**TAX-EXEMPT U.S. PERSONS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE U.S. TAX CONSEQUENCES OF AN INVESTMENT IN THE COMPANY.**

#### Taxable U.S. Persons

If a U.S. Person other than a Tax-Exempt U.S. Person (a “Taxable U.S. Person”) invests directly or indirectly in the Company, that person may suffer adverse tax consequences.

Since the Company expects to be treated as a PFIC under the Code, Taxable U.S. Persons are expected to be subject to U.S. federal income taxation with respect to any investment in the Company under certain special rules. If the Company is a PFIC, then, under the “interest charge” rules, a Taxable U.S. Person holding Shares is generally liable for tax at ordinary income rates plus an interest charge (which is not deductible by an individual) reflecting the deferral of tax liability when it sells its Shares at a gain or receives an “excess distribution” from the Company. Furthermore, the estate of a deceased individual Taxable U.S. Person will be denied a tax-free “step-up” in the tax basis to fair market value for Shares held by that deceased individual that were subject to the “interest charge” rules.

If the Company is a PFIC, a Taxable U.S. Person holding Shares may be able to make an election to have the Company treated as a qualified electing fund (“QEF”) with respect to its Shares. A Taxable U.S. Person that holds Shares and has made the QEF election, which may only be revoked with the consent of the IRS, is generally taxed each year on its proportionate share of the ordinary earnings and net long-term capital gains of the Company, whether or not the earnings or gains are distributed; actual cash distributions by the Company paid out of earnings and profits that have already been included in taxable income will not be taken into account in determining the taxable income of the Taxable U.S. Person. A Taxable U.S. Person that timely makes a QEF election with respect to its Shares for the first taxable year in which such Taxable U.S. Person holds such Shares (or that subsequently makes such an election and also makes a so-called “purging” election for the same tax year, which would result in a taxable deemed sale of the Taxable U.S. Person’s Shares for fair market value) will not be subject to the “interest charge” rules discussed above with respect to its Shares. In order for a Taxable U.S. Person holding Shares to be eligible to make a QEF election, the Company would have to agree to provide certain tax information to such Taxable U.S. Person on an annual basis. The Company will use commercially reasonable efforts to provide such information if reasonably available to it.

Finally, if the Company is a PFIC and the Company’s Shares are considered to be “marketable stock” within applicable definitions, a Taxable U.S. Person holding Shares will be eligible to elect to mark those Shares to market at the end of every year, and thereby avoid the application of the “interest



charge” rules described above. Under the applicable Treasury Regulations, however, the Company does not believe that its Shares will be treated as “marketable stock”.

It is possible that one or more underlying entities in which the Company invests might be treated as PFICs. If the Company is treated as a PFIC and, at any time, owns stock in an entity that is also treated as a PFIC, Taxable U.S. Persons investing in the Company will be deemed to own, and will generally be subject to the PFIC rules with respect to, their indirect interests in the underlying entity. If an underlying entity is a PFIC, then, under the “interest charge” rules, a Taxable U.S. Person holding Shares will generally be liable for tax at ordinary income tax rates plus an interest charge (which is not deductible by an individual) reflecting the deferral of tax liability when the Taxable U.S. Person is treated as disposing of its indirect interest in the underlying entity at a gain or as receiving an “excess distribution” from the underlying entity. A Taxable U.S. Person holding Shares may be able to make an election to have an underlying entity treated as a QEF with respect to the Taxable U.S. Person’s indirect interest in the underlying entity. A Taxable U.S. Person that holds Shares and has made the QEF election with respect to its indirect interest in an underlying entity will generally be taxed each year on its proportionate share of the ordinary earnings and long-term capital gains of the underlying entity, whether or not the earnings or gains are distributed to the Company, or from the Company to the Taxable U.S. Person. In order for a Taxable U.S. Person holding Shares to be eligible to make a QEF election for an underlying entity, the underlying entity would have to agree to provide certain tax information, which it may not agree to do. A QEF election under the PFIC rules with respect to the Company will not apply to any underlying entity in which the Company invests (and vice versa). Any mark-to-market election under the PFIC rules with respect to the Company likewise will not apply to a Taxable U.S. Person’s indirect ownership interest in an underlying entity, and a Taxable U.S. Person holding Shares will not be able to make such a mark-to-market election in respect of its indirect ownership interest in an underlying entity.

