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# **LEADENHALL UCITS ILS FUND PLC**

**(An investment company with variable capital under the laws of Ireland and authorised by the Central Bank of Ireland pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (as amended))**

## **PROSPECTUS**

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### **MANAGER**

**WAYSTONE FUND MANAGEMENT (IE) LIMITED**

### **INVESTMENT MANAGER**

**LEADENHALL CAPITAL PARTNERS LLP**

**DATED 9 MARCH 2021**

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## INTRODUCTION

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

### Authorisation by the Central Bank of Ireland

The Company has been authorised by the Central Bank of Ireland (the “Central Bank”) as an “Undertaking for Collective Investment in Transferable Securities” (“UCITS”) under the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended) (“UCITS Regulations”) and has been established as an investment company and will comply with the Central Bank UCITS Regulations. Authorisation by the Central Bank does not constitute a warranty by the Central Bank as to the performance of the Company and the Central Bank will not be liable for the performance or default of the Company.

Authorisation of the Company is not an endorsement or guarantee of the Company by the Central Bank nor is the Central Bank responsible for the contents of this Prospectus.

This Prospectus provides information about the Company. Prospective investors are required as part of the Subscription Agreement to confirm they have read and understood it. It contains information which prospective investors ought to know before investing in the Company and should be retained for future reference. Further copies may be obtained from the Company at its address set out in the “*Directory*”. Copies of the most recent annual and semi-annual report of the Company, if any, are available free of charge on request.

Shares in the Company are offered only on the basis of the information contained in this Prospectus and the documents referred to herein. Any further information or representations given or made by any dealer, broker or other person should be disregarded and, accordingly, should not be relied upon. No person has been authorised to give any information or to make any representation other than those contained in the KIID, this Prospectus and, if given or made, such information or representation must not be relied upon as having been authorised. This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any such Shares other than the Shares to which it relates or an offer to sell or the solicitation of an offer to buy such Shares by any person in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this Prospectus nor the issue of Shares will, under any circumstances, create any implication that the affairs of the Company have not changed since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Directors of Leadenhall UCITS ILS Fund plc (the “Company”) whose names appear in the “*Directory*” of 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 any material information likely to affect the import of such information. This Prospectus may be translated into other languages provided that such translation will be a direct translation of the English text and in the event of a dispute, the English language version will prevail. All disputes as to the terms thereof will be governed by, and construed in accordance with, the laws of Ireland.

The Directors may from time to time decide to offer, with prior notice to and clearance from the Central Bank, additional classes of Shares in the Company. In such an event, this Prospectus will be updated and amended so as to include detailed information on the new classes, and/or a separate addendum with respect to the Company and/or classes will be prepared. Such updated and amended Prospectus or new separate addendum will not be circulated to existing Shareholders except in connection with their subscription for Shares in the Company.

**It should be remembered that the price of Shares and the income (if any) from them may fall as well as rise and there is no guarantee or assurance that the stated investment objective of the Company will be achieved. The difference at any one time between the sale and repurchase price of Shares in the Company means that an investment should be viewed as medium to long term.**

## **DISTRIBUTION AND SELLING RESTRICTIONS**

The distribution of this Prospectus and the offering of the Shares is restricted in certain jurisdictions. This Prospectus does not constitute an offer or solicitation in a jurisdiction where to do so is unlawful or the person making the offer or solicitation is not qualified to do so or a 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 or herself about and to observe all applicable laws and regulations of relevant jurisdictions. Investors should inform themselves and should take appropriate advice on the legal requirements as to possible tax consequences, foreign exchange restrictions and/or exchange control requirements that they might encounter under the laws of the countries of their citizenship, residence, or domicile and that might be relevant to the subscription, purchase, holding, exchange, redemption or disposal of Shares of the Company.

### **United States**

#### **Investors' Reliance on US Federal Tax Advice in this Prospectus**

**The discussion contained in this Prospectus as to US federal tax considerations is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties. Such discussion is written to support the promotion or marketing of the transactions or matters addressed in this Prospectus. Each taxpayer should seek US federal tax advice based on the taxpayer's particular circumstances from an independent tax advisor.**

The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "1933 Act"), or qualified under any applicable state statutes and may not be offered, sold or transferred in the United States (including its territories and possessions) or to or for the benefit of, directly or indirectly, any U.S. Person (as that term is defined herein), except pursuant to registration or an exemption. The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended (the "1940 Act"), and investors will not be entitled to the benefits of such registration. Pursuant to exemptions from registration under the 1940 Act and the 1933 Act, the Company may make a private placement of the Shares to a limited category of U.S. Persons. The Shares have not been approved or disapproved by the US Securities and Exchange Commission, 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 these offering materials. Any representation to the contrary is unlawful.

The Shares are subject to restrictions on transferability and resale and may not be transferred or resold in the United States or to or for the benefit of a U.S. Person except as permitted under the 1933 Act and applicable state securities laws, pursuant to registration or exemption therefrom.

The Investment Manager is exempt from registration with the US Commodity Futures Trading Commission ("**CFTC**") as a commodity pool operator ("**CPO**") pursuant to CFTC Rule 4.13(a)(3). Therefore, unlike a registered CPO, the Investment Manager is not required to deliver a CFTC disclosure document to prospective Shareholders, nor is it required to provide Shareholders with certified annual reports that satisfy the requirements of CFTC rules applicable to registered CPOs.

The Investment Manager qualifies for the exemption under CFTC Rule 4.13(a)(3) with respect to the Company on the basis that, among other things:

- (i) each Shareholder is a non-United States person as defined under CFTC rules or meets the definition of "accredited investor", "knowledgeable employee" or "qualified eligible person" as referred to in CFTC rule 4.13(a)(3)(iii) or constitutes a person eligible to participate in a pool in accordance with CFTC rule 4.13(a)(3)(iii); and

- (ii) the Company meets one or the other of the following tests with respect to its commodity interest positions, whether entered into for bona fide hedging purposes or otherwise:- (a) the aggregate initial margin, premiums, and required minimum security deposit for retail forex transactions required to establish commodity interest positions, including positions in security futures products, determined at the time the most recent position was established, will not exceed 5 per cent of the liquidation value of the Company's portfolio, after taking into account unrealised profits and unrealised losses on any such positions it has entered into; or (b) the aggregate net notional value of such positions, determined at the time the most recent position was established, does not exceed 100 per cent of the liquidation value of the Company's portfolio, after taking into account unrealised profits and unrealised losses on any commodity interest positions, including positions in security futures products it has entered into; and
- (iii) Shares in the Company are exempt from registration under 1933 Act and offered and sold without marketing to the public in the United States; and
- (iv) Shares in the Company are not marketed as or in a vehicle for trading in the commodity futures or commodity options markets.

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## DIRECTORY

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### Leadenhall UCITS ILS Fund plc

**Registered Office**  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Directors:**

John Wells  
David Hammond  
Ronan Smith

**Administrator, Registrar and Transfer Agent:**

U.S. Bank Global Fund Services (Ireland) Limited  
24-26 City Quay  
Dublin 2  
Ireland

**Manager:**

Waystone Fund Management (IE) Limited  
Heritage House  
23 Saint Stephen's Green  
Dublin 2  
Ireland

**Depository:**

Elavon Financial Services DAC (t/a  
U.S. Bank Depository Services)  
Building 8  
Cherrywood Business Park  
Loughlinstown  
Dublin 18  
Ireland

**Investment Manager and Distributor:**

Leadenhall Capital Partners LLP  
The Leadenhall Building  
122 Leadenhall Street  
London EC3V 4AG  
England

**Auditors:**

PricewaterhouseCoopers  
One Spencer Dock  
North Wall Quay  
Dublin 1  
Ireland

**Legal Advisors:**

Matheson  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

**Secretary:**

Matsack Trust Limited  
70 Sir John Rogerson's Quay  
Dublin 2  
Ireland

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## DEFINITIONS

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In this Prospectus, the following words and phrases will have the meanings indicated below:

<b>“Additional Subscription Agreement”</b>	means the additional subscription agreement to be completed and signed by an existing Shareholder seeking to subscribe for additional Shares in such form as is approved by the Company or Manager from time to time;
<b>“Administrator”</b>	means U.S. Bank Global Fund Services (Ireland) Limited or such other company in Ireland for the time being appointed as administrator by the Manager as successor thereto, in accordance with the requirements of the Central Bank;
<b>“Administration Agreement”</b>	means the agreement dated 16 December 2015, as amended by an amendment agreement dated 6 June 2018 and as novated by an agreement dated 4 April 2019, between the Manager, the Administrator and the Company pursuant to which the Administrator was appointed administrator of the Company;
<b>“Anti-Dilution Levy”</b>	means: (a) for subscriptions, a deduction from subscription proceeds of an amount equal to 0.5 per cent of the total subscription proceeds (inclusive of any sales charge) or such other amount that the Manager may determine in its discretion, representing the estimated cost of investing the subscription monies; (b) for redemptions, a deduction from redemption proceeds of an amount equal to 0.5 per cent of the total redemption proceeds or such other amount that the Manager may determine in its discretion, representing the estimated cost of realising investments to pay the redemption proceeds;
<b>“Articles”</b>	means the Articles of Association of the Company;
<b>“AUD”</b>	means Australian Dollars, the lawful currency of Australia;
<b>“Base Currency”</b>	means the base currency of the Company, which is US Dollars;
<b>“Business Day”</b>	means any day on which banks are open for business in London and Dublin and/or such other day or days as the Directors may from time to time determine;
<b>“Central Bank”</b>	means the Central Bank of Ireland;
<b>“Central Bank UCITS Regulations”</b>	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as may be amended from time to time and all applicable guidance which may be issued by the Central Bank;
<b>“CFTC”</b>	means the U.S. Commodity Futures Trading Commission;
<b>“CHF”</b>	means Swiss francs, the lawful currency of Switzerland;
<b>“Class” or “Classes”</b>	means a class of participating shares in the Company;
<b>“Class A Shares”</b>	means Class A US\$, Class A AUD, Class A CHF, Class A EUR and Class A GBP;

<b>“Class B Shares”</b>	means Class B US\$, Class B AUD, Class B CHF, Class B EUR, Class B GBP, Class B GBP Manager and Class B US\$ Manager;
<b>“Class Currency”</b>	means the currency in which a Share class is designated;
<b>“Class Expenses”</b>	means any expenses attributable to a specific class including legal fees, marketing expenses (including tax reporting expenses) and the expenses of registering a class in any jurisdiction or with any stock exchange, regulated market or settlement system and such other expenses arising from such registration;
<b>“Code”</b>	means the U.S. Internal Revenue Code of 1986, as amended;
<b>“Company”</b>	means Leadenhall UCITS ILS Fund plc, an investment company with variable capital, incorporated in Ireland pursuant to the Companies Act 2014;
<b>“Commodity Exchange Act”</b>	means the U.S. Commodity Exchange Act, as amended;
<b>“Data Protection Legislation”</b>	means the General Data Protection Regulation (Regulation (EU) 2016/679 of the European Parliament and the Council of 27 April 2016) (“ <b>GDPR</b> ”) and any consequential national data protection legislation and any guidance and/or codes of practice issued by the Irish Data Protection Commissioner or other relevant supervisory authority, including without limitation the European Data Protection Board;
<b>“Dealing Cut-Off Time”</b>	means 12.00 (noon) in Dublin on the 3rd Business Day prior to the relevant Dealing Day unless otherwise determined by the Directors in exceptional circumstances (but in any event no later than the relevant Valuation Point);
<b>“Dealing Day”</b>	means the Business Day immediately following a Valuation Day, provided that there shall be at least two Dealing Days in each month at regular intervals;
<b>“Depositary”</b>	means Elavon Financial Services DAC (t/a U.S. Bank Depositary Services) or such other company as may for the time being be appointed as depositary of the Company as successor thereto in accordance with the requirements of the Central Bank;
<b>“Depositary Agreement”</b>	means the depositary agreement dated 13 May 2019 between the Company, the Manager and the Depositary, pursuant to which the Depositary was appointed depositary of the Company;
<b>“Directors”</b>	means the directors of the Company for the time being and any duly constituted committee thereof;
<b>“Duties and Charges”</b>	means in relation to the Company, all stamp and other duties, taxes, governmental charges, brokerage, bank charges, foreign exchange spreads, interest, custodian or sub-custodian charges (relating to sales and purchases), transfer fees, registration fees and other duties and charges whether in connection with the original acquisition or increase of the assets of the Company or the creation, issue, sale, conversion or redemption of Shares or the sale or purchase of investments or in respect of certificates or otherwise which may have become or may be payable in respect of or prior to or in connection with or arising out of or upon the occasion of the transaction or dealing in respect of which such duties and charges are payable, which, for the avoidance of doubt, includes, when calculating subscription and

redemption prices, any provision for spreads (to take into account the difference between the price at which assets were valued for the purpose of calculating the NAV and the price at which such assets were bought as a result of a subscription and sold as a result of a redemption), but will not include any commission payable to agents on sales and purchases of Shares or any commission, taxes, charges or costs which may have been taken into account in ascertaining the NAV of Shares in the Company;

<b>“EMIR Regulations”</b>	means Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (“EMIR”), each European Commission Delegated Regulation supplementing EMIR and each European Commission Implementing Regulation laying down implementing technical standards according to EMIR;
<b>“EU”</b>	means the European Union;
<b>“EU Member State”</b>	means a member state of the EU;
<b>“EUR” or “€”</b>	means the unit of the European single currency;
<b>“FATCA”</b>	FATCA means the provisions commonly known as the Foreign Account Tax Compliance Act, the provisions of which come from the U.S. Hiring Incentives to Restore Employment (HIRE) Act of 2010 (Pub.L. 111–147);
<b>“FDI”</b>	means financial derivative instruments;
<b>“GBP”</b>	means pounds sterling, the lawful currency of the United Kingdom;
<b>“Hedged Class” or “Hedged Classes”</b>	means any Class or Classes of the Company in respect of which currency hedging will be implemented as set out herein;
<b>“Intermediary”</b>	means a person who:  (a) carries on a business which consists of, or includes, the receipt of payments from a regulated investment undertaking in Ireland on behalf of other persons, or  (b) holds shares in such an investment undertaking on behalf of other persons;
<b>“Investment Management and Distribution Agreement”</b>	means the agreement between the Manager, the Investment Manager and the Company dated 4 April 2019 pursuant to which the Investment Manager was appointed as the investment manager and distributor of the Company;
<b>“Investment Manager”</b>	means Leadenhall Capital Partners LLP or such other entity for the time being appointed as the investment manager in respect of the Company as successor thereto;
<b>“Irish Resident”</b>	means, unless otherwise determined by the Directors, any company resident, or other person resident or ordinarily resident, in Ireland for the purposes of Irish tax. Please see the “Taxation” section below;

<b>“IRS”</b>	means the Internal Revenue Service, the U.S. government agency responsible for tax collection and tax law enforcement;
<b>“Irish Revenue Commissioners”</b>	means the Irish authority responsible for taxation and customs duties;
<b>“KIID”</b>	means key investor information document;
<b>“Manager”</b>	means Waystone Fund Management (IE) Limited or such other company for the time being appointed as manager by the Company as successor thereto in accordance with the requirements of the Central Bank;
<b>“Management Agreement”</b>	means the agreement dated 4 April 2019 between the Company and the Manager, pursuant to which the latter acts as manager of the Company;
<b>“MiFID II”</b>	Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, the Markets in Financial Instruments (MiFIR) Regulation (EU) No 600/2014 (“MiFIR”) and any implementing legislation or regulation thereunder;
<b>“Net Asset Value” or “NAV”</b>	means the Net Asset Value of the Company calculated as described herein;
<b>“Net Asset Value per Share” or “NAV per Share”</b>	means the Net Asset Value per Share of each Class of Shares of the Company calculated as described herein;
<b>“OECD”</b>	means the Organisation for Economic Co-Operation and Development, whose members as at the date of this Prospectus are Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the U.S.;
<b>“Ordinary Resolution”</b>	means a resolution passed by a simple majority of the votes cast by Shareholders at a general meeting of the Company or on matters affecting the relevant Class of Shares, as the case may be;
<b>“Privacy Statement”</b>	the privacy statement adopted by the Company, which is included in Appendix E hereto. The Privacy Statement outlined in Appendix E is accurate as at the date of this Prospectus. It may be updated from time to time and an up-to-date version can be found on the Investment Manager’s website at <a href="http://www.leadenhallcp.com">www.leadenhallcp.com</a> ;
<b>“Prospectus”</b>	means this document or any addendum designed to be read and construed together with and to form part of this document and the Company’s most recent annual and semi-annual report and accounts (if issued);
<b>“Recognised Market”</b>	means such markets as are set out in Appendix B hereto;
<b>“Redemption Application”</b>	means an application by a Shareholder to the Company and/or the Administrator requesting that Shares of the Company be redeemed in such form as is approved by the Company or Manager from time to time;

<b>“SFDR”</b>	means Regulation (EU) No 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;
<b>“Share” or “Shares”</b>	means a share or shares of any class in the Company, as the context so requires;
<b>“Shareholder”</b>	means a holder of Shares;
<b>“Subscription Agreement”</b>	means the subscription agreement to be completed and signed by an applicant seeking to subscribe for Shares in such form as is approved by the Company or Manager from time to time;
<b>“UCITS”</b>	means an undertaking for collective investment in transferable securities within the meaning of the UCITS Regulations;
<b>“UCITS Regulations”</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations (as amended) and all applicable Central Bank regulations made or conditions imposed or derogations granted thereunder as may be amended from time to time;
<b>“U.S.” or “United States”</b>	means the United States of America, its territories, possessions and all other areas subject to its jurisdiction;
<b>“USD” or “US\$”</b>	means U.S. Dollars, the lawful currency of the U.S.;
<b>“U.S. Person”</b>	has such meaning as is set out in Appendix A hereto;
<b>“Valuation Day”</b>	means the 1st and 3rd Friday in each month (or the next Business Day if the Friday is not a Business Day) and/or such other day or days as the Directors may from time to time determine (such determination to be notified to Shareholders in advance) provided that there shall be at least two Valuation Days in each month at regular intervals; and
<b>“Valuation Point”</b>	<p>means with respect to:</p> <ul style="list-style-type: none"> <li>(i) transferable securities and listed FDI, such time on a Business Day which reflects the close of business on the markets relevant to such assets and liabilities;</li> <li>(ii) collective investment schemes, the time of publication of the NAV by the relevant collective investment scheme; and</li> <li>(iii) OTC FDI and portfolio management techniques, the close of business of the relevant Business Day;</li> </ul> <p>and the Valuation Point shall be the time at which the last asset of the Company is valued on any particular Dealing Day or such other time as the Directors may determine from time to time and notify to Shareholders.</p> <p>For the avoidance of doubt, the time at which the Net Asset Value is determined will always be after the Dealing Cut-Off Time.</p>

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## THE COMPANY

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The Company is an open-ended investment company with variable capital incorporated in Ireland on 23 October 2015 under the laws of Ireland as a public limited company pursuant to the Companies Act 2014 under registration number 570581 and is authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations. The object of the Company, as set out in Clause 2 of its Memorandum and Articles of Association, is the collective investment of capital raised from the public in transferable securities and/or in other liquid financial assets in accordance with the UCITS Regulations operating on the principle of risk spreading.