A Taxable U.S. Person that invests in Shares, or a shareholder or beneficiary of such an investor, may also suffer adverse tax consequences if the Company is a “controlled foreign corporation” under the “Subpart F” rules of the Code. If the Company is a “controlled foreign corporation”, Taxable U.S. Persons that hold or that are treated under certain attribution rules as holding Shares representing at least 10 per cent of the combined voting power of all classes of Company stock entitled to vote may under certain circumstances be required to include in gross income for U.S. federal income tax purposes amounts attributable to some or all of the earnings of the Company in advance of the receipt of cash attributable to those earnings. If an entity in which the Company invests is such a controlled foreign corporation, Taxable U.S. Persons that are treated as holding at least 10 per cent of the combined voting power of all classes of the entity’s stock that are entitled to vote (taking into account their indirect ownership through the Company) may under certain circumstances be required to include in gross income for U.S. federal income tax purposes amounts attributable to some or all of the earnings of the entity in advance of the receipt of cash attributable to those earnings. A foreign entity treated as a corporation for U.S. federal income tax purposes generally will be a controlled foreign corporation if the direct and indirect ownership of the entity by “United States persons” (as defined for purposes of the “controlled foreign corporation” rules) each of whom owns (taking certain constructive ownership rules into account) at least 10 per cent of the combined voting power of all classes of the entity’s stock entitled to vote exceeds in the aggregate 50 per cent of the combined

voting power or total value of the entity's equity interests. Amounts so taken into account under the "Subpart F" rules may generally be applied by such Taxable U.S. Persons to reduce the amount required to be taken into account as a dividend upon the receipt of any distributions from the applicable entity. Taxable U.S. Persons required to include such amounts will generally not be subject to the PFIC rules described in the preceding paragraphs with respect to the applicable entity. A Taxable U.S. Person that is a corporation for U.S. federal income tax purposes and that is required to include such amounts in its taxable income may be entitled to a foreign tax credit on a pro rata basis with respect to some or all of the income taxes, if any, paid by the Company to non-U.S. jurisdictions. The Company will monitor its Shareholders in an attempt to ensure that at all times the ownership of the Company by "United States persons" (as defined for purposes of the "controlled foreign corporation" rules) is below the threshold amounts set forth in Code Section 957 and that the Company therefore will not be classified as a "controlled foreign corporation" as defined in Code Section 957. There can be no assurance, however, that the Company and entities in which the Company invests will not be classified as controlled foreign corporations.

Subject to the Subpart F rules described in the preceding paragraph, if the Company is not, in fact, classified as a PFIC, a Taxable U.S. Person receiving a distribution in respect of Shares will be required to include such distribution in gross income as a taxable dividend to the extent that the distribution is paid from the current or accumulated earnings and profits of the Company as determined under U.S. federal income tax law. Distributions in excess of those earnings and profits of the Company will first be treated, for U.S. federal income tax purposes, as a non-taxable return of capital to the extent of (and in reduction of) the Taxable U.S. Person's basis in the Shares and then as a gain from the sale or exchange of a capital asset, provided that the Shares constitute a capital asset in the hands of the Taxable U.S. Person. Dividend income in respect of Shares will generally be foreign-source income subject to the separate limitation for "passive income" for purposes of the foreign tax credit limitation. Shareholders that are corporations generally will not be eligible for the corporate dividends-received deduction with respect to dividends paid by the Company, but, assuming certain requirements are met by the Company and its shareholders, if the Company is not classified as a PFIC non-corporate Shareholders may be able to treat dividends paid by the Company as "qualified dividend income," which is subject to federal income tax at reduced rates. Additionally, if the Company is not classified as a PFIC or if a Taxable U.S. Person has validly made a QEF election (discussed above) that is in effect for all years in the Taxable U.S. Person's holding period in its Shares (or since it made the "purging" election described above), then, with certain exceptions, any gain or loss on the sale, redemption or other taxable exchange of Shares will be treated as capital gain or loss (if the Shares are held as capital assets). Such capital gain or loss will be long-term capital gain or loss if the Taxable U.S. Person has held the Shares for more than one year at the time of the sale, redemption or other taxable exchange. Net capital gains of Taxable U.S. Persons that are not corporations are subject to tax at lower rates than items of ordinary income. The deductibility of capital losses is subject to certain limitations.

Dividends paid on Classes denominated in non-U.S. currency to a Taxable U.S. Person will be includible in the income of that Taxable U.S. Person in a US Dollar amount calculated by reference to the exchange rate on the date the distribution is included in income. A Taxable U.S. Person that receives a non-U.S. currency distribution will have a tax basis in the non-U.S. currency so received

equal to the US Dollar value of such non-U.S. currency on the date the distribution is included in income. A Taxable U.S. Person that receives a non-U.S. currency distribution and converts the non-U.S. currency into US Dollars on the date the distribution is included in income generally will recognize no foreign currency gain or loss from the conversion. If the Taxable U.S. Person converts the non-U.S. currency to US Dollars on a date subsequent to such date, such Taxable U.S. Person may have foreign currency gain or loss from the conversion, based on any appreciation or depreciation in the value of the non-U.S. currency against the US Dollar from the date of inclusion to the date of conversion. Any such foreign currency gain or loss will generally be U.S.-source ordinary income or loss for federal income tax purposes.

A 3.8 per cent Medicare contribution tax generally applies to all or a portion of the net investment income of a Shareholder who is an individual and not a non-resident alien for federal income tax purposes and who has an adjusted gross income (subject to certain adjustments) that exceeds a threshold amount (US\$250,000 if married filing jointly or if considered a “surviving spouse” for federal income tax purposes, US\$125,000 if married filing separately, and US\$200,000 in other cases). This 3.8 per cent tax also applies to all or a portion of the undistributed net investment income of certain U.S. Persons that are estates and trusts. For these purposes, dividends and certain capital gains are generally taken into account in computing a Shareholder’s net investment income.

INASMUCH AS TAXABLE U.S. PERSONS ARE SUBJECT TO POTENTIALLY ADVERSE TAX CONSEQUENCES IF THEY INVEST IN THE COMPANY AND THE FOREGOING SUMMARY IS ONLY A BRIEF OVERVIEW OF HIGHLY COMPLEX RULES, SUCH POTENTIAL INVESTORS ARE STRONGLY URGED TO CONSULT WITH THEIR OWN TAX ADVISORS BEFORE INVESTING IN THE COMPANY.

### Reporting

If the Company is classified as a PFIC, a U.S. Person holding Shares will generally have to file IRS Form 8621 for some or all of the tax years in which such U.S. Person holds such Shares.

Any United States person within the meaning of the Code owning 10% or more (taking certain attribution rules into account) of either the combined voting power or total value of the shares of a non-U.S. corporation such as the Company may be required to file an information return with the IRS containing certain disclosures concerning the filing shareholder, other shareholders and the corporation. The Company has not committed to provide the information about the Company or its Shareholders needed to complete the return.

A U.S. Person (and, in certain cases, a non-U.S. person who is engaged in business in the U.S.) who owns an interest in certain foreign financial accounts that, when aggregated with the value of certain other foreign financial accounts, are worth more than US\$10,000 during any part of a calendar year is generally required to file a Report of Foreign Bank and Financial Accounts (an “FBAR”) with respect to such accounts by June 30 following the close of such calendar year. Under current IRS guidance, a U.S. Person’s investment in the Company is not treated as a foreign financial account for purposes of the FBAR filing requirements. The penalties for failing to file an FBAR when required can be severe.

In addition, in general, an individual who is a U.S. Person and who owns an interest in a foreign entity such as the Company that, when aggregated with the value of certain other foreign assets, is worth more than US\$50,000 on the last day of a taxable year or more than US\$75,000 at any time during a taxable year must attach a disclosure statement (IRS Form 8938) to his or her tax return for that taxable year. For married taxpayers filing jointly, the general disclosure statement filing thresholds are US\$100,000 on the last day of a taxable year or US\$150,000 at any time during the taxable year. The filing thresholds are higher for U.S. Persons whose tax homes are in countries other than the United States and who meet one of two “presence abroad” tests. For an individual who meets these requirements, the filing thresholds are US\$200,000 on the last day of a taxable year or US\$300,000 at any time during the taxable year. For married taxpayers filing jointly who meet these requirements, the filing thresholds are US\$400,000 on the last day of a taxable year or US\$600,000 at any time during the taxable year. Proposed Treasury Regulations, if finalized, would require certain U.S. entities to file disclosure statements as though the entities were individuals, possibly for all taxable years beginning after December 31, 2012. The filing of a disclosure statement will not satisfy an FBAR filing requirement, and the filing of an FBAR will not eliminate any requirement to file IRS Form 8938.