The Company may create additional Classes of Shares within the Company to accommodate different terms, including different charges and/or fees and/or brokerage arrangements provided that the Central Bank is notified in advance, and gives prior clearance, of the creation of any such additional Class of Shares.

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## INVESTMENT OBJECTIVE AND STRATEGIES

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### Investment Objective

The investment objective of the Company is to seek to achieve risk adjusted absolute returns by investing in insurance linked bonds (being catastrophe bonds) and other permitted insurance linked investments, being preferred shares, closed-ended fund shares and exchange based derivatives (together “**ILS**”).

ILS are primarily debt securities with an expected life which typically is between 12 months to five years and that transfer the risk of insurance events from issuers (which may be special purpose vehicles assuming risk from insurance companies, reinsurance companies, corporations or governments) to the holders of such ILS. As further described below (under “*Investment Strategy—Insurance Linked Risks*”), the ILS which the Company will invest in may be exposed to all types of insurance linked risk within the property & casualty sector with the exclusion of credit and mortgage insurance risk (i.e., the insurance of trade credit risk, such as receivables and mortgages).

Holders of ILS receive a risk premium in the form of a yield in exchange for bearing the risk of losses from such pre-defined natural and non-natural catastrophic and insurance linked events for a specified time period. ILS returns are not highly correlated with non-insurance linked events adversely affecting the equity markets. The principal of any given ILS is potentially reduced (and subject to partial or, in some cases, total loss) upon the occurrence of an event to which the ILS is exposed.

The Company will seek to achieve its investment objective by investing in ILS, further details of which are available in the section headed “*Investment Strategy*” below, and by taking into account the Company’s specific investment restrictions described in Appendix D (“*Investment Restrictions*”) below.

There can be no assurance that the Company will meet its objective. **An investment in the Company should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

### Investment Strategy

The Company aims to achieve its investment objective by investing in a portfolio of ILS exposed to a range of risks and perils as set out above and also taking into account the Company’s specific investment restrictions (as described in Appendix D, “*Investment Restrictions*”, further below).

The Investment Manager will select investments to meet the Company’s investment objective in compliance with the investment guidelines and restrictions set out below. In selecting investments, the Investment Manager’s principal professionals will design a portfolio they believe to represent a risk and return relationship within the insurance linked securities market compatible with the risk and return appetite of the Company’s investors. In building such a portfolio that seeks to achieve risk adjusted absolute returns, the Investment Manager will not only consider the potential return on an ILS but it will also consider the risks to which that ILS is exposed and the potential for losses (i.e., the potential that the principal of the ILS will be reduced upon the occurrence of an event to which it is exposed).

The Investment Manager will analyse the structural risks (whereby legal, corporate or counterparty credit issues could impact the value of an investment), the insurance linked risks (whereby the risk of losses from pre-defined natural and non-natural catastrophic events, which are analysed using proprietary and vendor models available to the Investment Manager, could impact the value of an investment), the underwriting risks (whereby the impact of sponsor underwriting and operational behaviour could affect the probability of loss) and the market risks to which the particular ILS may be exposed. In its selection of the investments which are most suited to meet the Company’s investment objective, the Investment Manager will compare the outcome of its risk analysis with the expected return of the investment. As part of this comparison, the Investment Manager weighs whether any finding from its risk analysis would, in its opinion, make the investment unsuitable for the portfolio (due to elements such as the probability of an insurance event, insufficient data for a proper risk assessment, the poor underwriting quality of the protection buyer, exposure to potential conflicts of interest on the part of the protection buyer, loose structural features potentially leading to potential disputes or an undesired exposure to one or more counterparty risks).

The ILS that the Company may acquire fall into one of four categories of instrument: insurance linked bonds, preferred shares, closed-ended fund shares and exchange based derivatives. These are each considered in turn below together with a note describing the insurance linked risks to which ILS may be exposed and how those risks relate to ILS.

### *Insurance Linked Risks*

The ILS which the Company will invest in may be exposed to all types of insurance linked risk within the property & casualty sector (with the exclusion of credit and mortgage insurance risk, as outlined above).

The property & casualty business sector can be understood as the combination of exposures to potential loss due to one of or a combination of:

- losses to property: physical damage to property and other assets and/or a loss of property whether due to natural catastrophe or man-made perils such as fire, blast (i.e., explosions), cyber, pollution, nuclear contamination, other radioactive contamination and as a consequence of an act of war, of terror or political violence;
- agricultural losses: losses to agricultural business lines whether by natural perils, fire, pest, pollution, rainfall or drought;
- business interruption risk: business interruption (loss of income arising from the closure of a plant or a commercial enterprise due to damage or concerns about the health and safety of a site) and/or contingent business interruption (business continuity issues or the unavailability of an asset or a component in the supply chain due to war, terrorism or governmental intervention such as a state of emergency);
- operational risk: the insurance linked risk arising from claims due to liabilities associated with operational errors and other operational issues giving rise to liabilities and affecting a large organization; for example the liabilities of a financial institution to its clients and other stakeholders. Operational risk insurance generally excludes fines payable by the protection buyer;
- casualty risk: all forms of insurance liability risk of commercial enterprises or of individuals (such as for example liabilities arising from pollution, contamination, a side effect of medical treatment, cyber breach or malfunction), insurance linked liabilities to employees and other stakeholders, directors and officers liabilities in connection with their roles and staff liabilities due to errors made in their functions as well as all liabilities associated with motor insurance risks such as vehicle repair, loss of lives, and indemnification for temporary or permanent medical treatment and medical assistance;
- marine risk: the loss of a ship, a vessel or an off-shore energy installation (such as an oil rig), including the loss of value of the equipment, cargo and any consequential liability to include loss of lives, medical treatment, pollution and the removal of a wreck;
- aviation and satellite risk: the risk of loss arising from damage to aircraft or the loss of aircraft including any consequential liability to include loss of lives, damage to property at the crash site and search of equipment whether on land or at sea;
- cancellation risk: the financial loss arising out of the cancellation of an event such as a sporting event or concert or any other event where sponsors and/or spectators pay in advance of the day of attendance;
- terror risk: the risk of damage to property and/or loss of lives and costs of medical treatment as a consequence of an act of terrorism; and/or
- political violence risk: the risk of damage to property and/or loss of lives and costs of medical treatment as a consequence of riots and political unrest.

Losses to investments in ILS are typically based on:

- the amount of actual losses suffered by the sponsor of the transaction (typically an insurance or a reinsurance company buying protection from the entity issuing the ILS); or
- reference to a given level of losses suffered by the insurance industry in connection with the insurance events mentioned above; or
- reference to a series of measurements (such as for example the wind speed during a hurricane or the moment magnitude of an earthquake); or
- the modelled output of a professional modelling company which generates a modelled loss index typically using either physical parameters (such as wind speed and/or moment magnitude of an earthquake) or industry loss data as input to the model which is then used to simulate the loss for the protection buyer.

Protection buyers acting as sponsors for ILS include or can include

- insurance companies
- reinsurance companies
- governmental entities
- corporations, and
- financial institutions.

#### *Insurance Linked Bonds*

The market for insurance linked bonds is relatively recent, and as such there is a high degree of innovation as structures embedding insurance linked risk are offered to the capital markets. The Company will invest in insurance linked bonds whereby protection buyers have transferred to investors a range of risks associated with natural catastrophes, which is as of the date of the Prospectus by far the largest component of the market for Rule 144A Securities (as defined below).

The Company will invest principally in insurance linked bonds worldwide which are (i) admitted to official listing or are traded on any Recognised Market or constitute Rule 144A Securities (as defined below) and (ii) are classed as transferable securities in accordance with the UCITS Regulations, each of which the Manager believes will contribute to the Company achieving its investment objective outlined above. As insurance linked bonds are often issued pursuant to Rule 144A under the Securities Act of 1933, as subsequently amended, the Company is entitled to invest up to 100% of its net assets in securities pursuant to Rule 144A (“**Rule 144A Securities**”) provided that such Rule 144A Securities shall be issued with an undertaking to register with the US Securities and Exchange Commission within one year of issue and shall not constitute illiquid securities (i.e., they may be realised by the Company within seven days at the price, or approximately at the price, at which they are valued by the Company).

The insurance linked bonds in which the Company may invest are unleveraged structured bonds which do not embed derivatives and which are issued by special purpose vehicles (e.g., private limited companies) primarily domiciled in Bermuda, Delaware, Ireland, Guernsey or the Cayman Islands but which may be domiciled in other jurisdictions. The core business of such special purpose vehicles is to issue transferable securities which transfer the risk of the occurrence of an insurance linked event from insurance companies, reinsurance companies, governments or corporations, to the holders of such insurance linked bonds.

Although the insurance linked bonds in which the Company may invest directly do not embed derivatives, certain insurance linked bond structures (those that do not use indemnity triggers) may include a derivative relationship between the issuing special purpose vehicle and the relevant protection buyer whereby the protection buyer may be

able to collect if the notes have triggered a loss (even if the protection buyer does not have any loss from the event or, in other words, where there is no evidence of ultimate net loss). A bond exposed to an indemnity trigger suffers a loss corresponding to the loss suffered by the sponsor of the bond above the given trigger amount. So if, for example, a bond issuance covers earthquake losses in excess of USD1bn for an insurer and the issuance is USD100m, for the insurer to collect from the bond under an indemnity trigger it must provide evidence of loss of over USD1bn. If evidence shows a loss is for USD1.05bn, half of the bond is lost. If the loss is for 1.2bn, the full bond is a write off.

The special purpose vehicles which issue the insurance linked bonds in which the Company may invest may also deploy currency hedges to cover exposures across territories where claims could be in different currencies.

The insurance linked bonds in which the Company may invest may or may not be rated by an independent rating agency. If rated, the rating of the insurance linked bond is based in part on its probability of default (which is related to its expected loss) as modelled by an independent modelling agent. Ratings are influenced by a number of factors, including the number and types of perils covered and the mechanisms (or “triggers”) by which losses are defined.

There are no credit quality or maturity restrictions with respect to the insurance linked bonds that may form part of the Company’s portfolio and, for the avoidance of doubt, the Company may have substantial holdings of insurance linked bonds that are not investment grade securities. Such insurance linked bonds may have fixed, floating or variable rates of interest. Most insurance linked bonds in which the Company may invest have a remaining expected maturity between 1 and 4 years, however the Company may invest in insurance linked bonds which mature over a shorter or longer period than this.

#### *Preferred Shares*

In addition to insurance linked bonds, the Company’s ILS investments may include preferred shares that can, in the reasonable assessment of the Investment Manager, be transferred or liquidated within a fortnightly period. Preferred shares are shares of reinsurance entities, special purpose vehicles (e.g., private limited companies) or cell companies (i.e., companies which segregate the assets and liabilities between shares issued by separate cells within one company), generally domiciled in Bermuda, Guernsey, Ireland or the Cayman Islands which have insurance or reinsurance risk.

#### *Closed-Ended Fund Shares*

In addition to insurance linked bonds and preferred shares, the Company’s ILS investments may include closed-ended fund shares that can, in the reasonable assessment of the Investment Manager, be transferred or liquidated within a fortnightly period. Closed-ended fund shares are shares of closed-ended funds that are listed on a Recognised Market and provide exposure to insurance or reinsurance risk; as permitted under the UCITS Regulations.

#### *Exchange Based Derivatives*

In addition to insurance linked bonds, preferred shares and closed-ended fund shares, the Company’s ILS investments may include exchange based derivatives that can, in the reasonable assessment of the Investment Manager, be transferred or liquidated within a fortnightly period. Exchange based derivatives include futures and options in respect of insurance linked and / or weather indices (which are approved by the Central Bank from time to time) and which may be used to obtain exposure to insurance related risks (e.g., insurance losses and weather incidents). The indices in question may relate to industry losses (for example, in respect of a large hurricane or other event that may generate insured losses), parametric indicia (such as meteorological conditions that may have some correlation to insured losses) or temperatures (in cases where temperatures may have an effect on the price of commodities or other assets or a correlation with insured losses).

While the intention of the Investment Manager is to invest, in normal circumstances, in ILS, in exceptional market conditions or where the Investment Manager is of the opinion that there are insufficient investment opportunities in such investments, the Investment Manager may retain a significant proportion of the Company in cash and/or invest a significant proportion or all of the Company in liquid assets which may comprise cash, fixed term deposits, fixed and floating rate instruments including (but not limited to) certificates of deposit, banker acceptances, freely transferable promissory notes, commercial paper, floating rate notes, debentures, asset backed commercial paper which do not embed derivatives, government bonds, corporate bonds, asset backed securities and money market funds which may be acquired for ancillary liquid asset purposes. This could prevent the Company from achieving its investment objective.

### **Diversification and Investment Restrictions**

In addition to the restrictions set out in Appendix D:

- (1) The face value of the Company's aggregate holding in each security cannot be more than 20% of the value of the securities issued in the relevant tranche;
- (2) No single issuance may represent more than (i) 5% of the Company's Net Asset Value if exposed to U.S. hurricane risk or (ii) 10% of the Company's Net Asset Value if exposed to any other risk or peril, provided the sum of exposures to any risk or peril above 5% do not in aggregate exceed 40% of the Company's Net Asset Value;
- (3) The value of the Company's investments in listed, closed-ended funds cannot be higher than 10% of the Company's Net Asset Value; and
- (4) The Company may invest in ILS primarily exposed to non-life insurance linked risks (as outlined above under the section headed "*Investment Strategy*"); however, the Company will not make investments in non-insurance-linked risks not expressly listed as allowed (e.g., no credit bonds, no equities, no loans, no structured credit).

In addition, and to the extent only that the Investment Manager deems consistent with the investment policies of the Company, the Company may utilise for the purposes of efficient portfolio management, the investment techniques and instruments described in Appendix C. Such investment techniques and instruments may include financial derivative instruments. Where the Company intends to use financial derivative instruments for investment purposes, a risk management process will, prior to same, be submitted to and cleared by the Central Bank in accordance with the Central Bank UCITS Regulations.

There can be no assurance or guarantee that the Company's investments will be successful or its investment objective will be achieved. Please refer to the section headed "*Risk Considerations*" in this Prospectus for a discussion of those factors that should be considered when investing in the Company.

The investment objective and strategies of the Company are set out in this Prospectus. The investment objective of the Company will not at any time be altered without the prior written approval of all Shareholders or the approval of Shareholders at a general meeting of the Company by way of an Ordinary Resolution. Changes to investment policies which are material in nature may only be made with the prior written approval of all Shareholders or the approval of Shareholders at a general meeting of the Company by way of an Ordinary Resolution. In the event of a change of investment objective and/or investment strategy a reasonable notification period will be provided by the Company and the Company will provide facilities to enable Shareholders to redeem their Shares prior to implementation of these changes.

## Sustainable Finance

### *Status under the SFDR*

The Investment Manager has categorised the Company as meeting the provisions set out in Article 8 of the SFDR for products which promote environmental and social characteristics, as further described below.

### *The Environmental and Social Characteristics promoted by the Company*

Among other characteristics, the Company promotes environmental and social characteristics. The characteristics promoted by the Company include:

- identifying the impact of the Company's investees' and counterparties' activities on environmental factors so that their economic and social costs can be understood and measured; and
- fostering social cohesion, including the promotion of human rights, gender diversity and fair operating practices.

### *How are the environmental and social characteristics promoted by the Company met?*

In order to meet the environmental and social characteristics promoted by the Company, the Investment Manager applies binding criteria to the selection of underlying assets as part of its investment decision making process. Internal policies set out how these criteria are applied through both the Investment Manager's investment due diligence process and its investment approval process. The Investment Manager also develops research and analysis on climate change, environmental and social factors which inform the investment decisions it takes as part of its obligations to the Company.

### *ESG investing*

The active investments of the Company are chosen by the Investment Manager such that they foster environmental or social characteristics, based on the nature of the investments. The way in which the Investment Manager does this is further set out in its Investment Due Diligence Policy, a summary of which is available on its website at [www.leadenhallcp.com](http://www.leadenhallcp.com).

### *Exclusion*

The Investment Manager excludes debt or equity investments in:

- Manufacturers of controversial weapons, to protect human rights;
- Manufacturers of controversial arms/armament, to protect human rights;
- Pornography, to promote respect for human rights;
- Tobacco, to promote social cohesion through good health; and
- Gambling, to promote social cohesion and to protect economically or socially disadvantaged communities.

### *Screening*

The Investment Manager invests in investments that contribute to environment and social factors. The Investment Manager is an asset manager investing in ILS. ILS products promote social responsibilities and cohesiveness. Climate change and detrimental man-made environment interventions can contribute to potential higher insurance claims which would result in losses for the Company and its Shareholders. The Investment Manager's approach to sustainability risk management is based on (amongst other things) the nature of each transaction and the time horizon it encompasses. For example, multi-year ILS transactions are reviewed upon the occurrence of any material events and in a pre-arranged annual review of the counterparty's own risk management and updated risk exposures to climate and social risks. Risk transfer transactions are continuously monitored and screened for the impacts of

natural perils, changes in human morbidity or mortality and the risk measures are adapted with the influence of climate and social changes.

Underlying investments can also consist of assets that are not relevant to the environmental and social characteristics promoted by the Company, such as hedging instruments, unscreened investments for diversification purposes or investments for which environmental and social impact data is lacking, or money market instruments.

### *Engagement*

The Investment Manager, on behalf of the Company, will endeavour to obtain a set of measurement and data on the environmental impact from its counterparties and investees, and will promote the importance of them collating, understanding and sharing this data where they do not already do so.

### *Good Governance Practices of Counterparties*

The Company promotes good governance practices through the Investment Manager's due diligence processes in respect of the companies in which investments are made (or the entities with whom the Company transacts). The Investment Manager believes these are a key part of assessing whether counterparties are appropriate.

The Investment Manager is a signatory to the UN Principles for Responsible Investment (the "UNPRI"). As a signatory to the UNPRI the good governance practices of the entities to which the Company has investment exposure (or with which the Company transacts) are assessed prior to making an investment and periodically thereafter. Further, the Company promotes the UNPRI and encourages its counterparties to adhere to its terms.

The Investment Manager's Sustainability Risks (ESG) Policy can be found on its website at [www.leadenhallcp.com](http://www.leadenhallcp.com). The Investment Manager considers the adverse impacts of investment decisions on sustainability factors and the Investment Manager's policy in relation to principal adverse impacts can also be found on its website. The Manager has delegated the portfolio management of the Fund to the Investment Manager. In light of such delegation, the Manager does not currently consider the principal adverse impacts of the Fund's investment decisions on sustainability factors.

### **Profile of a Typical Investor**

A typical investor in the Company is expected to be an institutional investor who wants to take a medium- or long-term exposure to the performance of ILS and is prepared to accept the risks associated with an investment of this type (including the expected medium to high volatility of the Company) by investing in such instruments.

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## RISK CONSIDERATIONS

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There can be no assurance that the investment objective of the Company will be achieved.

**An investment in the Company involves a high degree of risk, including the risk that the entire amount invested may be lost, should not constitute a substantial portion of an investment portfolio and may not be suitable for all investors.** The Company is primarily designed to purchase certain investments, which will introduce significant risk to the Company, including asset performance, price volatility, administrative risk and counterparty risk. No guarantee or representation is made that the Company's investment program will be successful, or that the Company's returns will exhibit low correlation with an investor's traditional securities portfolio. Prospective investors should consider the following additional factors in determining whether an investment in the Company is a suitable investment.

**The Company may be deemed to be a speculative investment and is not intended as a complete investment program. Investment in the Company is suitable only for persons who can bear the economic risk of the loss of their investment and who meet the conditions set forth in this Prospectus and the Subscription Agreement. There can be no assurances that the Company will achieve its investment objective. Prospective Shareholders should carefully consider the risks involved in an investment in the Company, including, but not limited to, those discussed below. Various risks discussed below may apply to the Company. The following does not intend to describe all possible risks of an investment in the Company. In addition, different or new risks not addressed below may arise in the future. Prospective Shareholders should consult their own legal, tax and financial advisors about the risks of an investment in the Company. Any such risk could have a material adverse effect on the Company and its Shareholders.**

The investors should ensure that they understand all the risks discussed in this Prospectus, insofar as they may relate to that Company.

Investors should read all of the "*Risk Considerations*" in this Prospectus.

The following "*Risk Considerations*" detail particular risks associated with an investment in the Company, which investors are encouraged to discuss with their professional advisers. It does not purport to be a comprehensive summary of all of the risks associated with an investment in the Company.

### ***MS&AD Insurance Group Holdings Inc. group of companies***

There are certain inherent potential conflicts of interests between the Company and MS&AD Insurance Group Holdings Inc. group of companies (the "MS&AD Group") and any of its controlling shareholders from time to time (see further under the section headed "*Conflicts of Interest*"). However, appropriate risk management procedures have been established to address such potential conflicts of interest and ensure that transactions are undertaken on an arm's length basis and at normal market rates.

### ***Brexit – The UK's Departure from the European Union***

The UK voted on 23 June 2016 to leave the European Union (the "EU"). The process of withdrawal from the EU, set out in Article 50 of the Treaty on the European Union ("TEU"), is triggered by the UK formally notifying the European Council of its intention to withdraw. Notification was given on 29 March 2017.

The TEU provided for a period of up to two years (from the date of the UK's notification) for negotiation and coming into force of a withdrawal agreement, at the end of which (whether or not agreement has been reached) the EU treaties cease to apply to the UK, however, this period has since been extended. This negotiation period applies only to agreement on the arrangements for the UK's withdrawal from the EU, although those arrangements should "*take into account the framework for [●]the UK's future relationship with the Union*". However the agreement on the UK's future relationship with the EU is separate and not subject to any formal time restriction.

During and possibly after the withdrawal negotiation period, there is likely to be considerable uncertainty as to the UK's post withdrawal framework, and in particular as to the arrangements which will apply to its relationships with the EU and other countries following its withdrawal.

The impact of this unique process is difficult to predict at this stage as it will depend on a range of factors, including on how and to what timescale the negotiations develop. The process itself and/or the uncertainty associated with it may, at any stage, adversely affect the return on the Company and its investments. This may be due to, among other things: (i) increased uncertainty and volatility in UK, EU and other financial markets; (ii) fluctuations in the market value of sterling and of other currencies, as well as asset values; (iii) fluctuations in exchange rates between sterling, the euro and other currencies; (iv) increased illiquidity of investments located or listed within the UK, the EU or elsewhere; and/or (v) changes in the willingness of financial counterparties to enter into transactions, or the price at which they are prepared to transact in relation to the management of the Company's investment, currency and other risks.

Once the arrangements which will apply to the UK's relationships with the EU and other countries have been established, or if the UK ceases to be a member of the EU without having agreed on such arrangements or before such arrangements become effective, the Manager and / or the Company may need to be restructured, either to enable the Company's objectives fully to be pursued or to enable the Manager (or any of its affiliates or delegates) to fulfil most effectively its functions in relation to the Company. This may increase costs or make it more difficult for the Company to pursue its objectives.

Further, the UK's vote to leave the EU has created political uncertainty, as well as uncertainty in monetary and fiscal policy, which is likely to continue during, and possibly beyond, the withdrawal negotiation period. It may have a destabilising effect on some of the remaining members of the EU, the effects of which may be felt particularly acutely by Member States within the Eurozone.

### ***EU Bank Recovery and Resolution Directive***

Pursuant to the EU Bank Recovery and Resolution Directive (2014/59/EU) ("BRRD") EU member states were required to introduce a recovery and resolution framework for banks and significant investment firms ("institutions") giving national competent and resolution authorities powers of intervention where such an institution is deemed to be failing or likely to fail. EU member states were required to transpose the BRRD into national law by January 2015 or in certain cases January 2016.

Among other things the BRRD provides for the introduction of a "bail-in tool" under which resolution authorities may write down claims of the institution's shareholders and creditors and/or convert such claims into equity. Exceptions to this include secured liabilities, client assets and client money. If following a bail-in it is determined, based on a post-resolution valuation, that shareholders or creditors whose claims have been written down or converted into equity have incurred greater losses than they would have done had the institution had been wound up under normal insolvency proceedings, the BRRD provides that they are entitled to payment of the difference.

Other powers of intervention include the power to close out open derivatives positions, temporarily to suspend payment or delivery obligations, restrict or stay the enforcement of security interests and suspend termination rights.

The implementation of a resolution process in relation to an institution which is a counterparty to or obligor of the Company could result in a bail-in being exercised in respect of any unsecured claims of the Company, derivatives positions being closed out, and delays in the ability of the Company to enforce its rights in respect of collateral or otherwise against the institution concerned. Any payment of compensation due to the Company as a result of the Company being worse off as a result of a buy is likely to be delayed until after the completion of the resolution process and prove to be less than anticipated or expected.

### ***Cyber Crime and Security Breaches***

With the increasing use of the Internet and technology in connection with the Company's operations, the Company is susceptible to greater operational and information security risks through breaches in cyber security. Cyber security breaches include, without limitation, infection by computer viruses and gaining unauthorised access to the

Company's systems through "hacking" or other means for the purpose of misappropriating assets or sensitive information, corrupting data, or causing operations to be disrupted. Cyber security breaches may also occur in a manner that does not require gaining unauthorised access, such as denial-of-service attacks or situations where authorised individuals intentionally or unintentionally release confidential information stored on the Company's systems. A cyber security breach may cause disruptions and impact the Company's business operations, which could potentially result in financial losses, inability to determine the Company's net asset value, violation of applicable law, regulatory penalties and/or fines, compliance and other costs. The Company and Shareholders could be negatively impacted as a result. In addition, because the Company works closely with third-party service providers (e.g., administrator, depository and investment manager), indirect cyber security breaches at such third-party service providers may subject the Company and Shareholders to the same risks associated with direct cyber security breaches. Further, indirect cyber security breaches at an issuer of securities in which the Company invests may similarly negatively impact the Company and Shareholders. While the Company has established risk management systems designed to reduce the risks associated with cyber security breaches, there can be no assurances that such measures will be successful.

### ***Data Protection Legislation***

The processing of personal data by the Company and its delegates imposes regulatory risks and legal requirements relating to the collection, storage, handling and transfer of personal data, which continue to develop. The Company's and the Manager's affiliates may become subject to new legislation or regulation concerning the personal information they may store or maintain, including the requirements of the GDPR. The GDPR includes a range of compliance obligations regarding the handling of personal data and obligations on data controllers and data processors and rights for data subjects. The GDPR also includes provision for significant fines for non-compliance.

The Company, the Manager, the Investment Manager and their affiliates may also be subject to data protection laws of other jurisdictions. Compliance with these regulations may divert the Manager's time and effort and entail substantial expense. Any failure to comply with these laws and regulations by the Company, the Manager, the Investment Manager or their affiliates, could result in negative publicity and may subject the Fund to significant costs or penalties associated with litigation or regulatory action.

### ***Uncertainty of Risk***

The Company may have substantial exposure to loss resulting from change to mortality patterns as well as from man-made or natural disasters, which can be caused by various events. The incidence and severity of such events (including the potential of the triggering of other events) are inherently unpredictable and the Company's loss from such events could be substantial. The impact of an event may be difficult to value for a long period of time and the determination of the Net Asset Value of the Company may need to be suspended during such period. Further, it could have a material adverse effect on the Company's ability to obtain or retain investments. Although the Company may attempt to manage certain losses and certain risks it may not be successful in doing so.

### ***Common Reporting Standard***

The "Common Reporting Standard" regime proposed by the OECD generalises the automatic exchange of information between those countries which have decided to implement it, which includes the member states of the EU. Regulations implementing the Common Reporting Standard came into effect in Ireland on 31 December 2015. Under these measures, the Company may be required to report to the Irish Revenue Commissioners information relating to Shareholders, including the identity and tax residence of Shareholders, and income, sale or redemption proceeds received by Shareholders in respect of the Shares. This information may be shared with tax authorities in other member states of the EU and jurisdictions which implement the OECD Common Reporting Standard.

## **Competition**

Competition in the insurance and reinsurance market may have an adverse effect on the Company's returns. Competition may result in limited suitable opportunities or limited access to suitable opportunities.

## **Insurance Risk**

The Company is exposed to a range of insurance risks through its investments which have the potential to cause significant losses to the Company. The assessment of the loss impact of an insurance linked event is inherently uncertain, and the true extent of a loss may emerge only after a period of time. The Investment Manager may mistakenly not classify an event as one that potentially affects one or more of the Company's investments. Likewise, the Company and / or the Investment Manager may post reserves against one or more investments in the Company's portfolio for events that ultimately do not generate a loss, or may generate a lesser loss than what was originally anticipated.

New investors coming into the Company may be exposed to insurance risks and related losses for events which occurred prior to their relevant Dealing Day, the extent of which has not yet been fully determined and the effect of which has not yet been fully reflected in the Net Asset Value per Share. Likewise, redeeming investors may potentially forfeit the benefit of recoveries and/or of the release of reserves held by the Company against some potentially affected investments, from which the Company may benefit after the relevant Dealing Day of such redeeming investor.

## **Liquidity, Pricing and Market Characteristics of Insurance-Linked Investments**

In some circumstances, investments may be relatively illiquid or restrictions may exist on transferability, making it difficult to acquire or dispose of them at the prices quoted on the various exchanges or indicative secondary pricing sheets. Accordingly, the Company's ability to respond to market movements may be impaired and the Company may experience adverse price movements upon liquidation of its investments. Settlement of transactions may be subject to delay and administrative uncertainties. Also, the difficulty in liquidating investments may cause the Company's concentration in some investments to increase as a result of events affecting other investments or due to the Company's need to liquidate other investments for any reason including redemptions. Examples of extreme illiquidity include, without limitation, ILS potentially affected by a hurricane or typhoon prior to landfall or ILS potentially affected by a recent event for which a loss estimate may not be available.

In addition, the prices available to the Company in indicative secondary pricing sheets come from a limited number of sources. Should a pricing source cease to issue indicative secondary pricing sheets, the price of the Company's investments could be adversely impacted

Given the nature of the Company's investments, there may be significant reinvestment risk once investments have matured or have been sold due to the lack of constant supply of insurance-linked investments within the parameters of the Company's investment strategy.

## **Seasonality of Investments**

There is a level of seasonality in relation to the risk profile and pricing of some insurance risks with significant fluctuations in operating results due to competition, catastrophic events, general economic and social conditions and other factors (e.g., a significant proportion of new issuance occurs around the key insurance renewal dates). It is difficult to predict the timing of such events with certainty or to estimate the amount of loss that any given event will generate.

In addition, increases in the frequency and severity of loss suffered by reinsurers can significantly affect these cycles.

### ***Tail Risk***

Some of the investments are related to events which occur with low frequency (e.g., only once in several years) but when they occur show a high loss severity. The lack of loss experience over a period of years in connection with any investment in the portfolio should not point to a lower risk assessment for any such investments nor suggest a low likelihood of a loss event in the near future.

### ***Volatility***

The instruments in which the Company may invest, such as insurance-linked instruments, may be volatile. If the investment is more volatile than expected, this may lead to fluctuations in the Net Asset Value of the Company and significant losses.

### ***Modelling Risk***

The Company makes use of the risk analysis and modelling performed by external independent modelling agencies among other factors in determining the eligibility of investments in the Company and to study the loss probability, the loss severity and the risk correlations in the portfolio. The analysis and modelling of such agencies may be subject to errors and inaccuracies. However not all investments in the Company are modelled by third party modelling firms or are based on perils which have been modelled by the main modelling agencies, and therefore the Company will rely on the Investment Manager's judgement regarding the risk profile of such investments.

### ***Multiple Events***

There is a risk that several relevant insured events might affect the portfolio in the same calendar year. This would have a detrimental effect on the Company's performance.

### ***Forward-Looking Statements***

This Prospectus contains forward-looking statements, including observations about markets and industry and regulatory trends as of the original date of this Prospectus. Forward-looking statements may be identified by, among other things, the use of words such as "intends," "expects," "anticipates" or "believes", or the negatives of these terms, and similar expressions. Forward-looking statements reflect views as of such date with respect to possible future events. Actual results could differ materially from those in the forward-looking statements as a result of factors beyond the control of the Directors or Manager. Prospective investors are cautioned not to place undue reliance on such statements. Neither the Directors nor Manager has any obligation to update any of the forward-looking statements in this Prospectus.

### ***General Economic and Market Conditions***

The success of the Company's activities will be affected by general economic and market conditions, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities' prices and the liquidity of the Company's investments. Volatility or illiquidity could impair the Company's profitability or result in losses.

Where the Company's assets are invested in narrowly-defined markets or sectors of a given economy, risk is increased by the inability to broadly diversify investments and thereby subjecting the Company to greater exposure to potentially adverse developments within those markets or sectors.

From time to time, world financial markets have experienced extraordinary market conditions, including, among other things, extreme volatility in securities markets and the failure of credit markets to function. When such conditions arise, decreased risk tolerance by investors and significantly tightened availability of credit may result in certain securities becoming less liquid and more difficult to value, and thus harder to dispose of. Such conditions may be exacerbated by, among other things, uncertainty regarding financial institutions and other market participants,

increased aversion to risk, concerns over inflation, instability in energy costs, complex geopolitical issues, the lack of availability and higher cost of credit and declining real estate and mortgage markets. These factors, combined with variable commodity pricing, declining business and consumer confidence, increased unemployment and diminished expectations for predictable global financial markets, may lead to a global economic slowdown and fears of a global recession. Neither the duration and ultimate effect of any such market conditions, nor the degree to which such conditions may worsen can be predicted. The continuation or further deterioration of any such market conditions and continued uncertainty regarding markets generally could result in further declines in the market values of potential investments or declines in market values. Such declines could lead to losses and diminished investment opportunities for the Company, could prevent the Company from successfully meeting its investment objectives or could require the Company to dispose of investments at a loss while such unfavourable market conditions prevail. While such market conditions persist, the Company would also be subject to heightened risks associated with the potential failure of brokers, counterparties and exchanges, as well as increased systemic risks associated with the potential failure of one or more systemically important institutions. See *“Failure of Brokers, Counterparties and Exchanges”*.

Regulators and lawmakers in many of the economically developed countries continue to take regulatory actions and enact programs to attempt to create greater stability in financial markets and to reduce the risk of disruption in markets and economies. Despite these efforts, global financial markets can be extremely volatile. It is uncertain whether regulatory actions will be able to prevent losses and volatility in securities markets, or to stimulate the credit markets during periods of economic downturns.

Unpredictable or unstable market conditions may result in reduced opportunities to find suitable investments to deploy capital or make it more difficult to exit and realize value from the Company's existing investments.