The foregoing is not intended to constitute an exhaustive description of all reporting requirements that may apply to an investment in the Company. Shareholders are urged to consult their own tax advisors or return preparers concerning the application of these and any other reporting requirements. A failure to satisfy certain reporting requirements may result in an extension of the time period during which the IRS can assess a tax, and under certain circumstances, such an extension may apply to assessments of amounts unrelated to any unsatisfied reporting requirement.

## ERISA AND OTHER BENEFIT PLAN CONSIDERATIONS

CIRCULAR 230 DISCLOSURE: THIS APPENDIX WAS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, FOR THE PURPOSE OF AVOIDING ANY FEDERAL TAX PENALTIES THAT THE IRS MAY ATTEMPT TO IMPOSE. BECAUSE THIS DISCUSSION COULD BE VIEWED AS A “MARKETED OPINION” UNDER THE TREASURY REGULATIONS, WE INFORM YOU THAT IT WAS WRITTEN TO SUPPORT THE “PROMOTION OR MARKETING” OF THE MATTERS SET FORTH IN THIS APPENDIX. PROSPECTIVE INVESTORS SHOULD CONSULT THEIR OWN INDEPENDENT TAX ADVISORS WITH RESPECT TO AN INVESTMENT IN THE COMPANY AND SHOULD SEEK ADVICE BASED ON THEIR PARTICULAR CIRCUMSTANCES AS TO THE SPECIFIC CONSEQUENCES TO THEM UNDER UNITED STATES FEDERAL TAX LAW, AND UNDER OTHER TAX LAWS, SUCH AS STATE, LOCAL AND NON-U.S. TAX LAWS.

THE FOLLOWING SUMMARY OF CERTAIN ASPECTS OF ERISA AND OF THE CODE, IS BASED UPON ERISA, THE CODE, JUDICIAL DECISIONS, AND DEPARTMENT OF LABOR REGULATIONS AND RULINGS IN EXISTENCE ON THE DATE HEREOF. THIS SUMMARY IS GENERAL IN NATURE AND DOES NOT ADDRESS EVERY ERISA ISSUE THAT MAY BE APPLICABLE TO THE COMPANY OR A PARTICULAR INVESTOR. ACCORDINGLY, EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN COUNSEL IN ORDER TO UNDERSTAND THE ERISA AND CODE ISSUES AFFECTING THE COMPANY AND THE INVESTOR.

Subject to the limitations applicable to investors generally, Shares may be purchased using assets of employee benefit plans, including benefit plans subject to the provisions of Title I of ERISA (“**ERISA Plans**”), or of retirement plans subject to the prohibited transaction provisions of Section 4975 of the Code, such as individual retirement accounts and plans covering only self-employed individuals (“**Qualified Plans**” and, together with ERISA Plans, “**Plans**”). However, neither the Company, the Investment Manager, nor any of their agents, employees, or affiliates, makes any representation with respect to whether the Shares are a suitable investment for any benefit plan, including an ERISA Plan or Qualified Plan. **All investors are urged to consult their legal advisors before investing assets of a benefit plan in the Company, and must make their own independent decisions.**

### ***In General***

In considering whether to invest assets of any benefit plan in the Company, the persons acting on behalf of the plan should consider in the plan’s particular circumstances whether the investment will be consistent with their responsibilities and any special constraints imposed by the terms of the plan and by applicable U.S., state or other law, including ERISA and the Code. Some of the responsibilities and constraints imposed by ERISA on employee benefit plans subject to the fiduciary responsibility provisions of the ERISA Plans and by the Code on Plans are summarized below. The following is merely a summary of those particular laws, however, and should not be construed as legal advice or as complete in all relevant respects. In addition, governmental plans, certain church plans, non-U.S. plans and other benefit plans not subject to ERISA or the prohibited transaction provisions of the Code may nevertheless be subject to similar federal, state, foreign or other laws.