The economies of non-U.S. countries may differ favourably or unfavourably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, certain non-U.S. economies are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain non-U.S. countries may be based, predominantly, on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

### ***Restricted Securities***

The Company may invest in securities that are not registered under the 1933 Act or under the laws of any non-U.S. jurisdiction pursuant to an exemption thereunder (**“Restricted Securities”**). Restricted Securities may be sold in private placement transactions between issuers and their purchasers and may be neither listed on an exchange nor traded in other established markets. In many cases, privately placed securities may not be freely transferable under the laws of the applicable jurisdiction or due to contractual restrictions on resale. As a result of the absence of a public trading market, privately placed securities may be less liquid and more difficult to value than publicly traded securities. To the extent that privately placed securities may be resold in privately negotiated transactions, the prices realized from the sales, due to illiquidity, could be less than those originally paid by the Company or less than their fair market value. In addition, issuers whose securities are not publicly traded may not be subject to the disclosure and other investor protection requirements that may be applicable if their securities were publicly traded. If any privately placed securities held by the Company are required to be registered under the securities laws of one or more jurisdictions before being resold, the Company may be required to bear the expenses of registration. The Company's investments in private placements may consist of direct investments and may include investments in smaller, less seasoned issuers, which may involve greater risks. These issuers may have limited product lines, markets or financial resources or they may be dependent on a limited management group. In making investments in such securities, the Company may obtain access to material non-public information, which may restrict the Company's ability to conduct portfolio transactions in such securities.

## ***Public Securities***

In the event that the Company acquires fixed income securities that are publicly traded, the Company will be subject to the risks inherent in investing in public securities. In addition, in such circumstances the Company may be unable to obtain financial covenants or other contractual rights that it might otherwise be able to obtain in making privately-negotiated debt investments. Moreover, the Company may not have the same access to information in connection with investments in public securities, either when investigating a potential investment or after making an investment, as compared to a privately-negotiated investment. Furthermore, the Company may be limited in its ability to make investments, and to sell existing investments, in public securities if the Investment Manager or an affiliate has material, non-public information regarding the issuers of those securities. The inability to sell securities in these circumstances could materially adversely affect the investment results of the Company.

## ***Derivative Instruments Generally***

The Company may make use of derivatives in its investment policy. Derivatives are financial instruments that derive their performance, at least in part, from the performance of an underlying asset, index, or interest rate.

The Company's use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in securities or more traditional investments, depending upon the characteristics of the particular derivative and the overall portfolio of the Company as a whole. Derivatives permit an investor to increase or decrease the level of risk of its portfolio, or change the character of the risk to which its portfolio is exposed, in much the same way as an investor can increase or decrease the level of risk, or change the character of the risk, of its portfolio by making investments in specific securities.

Derivatives may entail investment exposures that are greater than their cost would suggest, meaning that a small investment in derivatives could have a large potential impact on the Company's performance. If the Company invests in derivatives at inopportune times or judges market conditions incorrectly, such investments may lower the Company's return or result in a loss, which could be significant. Derivatives are also subject to various other types of risk, including market risk, liquidity risk, structuring risk, counterparty financial soundness, credit worthiness and performance risk, legal risk and operations risk. In addition, the Company could experience losses if derivatives are poorly correlated with its other investments, or if the Company is unable to liquidate its position because of an illiquid secondary market. The market for many derivatives is, or suddenly can become, illiquid. Changes in liquidity may result in significant, rapid, and unpredictable changes in the prices for derivatives.

Engaging in derivative transactions involves a risk of loss to the Company that could materially adversely affect the Company's NAV. No assurance can be given that a liquid market will exist for any particular contract at any particular time.

## ***Currency Transactions***

The Company may engage in a variety of currency transactions. In this regard, spot and forward contracts are subject to the risk that counterparties will default on their obligations. Since a spot or forward contract is not guaranteed by an exchange or clearing house, a default on the contract would deprive the Company of unrealised profits, transaction costs and the hedging benefits of the contract or force the Company to cover its purchase or sale commitments, if any, at the current market price. To the extent that the Company is fully invested in securities while also maintaining currency positions, it may be exposed to greater combined risk. The use of currency transactions is a highly specialised activity which involves investment techniques and risks different from those associated with ordinary Company securities transactions. If the Investment Manager is incorrect in its forecasts of market values and currency exchange rates, the investment performance of the Company would be less favourable than it would have been if this investment technique were not used.

The Company may incur costs in connection with conversions between various currencies. Currency exchange dealers realize a profit based on the difference between the prices at which they are buying and selling various currencies. Thus, a dealer normally will offer to sell currency to the Company at one rate, while offering a lesser rate of exchange should the Company sell to the dealer.

## **Forward Contracts**

The Company may enter into forward contracts which are not traded on exchanges and are generally not regulated. There are no limitations on daily price moves of forward contracts. Banks and other dealers with whom the Company may maintain accounts may require the Company to deposit margin with respect to such trading, although margin requirements are often minimal or nonexistent. The Company's counterparties are not required to continue to make markets in such contracts and these contracts can experience periods of illiquidity, sometimes of significant duration. There have been periods during which certain counterparties have refused to continue to quote prices for forward contracts or have quoted prices with an unusually wide spread (the difference between the price at which the counterparty is prepared to buy and that at which it is prepared to sell). Arrangements to trade forward contracts may be made with only one or a few counterparties, and liquidity problems therefore might be greater than if such arrangements were made with numerous counterparties. The imposition of credit controls by governmental authorities might limit such forward trading to less than that which the Investment Manager would otherwise recommend, to the possible detriment of the Company. In addition, disruptions can occur in any market traded by the Company due to unusually high trading volume, political intervention or other factors. Market illiquidity or disruption could result in major losses to the Company. In addition, the Company may be exposed to credit risks with regard to counterparties with whom it trades as well as risks relating to settlement default. Such risks could result in substantial losses to the Company.

## **Swap Agreements**

The Company may enter into swap agreements. Swap agreements are derivative products in which two parties agree to exchange payment streams that may be calculated in relation to a rate, index, instrument, or certain securities and a particular "notional amount." Swaps may be subject to various types of risks, including market risk, liquidity risk, structuring risk, tax risk, and the risk of non-performance by the counterparty, including risks relating to the financial soundness and creditworthiness of the counterparty. Swaps may be structured to include exposure to a variety of different types of investments or market factors. Depending on their structure, swaps may increase or decrease the Company's exposure to equity or debt securities, long-term or short-term interest rates (in the United States or abroad), foreign currency values, corporate borrowing rates, or other factors such as security prices, baskets of securities, or inflation rates and may increase or decrease the overall volatility of the Company's portfolio. Swap agreements can take many different forms and are known by a variety of names. The Company is not limited to any particular form of swap agreement if the Investment Manager determines that other forms are consistent with the Company's investment objective and policies.

The most significant factor in the performance of swaps is the change in individual equity values, specific interest rate, currency or other factors that determine the amounts of payments due to and from the counterparties. If a swap calls for payments by the Company, the Company must have sufficient cash available to make such payments when due. In addition, if a counterparty's creditworthiness declines, the value of a swap agreement would be likely to decline, potentially resulting in losses to the Company.

Swaps may be individually negotiated transactions in the over-the-counter market in which the Company assumes the credit risk of the other counterparty to the swap and is exposed to the risk of loss of the amount expected to be received under a swap agreement in the event of the default or insolvency of the swap counterparty. Such over-the-counter swap transactions may be highly illiquid and may increase or decrease the volatility of the Company's portfolio. If there is a default by a counterparty, the Company under most normal circumstances will have contractual remedies pursuant to the swap agreement; however, exercising such contractual rights may involve delays or costs which could result in the net asset value of the Company being less than if the Company had not entered into the transaction. Furthermore, there is a risk that a swap counterparty could become insolvent and/or the subject of insolvency proceedings, in which event the recovery of the collateral posted by the Company with such counterparty or the payment of claims under the swap agreement may be significantly delayed and the Company may recover substantially less than the full value of the collateral entrusted to such counterparty or of the Company's claims.

The Company will also bear the risk of loss if it breaches the swap agreement or if it fails to post or maintain required collateral. Recent changes in law and regulation require certain types of swap agreements to be transacted on exchanges and/or cleared through a clearinghouse, and will in the future require additional types of swap agreements to be transacted on exchanges and/or cleared through a clearinghouse.

### ***Investment in Collective Investment Schemes***

The Company will bear its proportionate share of any fees and expenses paid by collective investment schemes in which the Company may invest (including funds affiliated with the Manager, other than the Company), in addition to all fees and expenses payable by the Company. Investments in funds affiliated with the Manager will be subject to the Manager's fiduciary obligations to the Company and will be made on an arm's length basis. Where the Company invests in units of a collective investment scheme managed by the Manager or its affiliates, and the Manager or its affiliate, as the case may be, is entitled to receive a preliminary charge for its own account in respect of an investment in such fund, the Manager or the affiliate, as appropriate, will waive the preliminary charge. Where the Manager receives any commission by virtue of investing in a fund advised or managed by the Manager, such commission will be paid into the assets of the Company.

### ***Insolvency Considerations With Respect to Issuers of Securities***

Various laws enacted for the protection of creditors may apply to the securities held by the Company. Insolvency considerations will differ with respect to issuers located in different jurisdictions. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of an issuer of a loan and/or bond, such as a trustee in bankruptcy, were to find that the issuer did not receive fair consideration or reasonably equivalent value for incurring the indebtedness constituting such loan or bond and, after giving effect to such indebtedness, the issuer (i) was insolvent, (ii) was engaged in a business for which the remaining assets of such issuer constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of the issuer or to recover amounts previously paid by the issuer in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, an issuer would be considered insolvent at a particular time if the sum of its debts were then greater than all of its property at a fair valuation or if the present fair salable value of its assets were then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether the issuer was "insolvent" after giving effect to the incurrence of the indebtedness constituting the securities or that, regardless of the method of valuation, a court would not determine that the issuer was "insolvent" upon giving effect to such incurrence. In addition, in the event of the insolvency of an issuer of a loan or bond, payments made on such loan or bond could be subject to avoidance as a "preference" if made within a certain period of time before insolvency.

In general, if payments on securities may be avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient (such as the Company) or from subsequent transferees of such payments (such as the Shareholders). To the extent that any such payments are recaptured from the Company, the resulting loss will be borne by the Shareholders of the Company at that time pro rata. However, a court in a bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a Shareholder only to the extent that such court has jurisdiction over such holder or its assets. Moreover, it is likely that avoidable payments could not be recaptured directly from a Shareholder that has given value in exchange for its Shares, in good faith and without knowledge that the payments were avoidable.

Many of the events within a bankruptcy case are adversarial and often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of the Company.

Generally, the duration of a bankruptcy case can only be roughly estimated. The reorganization of a company usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to the Company; it is subject to unpredictable and lengthy delays; and during the process, the company's competitive position may erode, key management may depart and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accrue interest

during reorganization and may be adversely affected by an erosion of the issuer's fundamental values. Such investments can result in a total loss of principal.

U.S. bankruptcy law permits the classification of "substantially similar" claims in determining the classification of claims in a reorganization for purpose of voting on a plan of reorganization. Because the standard for classification is vague, there exists a significant risk that the Company's influence with respect to a class of securities can be lost by the inflation of the number and the amount of claims in, or other gerrymandering of, the class. In addition, certain administrative costs and claims that have priority by law over the claims of certain creditors (for example, claims for taxes) may be quite high.

Furthermore, there are instances where creditors and equity holders lose their ranking and priority such as when they take over management and functional operating control of a debtor. In those cases where the Company, by virtue of such action, is found to exercise "domination and control" over a debtor, the Company may lose its priority if the debtor can demonstrate that its business was adversely impacted or other creditors and equity holders were harmed by the Company.

The Company may invest in companies based in the OECD countries and other non-U.S. countries. Investment in the debt of financially distressed companies domiciled outside the United States involves additional risks. Bankruptcy law and process may differ substantially from that in the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims. In certain developing countries, although bankruptcy laws have been enacted, the process for reorganization remains highly uncertain.

The Investment Manager, on behalf of the Company, may elect to serve on creditors' committees, equity holders' committees or other groups to ensure preservation or enhancement of the Company's positions as a creditor or equity holder. A member of any such committee or group may owe certain obligations generally to all parties similarly situated that the committee represents. If the Investment Manager concludes that its obligations owed to the other parties as a committee or group member conflict with its duties owed to the Company, it may resign from that committee or group, and in such case the Company may not realize the benefits, if any, of participation on the committee or group. In addition and also as discussed above, if the Company is represented on a committee or group, it may be restricted or prohibited under applicable law from disposing of or increasing its investments in such company while it continues to be represented on such committee or group.

The Company may purchase creditor claims subsequent to the commencement of a bankruptcy case. Under judicial decisions, it is possible that such purchase may be disallowed by the bankruptcy court if the court determines that the purchaser has taken unfair advantage of an unsophisticated seller, which may result in the rescission of the transaction (presumably at the original purchase price) or forfeiture by the purchaser.

Reorganizations can be contentious and adversarial. It is by no means unusual for participants to use the threat of, as well as actual, litigation as a negotiating technique. It is possible that the Company, the Manager or Investment Manager could be named as defendants in civil proceedings. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would generally be borne by the Company and would reduce net assets.

### ***Investments which are not Liquid***

Certain investments and types of investments are subject to restrictions on resale, may trade in the over-the-counter market or in limited volume, or may not have an active trading market. Illiquid securities may trade at a discount from comparable, more liquid investments and may be subject to wide fluctuations in market value. It may be difficult for the Company to value illiquid securities accurately. Also, the Company may not be able to dispose of illiquid securities or execute or close out a derivatives transaction readily at a favourable time or price or at prices approximating those at which the Company currently values them. Illiquid securities also may entail registration expenses and other transaction costs that are higher than those for liquid securities. Any use of the efficient portfolio management techniques described in Appendix C, may also adversely affect the liquidity of the Company's portfolio and will be considered by the Investment Manager in managing the Company's liquidity risk.

From time to time, the counterparties with which the Company effects transactions might cease making markets or quoting prices in certain of the instruments in which the Company has invested. In such instances, the Company might be unable to enter into a desired transaction or to enter into any offsetting transaction with respect to an open position, which might adversely affect its performance.

### ***Currency Risks***

As a result of investment in obligations involving currencies of various countries, the value of the assets of the Company as measured in the Company's Base Currency will be affected by changes in currency exchange rates, which may affect the Company's performance independent of the performance of its securities investments. The Company may or may not seek to hedge all or any portion of its foreign currency exposure. However, even if the Company attempts such hedging techniques, it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-Base Currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations.

Currency exchange rates may fluctuate significantly over short periods of time causing, along with other factors, the Company's Net Asset Value to fluctuate as well. Currency exchange rates generally are determined by the forces of supply and demand in the currency exchange markets and the relative merits of investments in different countries, actual or anticipated changes in interest rates and other complex factors, as seen from an international perspective. Currency exchange rates also can be affected unpredictably by intervention or failure to intervene by governments or central banks or by currency controls or political developments throughout the world. To the extent that a substantial portion of the Company's total assets, adjusted to reflect the Company's net position after giving effect to currency transactions, is denominated in the currencies of particular countries, the Company will be more susceptible to the risk of adverse economic and political developments within those countries.

### ***Country Risks***

Investments in securities of issuers of different nations and denominated in currencies other than the Base Currency present particular risks. Such risks include changes in relative currency exchange rates; political, economic, legal and regulatory developments; taxation; the imposition of exchange controls; confiscation and other governmental restrictions (including those related to foreign investment currency repatriation) or changes in policy. Investment in securities of issuers from different countries offers potential benefits not available from investments solely in securities of issuers from a single country, but also involves certain significant risks that are not typically associated with investing in the securities of issuers located in a single country.

Issuers of foreign investments are generally subject to different accounting, auditing and financial reporting standards, practices and requirements in different countries throughout the world. The volume of trading, the volatility of prices and the liquidity of securities may vary in the markets of different countries. In addition, the level of government supervision and regulation of securities exchanges, securities dealers and listed and unlisted companies is different throughout the world. The laws of some countries may limit the Company's ability to invest in securities of certain issuers located in those countries.

Different markets also have different clearance and settlement procedures. Delays in settlement could result in temporary periods when a portion of the assets of the Company is uninvested and no or limited return is earned thereon. The inability of the Company to make intended investment purchases due to settlement problems could cause the Company to miss attractive investment opportunities. The inability of the Company to dispose of its investments due to a failed trade settlement could result in losses to the Company due to subsequent declines in the value of its investments or, if the Company has entered into a contract to sell the investments, in a possible liability to the purchaser. There may also be a danger that, because of uncertainties in the operation of settlement systems in individual markets, competing claims may arise in respect of securities held by, or to be transferred to, the Company.

With respect to certain countries, there is a possibility of expropriation, confiscatory taxation, limitations on the removal of funds or other assets of the Company, political or social instability or diplomatic developments that could affect investments in those countries. An issuer of securities may be domiciled in a country other than the country in whose currency such securities are denominated. Furthermore, the ability to collect or enforce obligations may vary depending on the laws and regulations of the issuer/borrower's jurisdiction.

Investments may be adversely affected by the possibility of expropriation or confiscatory taxation, imposition of withholding taxes on dividend or interest payments or other income, limitations on the removal of funds or other assets of the Company, political or social instability or diplomatic developments. An issuer of securities or obligations may be domiciled in a country other than the country in whose currency the instrument is denominated. The values and relative yields of investments in the securities markets of different countries, and their associated risks, are expected to change independently of each other.

As the Company may invest in markets where custodial and/or settlement systems are not fully developed, the assets of the Company which are traded in such markets and which have been entrusted to sub-custodians, in circumstances where the use of sub-custodians is necessary, may be exposed to additional custodial risks. Please see also "*Custodians and Sub-custodians*" below.

### ***Government Investment Restrictions***

Government regulations and restrictions may limit the amount and types of securities that may be purchased or sold by the Company. The ability of the Company to invest in securities of companies or governments of certain countries may be limited or, in some cases, prohibited. As a result, larger portions of the Company's assets may be invested in those countries where such limitations do not exist. Such restrictions may also affect the market price, liquidity and rights of securities and may increase Company expenses. In addition, policies established by the governments of certain countries may adversely affect the Company's investments and the ability of the Company to achieve its investment objective.

In addition, the repatriation of both investment income and capital is often subject to restrictions such as the need for certain governmental consents, and even where there is no outright restriction, the mechanics of repatriation may affect certain aspects of the operation of the Company.

### ***Position Limits***

"Position limits" imposed by various regulators and/or counterparties may also limit the Company's ability to effect desired trades. Position limits are the maximum amounts of net long or net short positions that any one person or entity may own or control in a particular financial instrument. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if the Company does not intend to exceed applicable position limits, it is possible that different accounts managed by the Investment Manager and its affiliates may be aggregated. If at any time positions managed by the Investment Manager were to exceed applicable position limits, the Investment Manager would be required to liquidate positions, which might include positions of the Company, to the extent necessary to come within those limits. Further, to avoid exceeding the position limits, the Company might have to forego or modify certain of its contemplated trades.

### ***Use of Leverage***

The Company may borrow in line with UCITS Regulations, to avoid settlement failure and may be leveraged through the use of derivatives, including entering into swap agreements and derivative contracts. These transactions may expose the Company to additional levels of risk including (i) greater losses from investments than would otherwise have been the case had the Company not borrowed to make the investments, (ii) margin calls or interim margin requirements which may force premature liquidations of investment positions and (iii) losses on investments where the investment fails to earn a return that equals or exceeds the Company's cost of borrowing such funds (including interest, transaction costs and other costs of borrowing). Forward contracts, swaps and other derivative instruments contain inherent leverage in that they provide more market exposure than the money paid or deposited when the transaction is entered into; consequently, a relatively small adverse market movement can not only result in the loss of the entire investment, but may also expose the Company to the possibility of a loss exceeding the original amount invested or deposited. In addition, many of these products are subject to variation or other interim margin requirements, which may force premature liquidation of investment positions. The Company may attempt to mitigate this risk by maintaining cash and cash equivalents at least equal to the value of the obligations created by its net mark-to-market swap positions.

### ***Hedging Transactions***

Hedging techniques used by the Investment Manager may involve a variety of derivative transactions, including forward foreign currency contracts and various interest rate transactions (collectively, "**Hedging Instruments**"). Hedging techniques involve unique risks. In particular, the variable degree of correlation between price movements of Hedging Instruments and price movements in the position being hedged creates the possibility that losses on the hedge may be greater than gains in the value of the Company's positions. In addition, certain Hedging Instruments and markets may not be liquid in all circumstances. As a result, in volatile markets the Company may not be able to close out transactions in certain of these instruments without recurring losses substantially greater than the initial deposit. Although the contemplated use of these instruments should tend to minimize the risk of loss due to a decline in the value of the hedged position, at the same time they tend to limit any potential gain which might result from an increase in the value of such position. The ability of the Company to hedge successfully will depend on the Investment Manager's ability to predict pertinent market movements, which cannot be assured. The Company is not required to hedge and there can be no assurance that hedging transactions may be available or, even if undertaken, will be effective. In addition it is not possible to hedge fully or perfectly against currency fluctuations affecting the value of securities denominated in non-U.S. currencies because the value of those securities is likely to fluctuate as a result of independent factors not related to currency fluctuations. Furthermore, over-hedged or under-hedged positions may arise due to factors beyond the control of the Company.

### ***Concentration Risk***

Although the Company invests in a number of ILS issued by a number of issuers, such investments can correlate in a significant single event affecting several ILS. Key concentrations are expected to be in U.S. hurricane, Japanese typhoon, European windstorm, U.S. and Japanese earthquakes, and pandemics. Please refer to the Company's investment reports for an updated list.

### ***Correlation of Performance Across Investments and Strategies***

The Investment Manager may invest in securities in a manner which is intended to provide some degree of portfolio diversification. However, there can be no assurance that the performance of its investments will not be correlated. For example, in periods of illiquidity such as those experienced in 2008, assets in certain market sectors which historically did not show a high degree of correlation became correlated due to the sharp decrease in liquidity available to investors and the loss of systemically important institutions that affected all such investments. Similarly, there can be no assurance that the strategy employed by the Investment Manager will be uncorrelated with other investment strategies in the future.

### ***Systemic Risk***

Credit risk may also arise through a default by one or several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution causes a series of defaults by the other institutions. This is sometimes referred to as a "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which the Company interacts on a daily basis.

### ***Execution of Orders; Electronic Trading***

The Company's investment strategies and trading strategies depend on its ability to establish and maintain an overall market position in a combination of financial instruments selected by the Investment Manager. The Company's trading orders may not be executed in a timely and efficient manner due to various circumstances, including, without limitation, trading volume surges or systems failures attributable to the Company, the Investment Manager, the Company's counterparties, brokers, dealers, agents or other service providers. In such event, the Company might only be able to acquire or dispose of some, but not all, of the components of such position, or if the overall position were to need adjustment, the Company might not be able to make such adjustment. As a result, the Company would not be able to achieve the market position selected by the Investment Manager, which may result in a loss.

### ***Trading on Exchanges***

The Company may trade, directly or indirectly, securities on exchanges located anywhere. Some exchanges, in contrast to those based in the United States, for example, are “principals’ markets” in which performance is solely the individual member’s responsibility with whom the trader has entered into a contract and not that of an exchange or its clearinghouse, if any. In the case of trading on such exchanges, the Company will be subject to the risk of the inability of, or refusal by, a counterparty to perform with respect to contracts. Moreover, in certain jurisdictions there is generally less government supervision and regulation of worldwide stock exchanges, clearinghouses and clearing firms than, for example, in the United States. The Company is also subject to the risk of the failure of the exchanges on which its positions trade or of their clearinghouses or clearing firms and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

### ***Necessity for Counterparty Trading Relationships***

Participants in the over-the-counter markets 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 it is anticipated that the Company will be able to establish the necessary counterparty business relationships to permit the Company to effect transactions in the over-the-counter markets, including the swaps market, there can be no assurance that it will be able to do so or, if it does, that it will be able to maintain such relationships. An inability to continue existing or establish new relationships could limit the Company’s activities. Moreover, the counterparties with which the Company expects to establish such relationships will not be obligated to maintain the credit lines extended to the Company, and such counterparties could decide to reduce or terminate such credit lines at their discretion.

### ***Failure of Brokers, Counterparties and Exchanges***

The Company will be exposed to the credit risk of the counterparties with which, or the brokers, dealers and exchanges through which, the Company deals, whether it engages in exchange-traded or off-exchange transactions. The Company may be subject to risk of loss of its assets on deposit with a broker in the event of the broker’s bankruptcy, the bankruptcy of any clearing broker through which the broker executes and clears transactions on behalf of the Company, or the bankruptcy of an exchange clearing house. The Company may also be subject to risk of loss of its funds on deposit with brokers who are not required by their own regulatory bodies to segregate customer funds. The Company may be required to post margin for its foreign exchange transactions either with the Investment Manager or other foreign exchange dealers who are not required to segregate funds (although such funds are generally maintained in separate accounts on the foreign exchange dealer’s books and records in the name of the Company).

In the case of a bankruptcy of the counterparties with which, or the brokers, dealers and exchanges through which, the Company deals, or a customer loss as described in the foregoing paragraph, the Company might not be able to recover any of its assets held, or amounts owed, by such person, even property specifically traceable to the Company, and, to the extent such assets or amounts are recoverable, the Company might only be able to recover a portion of such amounts. Further, even if the Company is able to recover a portion of such assets or amounts, such recovery could take a significant period of time. Prior to receiving the recoverable amount of the Company’s property, the Company may be unable to trade any positions held by such person, or to transfer any positions and cash held by such person on behalf of the Company. This could result in significant losses to the Company.

The Company may effect transactions on “over-the-counter” or “interdealer” markets. Participants in these markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange based” markets. To the extent the Company invests in swaps, derivatives or synthetic instruments, or other over-the-counter transactions in these markets, the Company may take a credit risk with regard to parties with which it trades and also may bear the risk of settlement default. These risks may differ materially from those involved in exchange-traded transactions, which generally are characterized by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from these protections, which, in turn, may subject the Company to the risk that a counterparty will not settle a transaction in accordance with agreed terms and conditions due to, among other things, a dispute over the terms of the contract or a credit or liquidity problem. Such

“counterparty risk” is increased for contracts with longer maturities when events may intervene to prevent settlement. The inability of the Company to transact business with any one or any number of counterparties, the lack of any independent evaluation of the counterparties or their financial capabilities, and the absence of a regulated market to facilitate settlement, may increase the potential for losses to the Company.

The Company may engage in direct or indirect trading of securities, currencies, derivatives (including swaps and forward contracts) and other instruments (as permitted by its investment policy) on a principal basis. As such, the Company as transferee or counterparty could experience both delays in liquidating the underlying security, future or other investment and losses, including those arising from: (i) the risk of the inability or refusal to perform with respect to such transactions on the part of the principals with which the Company trades, including without limitation, the inability or refusal to timely return collateral posted by the Company; (ii) possible decline in the value of any collateral during the period in which the Company seeks to enforce its rights with respect to such collateral; (iii) the need to remargin or repost collateral in respect of transferred, assigned or replaced positions; (iv) reduced levels of income and lack of access to income during such period; (v) expenses of enforcing its rights; and (vi) legal uncertainty concerning the enforceability of certain rights under swap agreements and possible lack of priority against collateral posted under the swap agreements. Any such failure or refusal, whether due to insolvency, bankruptcy or other causes, could subject the Company to substantial losses. The Company will not be excused from performance on any such transactions due to the default of third parties in respect of other trades in which its trading strategies were to have substantially offset such contracts.

### ***Custodians and Sub-custodians***

The assets of the Company will be held by custodians and broker-dealers (in the case of broker-dealers, assets of the Company will only be held during the settlement of a transaction). There are risks involved in dealing with the custodians or brokers who settle the Company's trades. It is expected that all securities and other assets deposited with custodians or brokers will be identified as being assets of the Company, and hence the Company should not be exposed to credit risk with regard to such parties. However, it may not always be possible to achieve such segregation, and there may be practical or time problems associated with enforcing the Company's rights to its assets in the case of an insolvency of any such party.

Investors should be aware that there is a heightened depositary risk for the Company where it invests in certain countries (including emerging marketing countries) outside of the EU (each a "Third Country"), where the laws of the Third Country require that the financial instruments are held in custody by a local entity and no local entities satisfy the delegation requirements in the UCITS Regulations. Accordingly such entities may not be subject to effective prudential regulation and supervision in the Third Country or subject to external audit to ensure that the financial instruments are in its possession. In such circumstances, the Depositary may delegate its custody duties under the Depositary Agreement to such a local entity only to the extent required by the law of the Third Country and only for as long as there are no local entities that satisfy the delegation requirements in the UCITS Regulations. However, in accordance with the UCITS Regulations, the liability of the Depositary shall not be affected by any such appointment of a local entity.

The Depositary may appoint sub-custodians in certain jurisdictions to hold assets of the Company. Subject and without prejudice to the terms of the Depositary Agreement, as described in the Depositary section below, the Depositary shall not be responsible for cash which is held by its Global Sub-Custodian (as defined below) or its sub-custodians, nor for any losses suffered by the Company as a result of the bankruptcy or insolvency of the Global Sub-Custodian or its sub-custodians. The Company may have a potential exposure on the default of any sub-custodian. In such event, many of the protections that would normally be provided to a customer by a custodian may not be available to the Company. Custody services in certain jurisdictions remain undeveloped, and accordingly there are transaction and custody risks of dealing in certain jurisdictions. Given the undeveloped state of regulations on custodial activities and bankruptcy in certain jurisdictions, the ability of the Company to recover assets held by a sub-custodian in the event of its insolvency would be in doubt.

### ***Currency Counterparty Risk***

Contracts in the foreign exchange market are not regulated by a regulatory agency, and such contracts are not guaranteed by an exchange or its clearing house. Consequently, there are no requirements with respect to record-keeping, financial responsibility or segregation of customer funds or positions. In contrast to exchange-traded futures contracts, interbank-traded instruments rely on the dealer or counterparty being contracted with to fulfil its contract. As a result, trading in interbank foreign exchange contracts may be subject to more risks than futures or options trading on regulated exchanges, including, but not limited to, the risk of default due to the failure of a counterparty with which the Company has a forward contract. Although the Investment Manager intends to trade with counterparties it believes to be responsible, failure by a counterparty to fulfil its contractual obligations could expose the Company to unanticipated losses.

### ***No Investment Guarantee Equivalent to Deposit Protection***

Investment in the Company is not in the nature of a deposit in a bank account and is not protected by any government, government agency or other guarantee scheme which may be available to protect the holder of a bank deposit account. Furthermore, unlike a deposit in a bank account, the principal invested in the Company is capable of fluctuation.

### ***Company's Liabilities***

The Company will be responsible for paying its fees and expenses regardless of its level of profitability.

### ***Third Party Litigation***

The Company's investment activities subject it to the normal risks of becoming involved in litigation by third parties. The expense of defending against any such claims and paying any amounts pursuant to settlements or judgments would generally be borne by the Company and would reduce its net assets.

### ***Substantial Subscriptions***

The Investment Manager may not be able to invest all net subscription proceeds immediately following the Dealing Day. To the extent that the Company's assets are not invested immediately following the relevant Dealing Day, there could be a negative impact on the performance of the Company, as the Company will not be pursuing its investment objective in respect of the portion of its assets held in cash or other liquid assets.

### ***Substantial Redemptions***

Substantial redemption requests by Shareholders in a concentrated period of time could require the Company to liquidate certain of its investments more rapidly than might otherwise be desirable in order to raise cash to fund the redemptions and achieve a portfolio appropriately reflecting a smaller asset base. This may limit the ability of the Investment Manager to successfully implement the investment policy of the Company and could negatively impact the value of the Shares being redeemed and the value of Shares that remain outstanding. In addition, following receipt of a redemption request, the Company may be required to liquidate assets in advance of the applicable Dealing Day, which may result in the Company holding cash or highly liquid investments pending such Dealing Day. During any such period, the ability of the Investment Manager to successfully implement the investment policy of the Company may be impaired and the Company's returns may be adversely affected as a result.

Moreover, regardless of the time period over which substantial redemption requests are made, the resulting reduction in the NAV of the Company could make it more difficult for the Company to generate profits or recover losses. Shareholders will not receive notification of substantial redemption requests in respect of any particular Dealing Day from the Company and, therefore, may not have the opportunity to redeem their Shares or portions thereof prior to or at the same time as the redeeming Shareholders.

The risk of substantial redemption requests in a concentrated period of time may be heightened where the Company has an investment that could be impacted by a storm, earthquake, pandemic or other natural event that is about to

occur or has just occurred. Such investments could, at any time, make up a significant portion of the Company's NAV.

### ***MiFID II Regulatory Risk***

MiFID II took effect on 3 January 2018. It is a wide ranging piece of legislation introducing changes to, among other things, European financial market structure, trading and clearing obligations, product governance and investor protection. While MiFIR and a majority of the MiFID II "Level 2" measures are directly applicable across the EU as EU regulations, the revised MiFID directive must be "transposed" into national law by Member States. In the course of transposition individual Member States and their national competent authorities may introduce requirements over and above those in the European text and apply MiFID II provisions to market participants that would not otherwise be caught by MiFID II. Aspects of MiFID II and its implementation may be unclear in scope and subject to differences in regulatory interpretation. Market participants who are not directly subject to MiFID II may be indirectly impacted by its requirements and related regulatory interpretations. It is not possible to predict how these factors may impact on market participants including the Company, the Manager, the operation and performance of the Company, and the ability of the Manager to implement the Company's investment objective.

### ***Limited Liquidity of Shares: Redemptions***

Shares are subject to the restrictions on transfer. See "*Transfer of Shares*" section of this Prospectus. Redemption rights may be limited or postponed under certain circumstances. See "*Administration of the Company -- Temporary Suspension of Dealings*" section of this Prospectus.

A distribution in respect of a redemption may be made in kind, at the discretion of the Manager, provided that where the redemption request represents less than 5% of the NAV of the Company, the Shareholder's consent is required. The investments so distributed may not be readily marketable or saleable and may have to be held by such Shareholder for an indefinite period of time.

An investment in the Company is therefore suitable only for certain sophisticated investors that can bear the risks associated with the limited liquidity of their Shares. There is no independent market for the purchase or sale of Shares, and none is expected to develop.

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

The Company may from time to time in its sole discretion, and without notice to the Shareholders, issue multiple Hedged Classes of Shares which are designated in a currency other than the Base Currency. However, the Company seeks to achieve its investment objectives in its Base Currency. In order that investors in any Hedged Classes receive a return in the applicable Class Currency substantially in line with the investment objectives of the Company, the Investment Manager intends to seek to hedge the foreign currency exposure of such interests through foreign exchange transactions. Where currency hedging transactions are entered into to hedge any relevant currency exposure in respect of specific Classes, in each such case such transaction will be clearly attributable to the specific Class and any costs and related liabilities and/or benefits shall be for the account of that Class only. Foreign exchange hedging involves the Company seeking to mitigate the risk of losses caused by adverse exchange rate fluctuations through the use of the efficient portfolio management techniques (including currency forwards) set out in Appendix C within the conditions and limits imposed by the Central Bank to hedge the foreign currency exposure of such Classes into the Base Currency of the Company. There can be no assurance that foreign exchange hedging will be effective. For example, foreign exchange hedging may not take into account the changes in foreign currency exposure resulting from appreciation or depreciation of the assets of the Company allocable to Hedged Classes in the periods between Dealing Days. In addition, foreign exchange hedging may not fully protect investors from a decline in the value of the Base Currency against the relevant Class Currency because, among other reasons, the valuations of the underlying assets of the Company used in connection with foreign exchange hedging could be materially different from the actual value of such assets at the time the foreign exchange hedging is implemented, or because a substantial portion of the assets of the Company may lack a readily ascertainable market value. Moreover, while holding Shares of a Hedged Class should protect investors from a decline in the value of the Base Currency against the relevant Class Currency, investors in a Hedged Class will not generally benefit when the Base Currency appreciates against the relevant Class Currency. The value of Shares of any Hedged Class will be

exposed to fluctuations reflecting the profits and losses on, and the costs of, the foreign exchange hedging. To the extent that hedging is successful, the performance of the relevant Class is likely to move in line with the performance of the underlying assets.

In addition, over-hedged or under-hedged positions may arise unintentionally due to factors outside the control of the Company, but over-hedged positions will not be permitted to exceed 105% of the Net Asset Value of the relevant Share Class. The hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level. Such review will incorporate a procedure to ensure that positions materially in excess of 100% will not be carried forward from month to month. Accordingly, all such costs and related liabilities and/or benefits will be reflected in the Net Asset Value per Share for the relevant Class.