### ***Fiduciary Responsibilities With Respect to ERISA Plans***

Persons acting as fiduciaries on behalf of an ERISA Plan are subject to specific standards of behavior in the discharge of their responsibilities pursuant to Section 404(a)(1) of ERISA. Consequently, in determining whether to invest assets of a Plan in the Company, an ERISA Plan's fiduciaries must conclude that an investment in the Company would be prudent and in the best interests of Plan participants and their beneficiaries. They must also determine that any such investment would be in accordance with the documents and instruments governing the ERISA Plan, would satisfy applicable diversification requirements and would provide the Plan with sufficient liquidity given the limitations upon an investor's ability to redeem or transfer Shares. In making those determinations, such persons should take into account that the Company will invest its assets in accordance with the investment objectives and policies expressed in the Prospectus without regard to the particular objective or investment policies of any class of investors, including ERISA Plans and Qualified Plans. Such persons should also take into account, as discussed below, that it is not expected that the Company's assets will constitute the "plan assets" of any investing ERISA Plan or Qualified Plan, so that neither the Company, the Directors, the Investment Manager, nor any of their principals, agents, employees, or affiliates, will be a fiduciary as to any investing ERISA Plan or Qualified Plan. See also "Identification of Plan Assets" below.

### ***Prohibited Transactions***

ERISA Plans and Qualified Plans are subject to special rules limiting direct and indirect transactions involving the assets of the Plan and certain persons related to the Plan, termed "parties in interest" under ERISA and "disqualified persons" under the Code. Disqualified persons and parties in interest include any fiduciary to a Plan, any service provider to a Plan, the employer sponsoring a Plan, and certain persons affiliated with a fiduciary, service provider or employer. In addition, ERISA and the Code prohibit fiduciaries of a Plan from engaging in various acts of self-dealing. A party in interest engaging in a "prohibited transaction" may be subject to substantial excise tax penalties and possibly personal liability. Further, any fiduciary to an ERISA Plan taking or permitting any action which the fiduciary knows or should know constitutes a "prohibited transaction" may be personally liable for any loss resulting to the ERISA Plan from such transaction, and subject to forfeiture of any gain derived by the fiduciary from the transaction. The persons acting on behalf of an investing Plan should consider whether an investment of Plan assets in the Company might constitute a prohibited transaction, as might occur for example if the Investment Manager or one of its affiliates were a fiduciary to the investing Plan in connection with its purchase of Shares.

### ***Identification of Plan Assets***

Under Section 3(42) of ERISA and U.S. Department of Labor Regulations Section 2510.3-101, as modified by Section 3(42) of ERISA (together, the "**Plan Asset Rules**"), the fiduciary, prohibited transaction and other provisions of ERISA and the Code, including the rules for determining who is a party in interest or disqualified person, would generally be applied by treating an investing Plan's assets as including its investment in the Company but not including any of the underlying assets of

the Company. Under the Plan Asset Rules, however, assets of the Company may be considered to include assets of the investing Plans if, immediately after any acquisition of Shares, 25% or more (or any higher percentage which may be specified by regulation) of the value of any Class of Shares of the Company or any Fund is held by "Benefit Plan Investors". For this purpose, a Benefit Plan Investor means an ERISA Plan, a Qualified Plan, or an entity deemed to hold plan assets under the Plan Asset Rules by reason of investment in the entity by ERISA Plans or Qualified Plans. However, entities which hold plan assets are generally considered to be Benefit Plan Investors only to the extent that their equity interests are held by Benefit Plan Investors, although special rules apply to certain entities, including insurance companies investing assets of their separate accounts and bank collective trust funds. In performing the 25% calculation, Shares held by persons (and their affiliates) who provide investment advice to the Company for a fee, direct or indirect (including the Investment Manager), or have discretionary authority over the Company's assets, are disregarded.