While the Investment Manager will seek to limit any foreign exchange hedging if the liabilities arising from any foreign exchange hedging utilized by the Company exceed the assets of the applicable Class of interests on behalf of which such hedging activities were undertaken, it could adversely impact the NAV of other Classes in the Company. In addition, foreign exchange hedging will generally require the use of a portion of the Company's assets for margin or settlement payments or other purposes. For example, the Company may from time to time be required to make margin, settlement or other payments, including in between Dealing Days, in connection with the use of certain hedging instruments. Counterparties to any foreign exchange hedging may demand payments on short notice, including intra-day. As a result, the Company may liquidate assets sooner than it otherwise would have and/or maintain a greater portion of its assets in cash and other liquid securities than it otherwise would have, which portion may be substantial, in order to have available cash to meet current or future margin calls, settlement or other payments, or for other purposes. The Company generally expects to earn interest on any such amounts maintained in cash, however, such amounts will not be invested in accordance with the investment policy of the Company, which may materially adversely affect the performance of the Company (including Base Currency denominated Shares). Moreover, due to volatility in the currency markets and changing market circumstances, the Investment Manager may not be able to accurately predict future margin requirements, which may result in the Company holding excess or insufficient cash and liquid securities for such purposes. Where the Company does not have cash or assets available for such purposes, the Company may be unable to comply with its contractual obligations, including without limitation, failing to meet margin calls or settlement or other payment obligations. If the Company defaults on any of its contractual obligations, the Company and its Shareholders (including holders of Base Currency denominated Shares) may be materially adversely affected.

There may be circumstances in which the Investment Manager may determine not to conduct any foreign exchange hedging in whole or in part for a certain period of time, including without limitation, where the Investment Manager determines, in its sole discretion, that foreign exchange hedging is not practicable or possible or may materially affect the Company or any direct or indirect investors therein, including the holders of Base Currency denominated Shares. As a result, foreign currency exposure may go fully or partially unhedged for that period of time. Shareholders may not receive notice of certain periods for which foreign currency exposure is unhedged.

There can be no assurance that the Investment Manager will be able to hedge, or be successful in hedging, the currency exposure, in whole or in part, of Shares of any Hedged Class. In addition, the Company is not expected to utilize foreign exchange hedging during the period when the Company's assets are being liquidated or the Company is being wound up, although it may do so in the Investment Manager's sole discretion. The Investment Manager may, in its sole discretion and subject to applicable law, delegate the management of all or a portion of the foreign exchange hedging to one or more of its affiliates.

The Company may transact with Natixis for the purposes of portfolio hedging or Currency Class hedging, and no member of Natixis 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 transactions, provided that such transactions are consistent with the best interests of Shareholders and dealings are carried out as if negotiated on an arm's length basis.

### ***Adjustments***

If at any time the Company determines, in its sole discretion, that an incorrect number of Shares was issued to a Shareholder because the NAV in effect on the Dealing Day was incorrect, the Company will implement such arrangements as it determines, in its sole discretion, are required for an equitable treatment of such Shareholder,

which arrangements may include redeeming a portion of such Shareholder's shareholding for no additional consideration or issuing new Shares to such Shareholder for no consideration, as appropriate, so that the number of Shares held by such Shareholder following such redemption or issuance, as the case may be, is the number of Shares as would have been issued at the correct NAV. In addition, if at any time after a redemption of Shares (including in connection with any complete redemption of Shares by a Shareholder) the Company determines, in its sole discretion, that the amount paid to such Shareholder or former Shareholder pursuant to such redemption was materially incorrect (including because the NAV at which the Shareholder or former Shareholder purchased such Shares was incorrect), the Company will pay to such Shareholder or former Shareholder any additional amount that the Company determines such Shareholder or former Shareholder was entitled to receive, or, in the Company's sole discretion, seek payment from such Shareholder or former Shareholder of (and such Shareholder or former Shareholder will be required to pay) the amount of any excess payment that the Company determines such Shareholder or former Shareholder received, in each case without interest. In the event that the Company elects not to seek the payment of such amounts from a Shareholder or former Shareholder or is unable to collect such amounts from a Shareholder or former Shareholder, the NAV will be less than it would have been had such amounts been collected.

### ***Valuations of Assets***

The valuation of the Company's assets obtained for the purpose of calculating NAV may not be reflected in the prices at which securities are sold. For details of the valuation of assets please see the section headed "*Administration of the Company*".

### ***Limited Disclosure of Certain Information Relating to Securities***

It is not anticipated that the Company, the Administrator, the Depositary, the Manager or the Investment Manager will provide any information to any purchasers of Shares relating to any securities held by the Company. Other than as included in the periodic reports of the Company, the Administrator, the Depositary, the Manager and the Investment Manager will not be required to provide the Shareholders with financial or other information (which may include material non-public information) they receive pursuant to the securities held by the Company and related documents.

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

The success of the Company depends in substantial part upon the skill and expertise of the personnel of the Investment Manager and the ability of the Investment Manager to develop and successfully implement the investment and valuation policies of the Company. No assurance can be given that the Investment Manager will be able to do so. Moreover, decisions made by the Investment Manager may cause the Company to incur losses or to miss profit opportunities on which it may otherwise have capitalized. Shareholders are not permitted to engage in the active management and affairs of the Company. As a result, prospective investors will not be able to evaluate for themselves the merits of investments to be acquired by the Company prior to their being required to pay for Shares of the Company. Instead, such investors must rely on the judgment of the Investment Manager to conduct appropriate evaluations and to make investment decisions. Shareholders will be relying entirely on such persons to manage the assets of the Company. There can be no assurance that any of the key investment professionals will continue to be associated with the Investment Manager throughout the life of the Company.

The Investment Management and Distribution Agreement may be terminated by either party thereto on 90 days' notice in writing to the other party.

### ***Indemnification of the Manager and the Investment Manager***

The Management Agreement contains broad exculpation and indemnification provisions that require the Company, out of the assets of the Company, to exculpate and indemnify the Manager (and each of its directors, officers, employees and agents) against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including reasonable legal fees or expenses) suffered or incurred by the Manager in connection with the performance of its duties and/or the exercise of its powers under the Management Agreement, in the absence of negligence, wilful default or fraud.

The Investment Management and Distribution Agreement also contains broad exculpation and indemnification provisions that require the Manager and the Company (out of the assets of the Company) to exculpate and indemnify the Investment Manager (and each of its directors, officers, employees and delegates) against any and all liabilities, obligations, losses, damages, suits and expenses suffered or incurred by the Investment Manager in connection with the performance of its duties and/or the exercise of its powers under the Investment Management and Distribution Agreement, in the absence of negligence, wilful default or fraud.

### ***No Separate Counsel***

Matheson acts as the Irish counsel to the Company. This Prospectus was prepared based on information furnished by the Directors, the Manager and the Investment Manager, and Matheson has not independently verified such information. Matheson does not represent investors in the Company, and no independent counsel has been retained to act on behalf of shareholders.

### ***US Foreign Account Tax Compliance Act (“FATCA”) and certain other Reporting Regimes***

Pursuant to FATCA, the Company will be required to comply with extensive new reporting and withholding requirements designed to inform the US Department of the Treasury of US-owned foreign investment accounts. Failure to comply (or be deemed compliant) with these requirements will subject the Company to US withholding taxes on certain US-sourced income and (effective 1 January 2019) gross proceeds. Pursuant to an intergovernmental agreement between the United States and Ireland, the Company may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports US taxpayer information directly to the government of Ireland. Shareholders may be requested to provide additional information to the Company to enable the Company to satisfy these obligations. Failure to provide such information when requested or (if applicable) satisfy its own FATCA obligations may subject a Shareholder to liability for any resulting US withholding taxes, US tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder’s interest in its Shares. Detailed guidance as to the mechanics and scope of this new reporting and withholding regime is continuing to develop. There can be no assurance as to the timing or impact of any such guidance on future operations of the Company. The administrative cost of compliance with FATCA may cause the operating expenses of the Company to increase, thereby reducing returns to investors. FATCA may also require the Company to provide to the Irish government (for exchange with the U.S. Internal Revenue Service) private and confidential information relating to certain Shareholders.

### ***OECD’s BEPS Action Points***

In 2013 the OECD published its report on Addressing Base Erosion and Profit Shifting (“BEPS”) and its Action Plan on BEPS. The aim of the report and Action Plan was to address and reduce aggressive international tax planning. BEPS remains an ongoing project. On 5 October 2015, the OECD published its final reports, analyses and sets of recommendations (deliverables) with a view to implementing internationally agreed and binding rules which could result in material changes to relevant tax legislation of participating OECD countries. The final package of deliverables was subsequently approved by the G20 Finance Ministers on 8 October 2015. The final actions to be implemented in the tax legislation of the countries in which the Company will have investments, in the countries where the Company is domiciled or resident, or changes in tax treaties negotiated by these countries, could adversely affect the returns from the Company to Shareholders.

### ***Foreign taxes***

The Company may be liable to taxes (including withholding taxes) in countries other than Ireland on income earned and capital gains arising on its investments. The Company may not be able to benefit from a reduction in the rate of such foreign tax by virtue of the double taxation treaties between Ireland and other countries. The Company may not, therefore, be able to reclaim any foreign withholding tax suffered by it in particular countries. If this position changes and the Company obtains a repayment of foreign tax, the Net Asset Value of the Company will not be restated and the benefit will be allocated to the then-existing Shareholders rateably at the time of repayment.

### ***Changes in UCITS Regulations***

As a UCITS, the Company will be subject to any changes in the UCITS Regulations and Central Bank UCITS Regulations which may occur from time to time. In particular, the European Commission has also published a consultation on “UCITS Product Rules, Liquidity Management, Depositary, Money Market Companies, Long Term Investments” (colloquially referred to as “**UCITS VI**”). In addition, the European Securities and Markets Authority (“**ESMA**”) and Central Bank also regularly issue consultation papers and guidance notes in relation to the implementation of the UCITS Regulations which can result in change to the Central Bank UCITS Regulations or the interpretation of the existing Central Bank UCITS Regulations.

Any changes in the UCITS Regulations or the Central Bank UCITS Regulations could have negative consequences for the Company, whether intended or unintended, such as increasing the operating costs of the Company, limiting its ability to engage in certain investment strategies or to access certain markets or hold certain instruments or positions or to appoint certain service providers on terms favourable to the Company.

## **Sustainability Risks**

### *Impact of sustainability risks on returns*

As outlined in the section headed “*Sustainable Finance*” above, the Investment Manager has implemented a policy in respect of the integration of sustainability risks in its investment decision making-process.

The Investment Manager considers that sustainability risks are relevant to the returns of the Company. A sustainability risk is an environmental, social or governance event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of an investment, and hence the Net Asset Value of the Company.

Assessment of sustainability risks is complex and requires subjective judgements, which may be based on data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that the Investment Manager will correctly assess the impact of sustainability risks on the Company’s investments.

To the extent that a sustainability risk occurs, or occurs in a manner that is not anticipated by the Investment Manager there may be a sudden, material negative impact on the value of an investment, and hence the Net Asset Value of the Company. Such negative impact may result in an entire loss of value of the relevant investment(s) and may have an equivalent negative impact on the Net Asset Value of the Company.

The impacts following the occurrence of a sustainability risk may be numerous and vary depending on the specific risk and asset class. In general, where a sustainability risk occurs in respect of an asset, there will be a negative impact on, and may be an entire loss of, its value. For a corporate, this may be because of damage to its reputation with a consequential fall in demand for its products or services, loss of key personnel, exclusion from potential business opportunities, increased costs of doing business and/or increased cost of capital. A corporate may also suffer the impact of fines and other regulatory sanctions. The time and resources of the corporate’s management team may be diverted from furthering its business and be absorbed seeking to deal with the sustainability risk, including changes to business practices and dealing with investigations and litigation. Sustainability risks may also give rise to loss of assets and/or physical loss including damage to real estate and infrastructure. The utility and value of assets held by businesses to which the Company is exposed may also be adversely impacted by a sustainability risk.

Sustainability risks are relevant as both standalone risks, and also as cross-cutting risks which manifest through many other risk types which are relevant to the assets of the Company. For example, the occurrence of a sustainability risk can give rise to financial and business risk, including through a negative impact on the credit worthiness of other businesses. The increasing importance given to sustainability considerations by both businesses and consumers means that the occurrence of a sustainability risk may result in significant reputational damage to affected businesses. The occurrence of a sustainability risk may also give rise to enforcement risk by governments and regulators, and also litigation risk.

A sustainability risk may arise and impact a specific investment or may have a broader impact on an economic

sector, geographical regions and/or jurisdictions and political regions.

Many economic sectors, regions and/or jurisdictions, including those in which the Company may invest, are currently and/or in the future may be, subject to a general transition to a greener, lower carbon and less polluting economic model. Drivers of this transition include governmental and/or regulatory intervention, evolving consumer preferences and/or the influence of non-governmental organisations and special interest groups.

Laws, regulations and industry norms play a significant role in controlling the impact on sustainability factors of many industries, particularly in respect of environmental and social factors. Any changes in such measures, such as increasingly stringent environmental or health and safety laws, can have a material impact on the operations, costs and profitability of businesses. Further, businesses which are in compliance with current measures may suffer claims, penalties and other liabilities in respect of alleged prior failings. Any of the foregoing may result in a material loss in value of an investment linked to such businesses.

Further, certain industries face considerable scrutiny from regulatory authorities, non-governmental organisations and special interest groups in respect of their impact on sustainability factors, such as compliance with minimum wage or living wage requirements and working conditions for personnel in the supply chain. The influence of such authorities, organizations and groups along with the public attention they may bring can cause affected industries to make material changes to their business practices which can increase costs and result in a material negative impact on the profitability of businesses. Such external influence can also materially impact the consumer demand for a business's products and services which may result in a material loss in value of an investment linked to such businesses.

Sectors, regions, businesses and technologies which are carbon-intensive, higher polluting or otherwise cause a material adverse impact on sustainability factors may suffer from a significant fall in demand and/or obsolescence, resulting in stranded assets the value of which is significantly reduced or entirely lost ahead of their anticipated useful life. Attempts by sectors, regions, businesses and technologies to adapt so as to reduce their impact on sustainability factors may not be successful, may result in significant costs being incurred, and future ongoing profitability may be materially reduced.

In the event that a sustainability risk arises this may cause investors, including the Investment Manager in respect of the Company, to determine that a particular investment is no longer suitable and to divest of it (or not make an investment in it), further exacerbating the downward pressure on the value of the investment.

In addition to the above, a description of certain other sustainability risks identified by the Investment Manager as being potentially relevant to the investments made by the Company and hence its Net Asset Value is set out below. This description is not exhaustive.

### *Environmental*

Environmental risks are associated with environmental events or conditions and their effect on the value of assets to which the Company may be exposed. Such risks may arise in respect of a company itself, its affiliates or in its supply chain and/or apply to a particular economic sector, geographical or political region. Environmental risks include:

**Climate change:** risks arising from climate change, including the occurrence of extreme weather events (for example major droughts, floods, or storms) may adversely impact the operations, revenue and expenses of certain industries and may result in physical loss or damage of, or otherwise loss in value of, assets, and in particular physical assets such as real estate and infrastructure. Global warming may result in extreme heat waves, increased localised or widespread flooding and rising sea levels, compromising infrastructure, agriculture and ecosystems, increasing operational risk and the cost of insurance, which may affect the utility and value of investments. To the extent that companies to which the Company is exposed have historically contributed to climate change, they could face enforcement action by regulators and/or be subject to fines or other sanctions. The likelihood and extent of any such action might be unknown at the time of investment.

**Natural resources:** the relationship between businesses and natural resources is becoming increasingly important due to the scarcity of fresh water, loss of biodiversity and risks arising from land use. Water is critical to agricultural, industrial, domestic, energy generation, recreational and environmental activities. Reduced supply or allocation of water and/or increased cost in supply and controls over its use may adversely impact the operations, revenue and expenses of certain industries in which the Company may invest. Biodiversity underpins ecosystem services such as food, clean water, genetic resources, flood protection, nutrient cycling and climate regulation. A continued loss of biodiversity may adversely affect the operations, revenue and expenses of certain industries in which the Company may invest, such as land users and marine industries, agriculture, the extractives industries (cement and aggregates, oil, gas and mining) forestry and tourism. Land use and land use management practices have a major impact on natural resources. In particular, industries dependant on commodities linked to deforestation such as soy, palm oil, cattle and timber may suffer an adverse impact on their operations, revenue and expenses as a result of measures taken to manage land use.

**Pollution and waste:** pollution adversely affects the environment and may for example, result in negative impact on human health, damage to ecosystems and biodiversity and reduced crop harvests. Measures introduced by governments or regulators to transition to a low-carbon economy and more broadly reduce pollution and control and reduce waste may adversely impact the operations, revenue and expenses of industries in which the Company may invest. Technologies linked to environmentally harmful materials or practices may become obsolete, resulting in a decrease in value of investments.

### *Social*

Social risks may be internal or external to a business and are associated with employees, local communities and customers of companies in which the Company may invest or otherwise have exposure. Social risks also relate to the vulnerability of a business to, and its ability to take advantage of, broader social “megatrends”. Such risks may arise in respect of the company itself, its affiliates or in its supply chain. Social risks include:

**Internal social factors:** human capital considerations such as human rights violations, lack of access to clean water, food and sanitary living environment, human trafficking, modern slavery / forced labour, inadequate health and safety, discrimination, breaches of employee rights and use of child labour which may, in particular, give rise to negative consumer sentiment, fines and other regulatory sanctions and/or investigations and litigation. The profitability of a business reliant on adverse treatment of human capital may appear materially higher than if appropriate practices were followed.

**External social factors:** for example, restrictions on or abuse of the rights of consumers including consumer personal data, management of product safety, quality and liability, relationships with and infringements of rights of local communities and indigenous populations may, in particular, give rise to negative consumer sentiment, fines and other regulatory sanctions and/or investigations and litigation.