### ***Consequences of Plan Asset Status***

Under ERISA and the Code, a person who exercises any discretionary authority or discretionary control respecting the management or disposition of the assets of a Plan or who renders investment advice for a fee to a Plan is generally considered to be a fiduciary of such Plan. Consequently, should the 25% threshold be exceeded as to any Class of Shares the Company, the Investment Manager could be characterized as a fiduciary of the investing Plans. As a result, various transactions between the Company on the one hand and the Investment Manager, its affiliates, or other parties in interest or disqualified persons with respect to the investing Plans on the other hand could constitute prohibited transactions under ERISA or the Code. In addition, the prudence standards and other provisions of Title I of ERISA applicable to investments by ERISA Plans and their fiduciaries would extend to investments made by the Company, and the ERISA Plan fiduciaries who made a decision to invest the Plan's assets in the Company could, under certain circumstances, be liable as co-fiduciaries for actions taken by the Company or the Investment Manager. Finally, certain other requirements of ERISA, such as the requirement that the indicia of ownership of a Plan's assets be held within the U.S., may become applicable to, but not be satisfied as to, the assets of the Company.

### ***Limitation on Investment by Benefit Plan Investors***

In order that the assets of the Company are not deemed to be plan assets under ERISA and the Code, the Company does not currently intend to permit the investment by Benefit Plan Investors in any Class of Shares to equal or exceed 25% percent (or any higher percentage prescribed by the Plan Asset Rules) at any time. The Directors have power under the Articles of Association to compulsorily redeem and/or cancel any Shares held or beneficially owned in contravention of any restrictions imposed by them or in breach of any law or regulation. The Directors intend to exercise this power so that the assets of the Company are not deemed to be plan assets under ERISA and the Code. Consequently, the Company does not anticipate that its assets will be deemed to include the plan assets of any Benefit Plan Investor in the Company under ERISA and the Code. However, the Company reserves the right, in its sole discretion, to permit investment by Benefit Plan Investors in the Company to exceed the 25% threshold and to comply thereafter with the applicable provisions of ERISA and the Code.

### ***Representations by Benefit Plan Investors***

Fiduciaries proposing to invest the assets of an ERISA Plan or a Qualified Plan in the Company will be required to represent that they have been informed of and understand the Company's investment objectives, policies and strategies and that the decision to invest such Plan's assets in the Company is consistent with the Plan's terms and the applicable provisions of ERISA and the Code, including, without limitation, terms and provisions that require diversification of Plan assets and impose other fiduciary responsibilities. The fiduciaries of investing Plans will also be required to represent that they are not relying upon the investment or other advice of the Investment Manager or its affiliates in investing in the Company and that the acquisition and holding of Shares will not constitute a non-exempt "prohibited transaction" under ERISA or the Code. Finally, any entity that is a Benefit Plan Investor immediately prior to its acquisition of any Shares or at any time thereafter while it continues to hold any Shares must notify the Company of its status as a Benefit Plan Investor prior to its initial acquisition of any Shares, or, if it first becomes a Benefit Plan Investor after its initial acquisition of any Shares, immediately upon becoming a Benefit Plan Investor. Each entity that is a Benefit Plan Investor must also advise the Company of the percentage of its assets which are considered to constitute "plan assets," and must notify the Company promptly in the event of any change in such percentage.



## **SUBSCRIPTION PROCEDURE**

Shares will be offered subject to prior sale and to withdrawal, cancellation or modification of the Offering. The Company reserves the right to accept or reject any application for Shares, in whole or in part.

In order to apply for Shares in the Offering, investors that are U.S. Persons as defined in “Definition of U.S. Person” above must complete and execute the U.S. Application Form.

Investors should carefully review the U.S. Application Form before subscribing for Shares. It contains, among other things, a number of representations and warranties by the investor required for the purposes of compliance with various legal requirements and an indemnity from the investor. The investor should consult its own counsel if it has any questions concerning the representations, warranties, and indemnity in the U.S. Application Form.

The U.S. Application Form should be completed and executed and signed copies of the Form should be faxed to the Company as provided in the Supplement for the relevant Fund. Hard copies of the signed U.S. Application Form should be sent to the address specified in the Supplement for the relevant Fund.

This Prospectus and the relevant Supplement may not contain all of the information concerning the Company and the Shares which is available. The Company will make available to each prospective investor at a reasonable time prior to the purchase by such prospective investor of Shares the opportunity to ask questions and receive answers concerning the terms and conditions of the Offering and to obtain any additional information which the Company possesses or can obtain without unreasonable effort or expense that is necessary to verify the accuracy of information contained in this Prospectus and the relevant Supplement. The Company will make copies of all applicable documents available to potential investors upon request. Requests for further information should be directed to the Administrator.