**Social “megatrends”:** trends such as globalisation, automation and the use of artificial intelligence in manufacturing and service sectors, inequality and wealth creation, digital disruption and social media, changes to work, leisure time and education, changes to family structures and individual rights and responsibilities of family members, changing demographics including though health and longevity and urbanisation are all examples of social trends that can have a material impact on businesses, sectors, geographical regions and the vulnerability and inability to adapt or take advantage of such trends may result in a material negative impact on the Company’s investments.

### *Governance*

Governance risks are associated with the quality, effectiveness and process for the oversight of day to day management of companies in which the Company may invest or otherwise have exposure. Such risks may arise in respect of the company itself, its affiliates or in its supply chain. These risks include:

**Lack of diversity at board or governing body level for organisations with complex or extensive ownership structures:** the absence of a diverse and relevant skillset within a board or governing body of an organisation with a complex or extensive ownership structure may result in less well informed decisions being made without appropriate

debate and an increased risk of “group think”. Further, the absence of an independent chairperson of the board for such organisations, particularly where such role is combined with the role of chief executive officer, may lead to a concentration of powers and hamper the board’s ability to exercise its oversight responsibilities, challenge and discuss strategic planning and performance, input on issues such as succession planning and executive remuneration and otherwise set the board’s agenda.

**Inadequate external or internal audit:** ineffective or otherwise inadequate internal and external audit functions may increase the likelihood that fraud and other issues within a company are not detected and/or that material information used as part of a company’s valuation and/or the Investment Manager’s investment decision making is inaccurate.

**Infringement or curtailment of rights of (minority) shareholders:** the extent to which rights of shareholders, and in particular minority shareholders (which may include the Company) are appropriately respected within a company’s formal decision making process may have an impact on the extent to which the company is managed in the best interest of its shareholders as a whole (rather than, for example, a small number of dominant shareholders) and therefore the value of an investment in it.

**Bribery and corruption:** the effectiveness of a company’s controls to detect and prevent bribery and corruption both within the company and its governing body and also its suppliers, contractors and sub-contractors may have an impact on the extent to which a company is operated in furtherance of its business objectives.

**Lack of scrutiny of executive pay:** failure to align levels of executive pay with performance and long-term corporate strategy in order to protect and create value may result in executives failing to act in the long-term interest of the company.

**Poor safeguards on personal data / IT security (of employees and/or customers):** the effectiveness of measures taken to protect personal data of employees and customers and, more broadly, IT and cyber security will affect a company’s susceptibility to inadvertent data breaches and its resilience to “hacking”.

**The absence of appropriate and effective safeguards for employment related risks:** discriminatory employment practices, workplace harassment, discrimination and bullying, lack of respect for rights of collective bargaining or trade unions, poor practices with respect to the health and safety of the workforce, lack of protection for whistleblowers and non-compliance with minimum wage or (where appropriate) living wage requirements may ultimately reduce the talent pool available to the company, the wellbeing, productivity and overall quality of its workforce and may lead to increased employment and other business costs.

### ***Conflicts of Interest***

The Directors, the Manager, the Investment Manager, the Depositary, the Administrator and/or their respective affiliates or any person connected with them may from time to time act as investment manager, manager, depositary, registrar, broker, administrator, investment advisor, distributor or dealer in relation to, or be otherwise involved in, other investment funds established by parties other than the Company, which have similar or different objectives to those of the Company. It is, therefore, possible that any of them may, in the course of business, have potential conflicts of interest with the Company. The Directors will seek to ensure that any conflict of interest of which they are aware is resolved fairly. The Investment Manager may advise or manage other funds and other collective investment schemes in which the Company may invest or which have similar or overlapping investment objectives to or with the Company. In such circumstances the Investment Manager will ensure that investment opportunities are fairly allocated to its respective clients. In addition, subject to applicable law, any of the foregoing may deal, as principal or agent, with the Company, provided that such dealings are carried out as if negotiated on an arm’s length basis. The Manager and Investment Manager or any of their affiliates or any person connected with the Manager or the Investment Manager may invest in, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the Company. Neither the Manager, the Investment Manager nor any of their affiliates nor any person connected with it is under any obligation to offer investment opportunities of which any of them becomes aware to the Company or to account to the Company in respect of (or share with or inform the Company of) any such transaction or any benefit received by any of them from any such

transaction, but will allocate such opportunities on an equitable basis between the Company and other clients. Any of the Directors may also invest, directly or indirectly, in assets which may also be purchased or sold by the Company.

Mitsui Sumitomo Insurance Company Limited, which is part of the MS&AD Insurance Group Holdings Inc. group of companies (the “MS&AD Group”) is a corporate partner of the Investment Manager and is represented on the board of the Investment Manager by two appointed directors. The MS&AD Group may from time to time be party to transactions with the Company as agent or principal and will retain any related profits. Without limitation to the foregoing, the Company may, on the advice of the Investment Manager, invest in insurance-linked investments issued by members of the MS&AD Group. However, appropriate risk management procedures have been established to address such potential conflicts of interest and ensure that transactions are undertaken on an arm’s length basis and at normal market rates.

The Investment Manager may assist with the valuation of the assets of the Company. There is a conflict of interest between the Investment Manager’s involvement in the valuation process and its entitlement to receive fees from the Company calculated with regard to the valuation of assets and the calculation of the Net Asset Value.

The foregoing does not purport to be a complete list of all potential conflicts of interest involved in an investment in the Company.

Please also refer to the section of this Prospectus entitled “*THE DEPOSITARY – Conflicts of Interest*”.

### ***Dealings by Connected Parties***

There is no prohibition on transactions with the Company by the Manager, the Investment Manager, the Administrator, the Depositary or entities related to each of the Manager, the Investment Manager, the Administrator or the Depositary (including U.S. BanCorp group companies and MS&AD Group companies and / or any of their controlling shareholders from time to time) including, without limitation, holding, disposing or otherwise dealing with Shares issued by or property of the Company. None of the foregoing 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 negotiated on an arm’s length basis and:

- (a) a person approved by the Depositary as independent and competent (or in the case of a transaction involving the Depositary, the Directors) certifies the price at which the relevant transaction is effected is fair; or
- (b) the relevant transaction is executed on best terms reasonably obtainable on an organised investment exchange or other regulated market in accordance with the rules of such exchange or market; or
- (c) where the conditions set out in (a) and (b) above are not practical, the relevant transaction is executed on terms which the Depositary is (or in the case of a transaction involving the Depositary, the Directors are satisfied conform with negotiation at arm’s length.

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

Details of interests of the Directors are set out in the section headed “*Management and Administration – The Board of Directors*”.

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## BORROWING POLICY

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Under the Articles, the Directors are empowered to exercise all of the borrowing powers of the Company, subject to any limitations under the UCITS Regulations, and to charge the assets of the Company as security for any such borrowings.

Under the UCITS Regulations, the Company may not grant loans or act as guarantor on behalf of third parties. The Company may borrow money on a temporary basis in an amount not exceeding 10% of its net assets. The Company may acquire foreign currency by means of a back-to-back loan agreement. Where the Company has foreign currency borrowings which exceed the value of a back-to-back deposit, the Manager shall ensure that any excess is treated as borrowing for the purposes of the UCITS Regulations. Currency risks may arise where the offsetting balance is not maintained in the Base Currency of the Company. Please refer to the "*Currency Risks*" section above in this regard.

Subject to the provisions of the UCITS Regulations and the Central Bank UCITS Regulations, the Company may, from time to time, where collateral is required to be provided by the Company to a relevant counterparty in respect of derivatives transactions, pledge investments of the Company equal in value to the relevant amount of required collateral, to the relevant derivative counterparty.

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## FEES AND EXPENSES

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### ***Management Fees***

The Manager will be entitled to receive a fee of up to 0.02 per cent per annum of the Net Asset Value of the Company, subject to a minimum annual fee of up to US\$60,000 and an initial set-up fee of €5,000. Such fee is accrued daily and is payable monthly in arrears. In addition, the Manager is reimbursed out of the assets of the Company for any reasonable costs and expenses incurred on behalf of the Company.

### ***Investment Management Fees***

The Investment Manager will be entitled to receive a monthly management fee from the Company of up to 1/12 of 1 per cent of the Net Asset Value of the Class A Shares and Class B Shares, save for the Class B GBP Manager Shares and Class B US\$ Manager Shares, (before deduction of that month's management fee) as at the last Valuation Day in each month. Such fee is accrued daily and is payable monthly in arrears. In addition, the Investment Manager is reimbursed out of the assets of the Company for any reasonable costs and expenses incurred on behalf of the Company.

The Class B GBP Manager Shares and Class B US\$ Manager Shares are not subject to any investment management fee and are generally only available for subscription by any of the following persons: (a) the Investment Manager or any of its members or employees; (b) any person connected with such a person; (c) any company, partnership or other person or entity controlled by or which is the controller of any such persons; (d) any collective investment vehicle for which the Investment Manager provides discretionary investment management services or (e) any nominee of any of the foregoing. The Directors shall determine, in their sole discretion, a person's eligibility to subscribe for Class B GBP Manager Shares and Class B US\$ Manager Shares.

### ***Administrator Fees***

The Administrator receives from the Company an annual administration fee (exclusive of value added tax and expenses), which will be accrued monthly and payable monthly in arrears and which is subject to a minimum of US\$6,000 per month, of up to 0.16 per cent of the Net Asset Value of the Company. The Administrator also receives a shareholders' services fee and a tax reports fee, which are at normal commercial rates. In addition, the Administrator is reimbursed out of the assets of the Company for any reasonable costs and expenses incurred on behalf of the Company.

### ***Depositary Fees***

The Company will pay to the Depositary an annual fee (exclusive of value added tax and expenses) (which will be accrued monthly and payable monthly in arrears) of up to 0.05 per cent of the Net Asset Value of the Company subject to a minimum fee of US\$ 48,000 per annum. The Depositary will charge the Company for cash and fund trading transactions at normal commercial rates. The Company will also pay certain expenses of the Depositary, including sub-custody fees (which shall be at normal commercial rates). In addition, the Depositary is reimbursed out of the assets of the Company for any reasonable costs and expenses incurred on behalf of the Company.

### ***Establishment and Operating Expenses***

The Company's establishment and organisational expenses (including expenses relating to the drafting of this Prospectus, the negotiation and preparation of the material contracts, the printing of this Prospectus and the related marketing material and the fees and expenses of its professional advisers) did not exceed €120,000. These expenses are being amortised over the first 60 months of the Company's operation or such other period as the Directors may determine.

The Company will also pay certain other costs and expenses incurred in its operation, including without limitation, withholding taxes that may arise on investments, clearing and registration fees and other expenses due to regulatory, supervisory or fiscal authorities in various jurisdictions, including costs and expenses in complying with

the Company's obligations under the EMIR Regulations, insurance, accounting costs, interest, brokerage costs, promotional and marketing expenses and all professional and other fees and expenses in connection therewith and the cost of publication of the NAV of the Shares. Such charges will be at normal commercial rates and will be collected at the time of settlement. The Investment Manager may, at its discretion, contribute directly towards the expenses attributable to the establishment and/or operation of the Company and/or the marketing, distribution and/or sale of Shares and may from time to time at its sole discretion waive part of the management fee in respect of any particular payment period. The Investment Manager will be entitled to be reimbursed by the Company in respect of any such expenses borne by it.

The independent Directors are entitled to receive fees in any year of up to €60,000 in aggregate (or such other sum as the Directors may from time to time determine and notify to Shareholders in advance). Although some of the Directors may not receive a fee in remuneration for their services to the Company, all of the Directors will be paid for all travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any other meetings in connection with the business of the Company.

The Investment Manager may from time to time and at its sole discretion and out of its own resources decide to rebate to some or all Shareholders, or to intermediaries, part or all of its fees, without notice to other Shareholders.

### ***Sales Charge***

A sales charge of up to 1% may apply to investments in Class A Shares in the Company and, if applicable, will be payable to the Investment Manager. No sales charge will be applied to investments in Class B Shares in the Company.

### ***Redemption Charge***

No redemption charge will be applied to redemptions in the Company.

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

When processing redemptions or subscriptions, the Manager reserves the right to apply, at its discretion, an Anti-Dilution Levy in respect of net subscriptions or net redemptions on any Dealing Day to reflect the impact of market spreads and other dealing costs relating to the acquisition or disposal of assets and to preserve the Company's NAV where the Manager considers such a provision to be in the best interests of the Company. In instances where the Anti-Dilution Levy applies, subscribing or redeeming Shareholders will be responsible for their own entry or exit costs so that these costs are not borne by the other Shareholders of the Company.

### ***Amortisation of Organisational Costs***

The Company's financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRS"). The Company's organisational and offering expenses, to the extent the Directors deem appropriate, are being, for accounting purposes, amortised by the Company for up to 60 months. Amortisation of expenses over such a period is a divergence from IFRS, which may, in certain circumstances, result in a qualification of the Company's annual audited financial statements. In such instances, the Directors (acting on behalf of the Company) may decide to (i) avoid the qualification by recognising the unamortised expenses or (ii) make IFRS conforming changes for financial reporting purposes, but amortise expenses for purposes of calculating the Company's NAV. There will be a divergence in the Company's fiscal year-end NAV and in the NAV reported in the Company's financial statements in any year where, pursuant to clause (ii), IFRS conforming changes are made only to the Company's financial statements for financial reporting purposes. If the Company is terminated within 60 months of its commencement, any unamortised expenses will be recognised. If a Shareholder redeems Shares prior to the end of the third accounting period during which the Company is amortising expenses, the Company may, but is not required to, accelerate a proportionate share of the unamortised expenses based upon the number of Shares being redeemed and reduce redemption proceeds by the amount of such accelerated expenses.

***Paying Agents, Information Agents and/or Correspondent Banks***

In connection with the registration of the Company or the Shares for sale in certain jurisdictions, the Company will pay the fees and expenses of paying agents, information agents and/or correspondent banks, such payments to be made at normal commercial rates.

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## ADMINISTRATION OF THE COMPANY

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The provisions in relation to the calculation of the Net Asset Value will apply to the Company as set out below.

### *Determination of Net Asset Value*

The Administrator will determine the Net Asset Value of the Company and the Net Asset Value per Share of each Class of Shares, as appropriate, to the nearest four decimal places (or to such other number of decimal places as the Directors may determine from time to time in relation to the Company), at each Valuation Point and in accordance with the Articles and this Prospectus. All approvals given or decisions made by the Company in relation to the calculation of the Net Asset Value of the Company or the Net Asset Value per Class of Shares will be given or made, as the case may be, following consultation with the Manager.

### *Net Asset Value per Share of a Class*

Where the Company issues multiple Classes of Shares, the NAV of each Class of Shares will be determined by calculating the amount of the NAV of the Company attributable to each Class. The amount of the NAV of the Company attributable to a Class will be determined by establishing the number of Shares in issue in the Class, by allocating relevant Class Expenses and management fees to the Class and making appropriate adjustments to take account of distributions paid out of the Company, if applicable, and apportioning the NAV of the Company accordingly. Currency related transactions may be utilised for the benefit of a particular Class of Shares, a Hedged Class, and, in such circumstances, their cost and related liabilities and/or benefits will be for the account of that Class only. Accordingly, such costs and related liabilities and/or benefits will be reflected in the NAV per Share for Shares of any such Class. Where there is more than one Class in the Company denominated in the same currency (which is a currency other than the Base Currency), the Investment Manager may aggregate any currency related transactions entered into on behalf of such Classes and apportion the gains/losses on and the costs of the relevant financial instruments pro rata to each such Class in the Company. The currency exposures of the assets of the Company will not be allocated to separate Classes.

The NAV per Share of a Class will be calculated by dividing the NAV of the Class by the number of shares in issue in that Class. Class Expenses or management fees or charges not attributable to a particular Class may be allocated amongst the Classes based on their respective NAV or any other reasonable basis approved by the Directors following consultation with the Depositary and having taken into account the nature of the fees and charges. Where Classes of Shares are issued which are priced in a currency other than the Base Currency, currency conversion costs will be borne by that Class.

In determining the value of the assets, securities, including debt and equity securities, which are quoted, listed or traded on or under the rules of any Recognised Market will be valued at the closing bid price of the asset's principal exchange. If the security is normally quoted, listed or traded on or under the rules of more than one Recognised Market, the relevant Recognised Market will be that which the Manager, or the Administrator as its delegate, determine provides the fairest criterion of value for the security. Securities listed or traded on a Recognised Market but acquired at a premium or at a discount outside or off the Recognised Market will be valued taking into account the level of premium or discount at the date of valuation provided the Depositary ensures that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security. If prices for a security quoted, listed or traded on the relevant Recognised Market are not available at the relevant time or are unrepresentative in the opinion of the Manager, or its delegate, such security will be valued at such value as will be estimated with care and good faith as the probable realisation value of such security by the responsible person or a competent person (appointed by the responsible person and each approved for the purpose by the Depositary) or valued at the probable realisation value estimated with care and in good faith by any other means provided that the value is approved by the Depositary.

The value of any instrument, including debt and equity securities, which is not normally quoted, listed or traded on or under the rules of a Recognised Market or in respect of which the Manager or its delegate determine that the closing

bid price as set out above is not representative of its fair market value, will be estimated with care and good faith as the probable realisation value of such security by the responsible person or a competent person (appointed by the responsible person and each approved for the purpose by the Depositary) or valued at the probable realisation value estimated with care and in good faith by any other means provided that the value is approved by the Depositary. Neither the Directors nor the Administrator, the Manager, or the Depositary will be under any liability if a price reasonably believed by them to be the latest available price may be found not to be such.

Shares in collective investment schemes will be valued on the basis of the latest published net asset value of such shares. If such prices are unavailable, the shares will be valued at their probable realisation value estimated with care and good faith by the Manager, or by a competent person appointed for such purpose by the Manager and approved for such purpose by the Depositary.

Cash deposits and similar assets will be valued at their face value together with accrued interest unless in the opinion of the Manager or its delegate any adjustment should be made to reflect the fair value thereof.

Derivative instruments, including futures and options, which are traded on a Recognised Market will be valued at the settlement price as determined by the relevant Recognised Market at the close of business on that market on the Valuation Day, provided that where it is not the practice of the relevant Recognised Market to quote a settlement price, or if a settlement price is not available for any reason, such instruments will be valued at their probable realisation value estimated with care and good faith by the Manager or its delegate (being a competent person appointed by the responsible person and approved for such purpose by the Depositary).

For purposes of determining the NAV of the Company, the liabilities of the Company to be deducted from the Company's assets on the applicable Valuation Day will include accrued debts, liabilities and obligations of the Company (including fees to service providers which have been earned but not yet paid) and any contingencies for which reserves or accruals are made.

Notwithstanding the above provisions the Manager or its delegate may, with the prior approval of the Depositary, (a) adjust the valuation of any listed investment or (b) permit some other method of valuation to be used if, having regard to currency, applicable rate of interest, maturity, marketability and/or such other considerations as they deem relevant, they consider that such adjustment or alternative method of valuation is required to reflect more fairly the value thereof.

In determining the Company's NAV, all assets and liabilities initially expressed in foreign currencies will be converted into the Base Currency of the Company using the appropriate exchange rates on each Valuation Day. If quotations are not available, the rate of exchange will be determined in accordance with policies established in good faith by the Manager or its delegate.

The Directors and/or the Manager may, and may be required under certain circumstances to, engage one or more third parties to value assets of the Company. Any such third party engaged by the Directors and/or the Manager will value such assets in the manner otherwise described above in this section.

### **Availability of the Net Asset Value per Share**

Except where the determination of the NAV per Share of the Company has been suspended, in the circumstances described below, the NAV per Share of each Class of Shares will be available at the registered office of the Company. Such information will relate to the NAV per Share for the previous Dealing Day and is made available for information purposes only. It is not an invitation to subscribe for or redeem Shares at that NAV per Share.

### **Temporary Suspension Of Dealings**

The Directors may at any time, in consultation with the Depositary, temporarily suspend the issue, valuation, sale, purchase and/or redemption of Shares in the Company during:

- (a) any period when any organised exchange on which a substantial portion of the investments for the time being comprised in the Company are quoted, listed, traded or dealt in is closed otherwise than for ordinary holidays, or during which dealings in any such organised exchange are restricted or suspended;
- (b) any period where, as a result of political, military, economic or monetary events or other circumstances beyond the control, responsibility and power of the Directors, the disposal or valuation of investments for the time being comprised in the Company cannot, in the opinion of the Directors, be effected or completed normally or without prejudicing the interest of Shareholders;
- (c) any breakdown in the means of communication normally employed in determining the value of any investments for the time being comprised in the Company or during any period when for any other reason the value of investments for the time being comprised in the Company cannot, in the opinion of the Directors, be promptly or accurately ascertained;
- (d) any period when the Company is unable to repatriate funds for the purposes of making redemption payments or during which the realisation of investments for the time being comprised in the Company, or the transfer or payment of the funds involved in connection therewith cannot, in the opinion of the Directors, be effected at normal prices;
- (e) any period when, as a result of adverse market conditions (including in connection with a potential or past natural catastrophe or pandemic event), the payment of redemption proceeds may, in the opinion of the Directors, have an adverse impact on the Company or the remaining Shareholders in the Company;
- (f) any period (other than ordinary holiday or customary weekend closings) when any market or exchange which is the main market or exchange for a significant part of the instruments or positions is closed, or in which trading thereon is restricted or suspended;
- (g) any period when proceeds of any sale or redemption of the Shares cannot be transmitted to or from the account of the Company;
- (h) any period in which the redemption of the Shares would, in the opinion of the Directors, result in a violation of applicable laws;
- (i) any period in which notice has been given to Shareholders of a resolution to wind up the Company;
- (j) any period when the Directors determine that it is in the best interests of the Shareholders to do so; or
- (k) any period during which dealings in a collective investment scheme in which the Company has invested a significant portion of its assets are suspended.

The Central Bank and any relevant Shareholders will be notified immediately of any such suspension or postponement. Shareholders who have requested an issue or redemption of Shares will have their subscription or redemption request dealt with on the first Dealing Day after the suspension has been lifted unless applications or redemption requests have been withdrawn prior to the lifting of the suspension, but will not have priority over other Shareholders who requested an issue or redemption of Shares. Shares will be held by the Shareholder during the period of suspension as if no redemption request had been made. The Company will take reasonable steps to bring any period of suspension or postponement to an end as soon as possible. For the avoidance of doubt, no dividends will be paid at times when the redemption of Shares or the calculation of NAV per Share is suspended for any reason specified above.

The Company, in its discretion, may terminate, in part or in whole, the temporary suspension of the issue, valuation, sale, purchase and/or redemption of Shares in the Company. The Company will notify all affected Shareholders of any termination of a temporary suspension.

## SUBSCRIPTION FOR SHARES

The procedure for determining the subscription price and applying for Shares in the Company is as set out below.

The Company currently offers two Classes of Shares (each in five currency variations) in the Company as set out below. The Company may also create additional Classes of Shares in the Company (and additional currency variations of such Classes) in the future with prior notification to, and clearance in advance by, the Central Bank.

Share Class Description	Class Currency	Management Fee	Minimum Initial Subscription	Minimum Additional Subscription	Minimum Holding
Class A US\$	USD	1.00% of NAV per annum	US\$250,000	US\$100,000	US\$250,000
Class A AUD	AUD	1.00% of NAV per annum	AUD equivalent of US\$250,000	AUD equivalent of US\$100,000	AUD equivalent of US\$250,000
Class A CHF	CHF	1.00% of NAV per annum	CHF equivalent of US\$250,000	CHF equivalent of US\$100,000	CHF equivalent of US\$250,000
Class A EUR	EUR	1.00% of NAV per annum	EUR equivalent of US\$250,000	EUR equivalent of US\$100,000	EUR equivalent of US\$250,000
Class A GBP	GBP	1.00% of NAV per annum	GBP equivalent of US\$250,000	GBP equivalent of US\$100,000	GBP equivalent of US\$250,000
Class B US\$	USD	Up to 1.00% of NAV per annum	US\$5,000,000 (or staff investment)	US\$1,000,000 (or staff investment)	US\$5,000,000 (or staff investment)
Class B AUD	AUD	Up to 1.00% of NAV per annum	AUD equivalent of US\$5,000,000 (or staff investment)	AUD equivalent of US\$1,000,000 (or staff investment)	AUD equivalent of US\$5,000,000 (or staff investment)
Class B CHF	CHF	Up to 1.00% of NAV per annum	CHF equivalent of US\$5,000,000 (or staff investment)	CHF equivalent of US\$1,000,000 (or staff investment)	CHF equivalent of US\$5,000,000 (or staff investment)
Class B EUR	EUR	Up to 1.00% of NAV per annum	EUR equivalent of US\$5,000,000 (or staff investment)	EUR equivalent of US\$1,000,000 (or staff investment)	EUR equivalent of US\$5,000,000 (or staff investment)
Class B GBP	GBP	Up to 1.00% of NAV per annum	GBP equivalent of US\$5,000,000 (or staff investment)	GBP equivalent of US\$1,000,000 (or staff investment)	GBP equivalent of US\$5,000,000 (or staff investment)
Class B GBP Manager	GBP	N/A	GBP equivalent of US\$5,000,000 (or staff investment)	GBP equivalent of US\$1,000,000 (or staff investment)	GBP equivalent of US\$5,000,000 (or staff investment)
Class B US\$ Manager	USD	N/A	US\$5,000,000 (or staff investment)	US\$1,000,000 (or staff investment)	US\$5,000,000 (or staff investment)

The Class B GBP Manager Shares and Class B US\$ Manager Shares are not subject to any investment management fee and are generally only available for subscription by any of the following persons: (a) the Investment Manager or any of its members or employees; (b) any person connected with such a person; (c) any company, partnership or other person or entity controlled by or which is the controller of any such persons; (d) any collective investment vehicle for which the Investment Manager provides discretionary investment management services or (e) any nominee of any of the foregoing. The Directors shall determine, in their sole discretion, a person's eligibility to subscribe for Class B GBP Manager Shares and Class B US\$ Manager Shares.

## Minimum Holding

A Shareholder may not make a partial redemption of Shares which would result in less than the minimum holding amount, specified for the relevant Class above unless otherwise determined by the Company. In the event that a Shareholder requests a partial redemption of their Shares which would result in such Shareholder holding less than the minimum holding amount above, the Company may, in its sole discretion (a) treat such redemption request as a redemption of the relevant Shareholder's entire holding of the relevant Class of Shares; (b) reject such partial redemption request; or (c) accept such partial redemption request. Shareholders will be notified before or after the relevant Dealing Day in the event that the Company determines to (i) treat such redemption request as a redemption of the relevant Shareholder's entire holding of the relevant Class of Shares or (ii) reject such partial redemption request.

Where the value of a Shareholder's Shares has fallen below the minimum holding requirement due to a decline in the NAV of the Company or an unfavourable change in currency rates, this will not be considered to be a breach of the minimum holding requirement.

## Initial Offer Price

Each of the Class A Shares save for the Class A GBP Shares and Class A AUD Shares has launched and each of the Class B Shares save for the Class B AUD Shares has launched.

The Class A GBP Shares, the Class A AUD Shares and the Class B AUD Shares are available at the initial offer price of US\$100 per Share (or its equivalent in GBP in the case of the Class A GBP Shares or AUD in the case of the Class A AUD Shares and the Class B AUD Shares) during the initial offer period which commenced at 9:00 am (Irish time) on 17 December 2015 in respect of the Class A GBP Shares, and commenced at 9:00 am (Irish time) on 30 October 2020 in respect of the Class A AUD Shares and the Class B AUD Shares, and will end at 5:00 pm (Irish time) on 29 April 2021 or such other date and/or time as the Directors may determine and notify to the Central Bank (the "**Initial Offer Period**"). For subscription in respect of the Initial Offer Period, subscription monies must be received by the Administrator by 15.00 on the relevant Valuation Day.

After the Initial Offer Period, subscription orders are effected at the Net Asset Value per Share applicable on the relevant Dealing Day. Subscription monies must be received by the Administrator by 15.00 on the relevant Valuation Day. No Subscription order will be accepted after the earliest Valuation Point for any asset of the Company on the relevant Dealing Day.

If a subscription order is received prior to the Dealing Cut-Off Time, Shares will be issued at the NAV per Share applicable on the relevant Dealing Day. Subscription orders received after the relevant Dealing Cut-Off Time will be held over without interest on any related subscription monies and, in the absolute discretion of the Directors, either (i) such subscription monies will be returned (without interest) to the person from whom the subscription order and subscription funds were received, or (ii) the relevant Shares will be issued on the next applicable Dealing Day at the relevant NAV per Share, unless the Manager determines in its sole discretion to accept such subscriptions in exceptional circumstances and provided that such subscriptions for Shares are received before the earliest Valuation Point for any asset of the Company on the relevant Dealing Day. Subscription orders will not be processed at times when the calculation of the NAV per Share is suspended in accordance with the terms of the Prospectus and the Articles.

The Directors may also, at their sole discretion, issue Shares in any Class on terms providing for settlement to be made by the vesting in the Company of any investments provided that: (a) the assets to be transferred in to the Company must qualify as investments of the Company in accordance with the investment objectives, strategies and restrictions which are set out in this Prospectus; (b) the Directors will be satisfied that the terms of any such exchange will not be such as are likely to result in any material prejudice to the Shareholders; (c) the number of Shares to be issued will be not more than the number which would have been issued for settlement in cash as hereinbefore provided on the basis that the amount of such cash was an amount equal to the value of the investments to be so vested in the Company as determined by the Directors on the relevant Dealing Day; (d) no Shares will be issued until the investments will have been vested in the Depository to the Depository's satisfaction; (e) any Duties and Charges arising in connection with the vesting of such investments in the Company will be paid

by the person to whom the Shares are to be issued, or by the Company; and (f) the Depository will be satisfied that the terms on which the shares are issued will not be such as are likely to result in any prejudice to the existing Shareholders.

An applicant wishing to make an initial subscription for Shares in the Company must complete and send the Subscription Agreement to the Administrator. Subscription Agreements may be sent by facsimile or electronic means (e.g., via a signed PDF in an email) with the original Subscription Agreement and supporting documentation in relation money laundering prevention checks to follow promptly by post or delivery. Subsequent purchases of Shares, following an initial subscription pursuant to a properly completed Subscription Agreement, may be made by completing and submitting an Additional Subscription Agreement to the Administrator. Additional Subscription Agreements may be sent by facsimile or electronic means as previously agreed with the Administrator.

The Directors or their delegates are under no obligation to consider the allotment and issue of Shares in the Company to an applicant unless and until the Administrator has received a completed Subscription Agreement and always have discretion as to whether or not to accept a subscription.

Subscription Agreements and Additional Subscription Agreements can be obtained by contacting the Administrator.

Except at the discretion of the Company, subscription orders will be irrevocable. Each prospective investor will be required to agree in the Subscription Agreement to, under certain circumstances, indemnify the Company, the Administrator, the Manager, the Investment Manager and any of their respective affiliates for any and all claims, losses, liabilities or damages (including attorneys' fees and other related out-of-pocket expenses) suffered or incurred by any such person as a result of the investor not remitting the amount of its subscription by the due date for such subscription or otherwise failing to comply with the terms of such Subscription Agreement. In addition, upon the failure of a Shareholder to pay subscription monies by the date due, the Directors may, in their sole discretion, redeem any Shares held by the Shareholder in the Company and apply the redemption proceeds in satisfaction of the Shareholder's liabilities arising as a result of such failure to pay subscription proceeds to the Company, the Administrator, the Manager, the Investment Manager or any of their respective affiliates pursuant to the indemnity described above. Please see the section headed "*Redemption of Shares, Mandatory Redemption of Shares, Forfeiture of Dividend and Deduction of Tax*".

The Subscription Agreement contains, among other provisions, certain representations, warranties, agreements, undertakings and acknowledgements relating to a prospective Shareholder's suitability to purchase Shares, the terms of the Shares and other matters. Subscribers should understand that the Shares are offered and sold in reliance upon the representations, warranties, agreements, undertakings and acknowledgements made by the subscriber and contained in the Subscription Agreement, and that such provisions may be asserted as a defence by the Company and the Manager in any action or proceeding relating to the offer and sale of Shares.

The Company, the Manager, the Investment Manager or their affiliates and/or service providers or agents of the Company, the Manager or the Investment Manager may from time to time be required or may, in their sole discretion, determine that it is advisable to disclose certain information about the Company and the Shareholders, including, but not limited to, investments held by the Company and the names and level of beneficial ownership of Shareholders, to (i) regulatory authorities of certain jurisdictions, which have or assert jurisdiction over the disclosing party or in which the Company directly or indirectly invests, or (ii) any counterparty of or service provider to the Manager or the Company. By virtue of the entering into a Subscription Agreement, each Shareholder consents to any such disclosure relating to such Shareholder.

The Company or the Administrator may, in their sole discretion, reject any subscription order for Shares for any reason, including in particular, where the Company or Administrator, as appropriate, reasonably believes the subscription order may represent a pattern of excessive trading or market timing activity in respect of the Company.

The Administrator is regulated by the Central Bank and must comply with the measures provided for in the Criminal Justice (Money Laundering & Terrorist Financing) Acts 2010 and 2018 (together, the "**Acts**"), which are aimed towards the prevention of money laundering. In order to comply with these anti-money laundering regulations, the Administrator will require from any subscriber or Shareholder a detailed verification of the identity of such subscriber or Shareholder, the identity of the beneficial owners of such subscriber or Shareholder, the source of funds used to

subscribe for Shares, or other additional information which may be requested from any subscriber or Shareholder for such purposes from time to time. The Administrator reserves the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner. The subscriber recognizes that the Administrator, in accordance with their anti-money laundering (“**AML**”) procedures reserves the right to prohibit the movement of any monies if all due diligence requirements have not been met, or, if it for any reason feels that the origin of the funds or the parties involved are suspicious. In the event that the movement of monies is withheld in accordance with the Administrator’s AML procedures, the Administrator will strictly adhere to all applicable laws, and shall notify the Company as soon as professional discretion allows or as otherwise permitted by law.

In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator or the Company may reject the application and the subscription monies relating thereto, in which case the subscription monies may be returned (subject to applicable law) without interest to the account from which the monies were originally debited, subject to any advice or request from the relevant authorities that the subscription monies should be retained pending any further directions from them or the Administrator or the Company may refuse to withhold payment of a redemption request until full information has been provided, in each case without any liability whatsoever on the part of the Company, the Administrator or any service provider to the Company. No interest will be paid either on subscription proceeds pending settlement to the account of the Company or on redemption proceeds pending settlement to the account of the Shareholder. Amendments to an investor’s registration details and payment instructions may only be made by facsimile or electronic means (e.g., via a signed PDF in an email). Redemption orders will be processed on receipt of facsimile or electronic instructions (e.g., via a signed PDF in an email) only where payment is made to the account of record. The Company may issue fractional Shares up to three decimal places.

#### *Written Confirmations of Ownership*

The Administrator will be responsible for maintaining the Company’s register of Shareholders in which all issues, redemptions and transfers of Shares will be recorded. All Shares issued will be in registered form and no Share certificates will be issued. Ownership will be evidenced by entry in the Share register. Following each transfer, purchase, redemption and conversion of Shares written confirmations of ownership will be sent by the Administrator to each Shareholder. A Share may be registered in a single name or in up to four joint names. The register of Shareholders will be available for inspection at the registered office of the Company during normal business hours.

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## REDEMPTION OF SHARES

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Shareholders may request that Shares of the Company be redeemed on any Dealing Day by completing and submitting a Redemption Application to the Administrator to arrive no later than the Dealing Cut-Off Time, in order to be effective on a Dealing Day. Redemption Applications received after the relevant Dealing Cut-Off Time will be held over until the next applicable Dealing Day, unless the Manager determines in its sole discretion, in exceptional circumstances and where such Redemption Applications are received before the relevant Valuation Point, to accept such Redemption Applications on the relevant Dealing Day. Redemption Applications may be sent by facsimile or electronic means (e.g., via a signed PDF in an email). Redemption Applications received after the relevant Dealing Cut-Off Time will be effective on the next succeeding Dealing Day. Redemption Applications will not be processed at times when the redemption of Shares or the calculation of the NAV per Share is suspended in accordance with the terms of this Prospectus and the Articles. Shares which have been subject to a Redemption Application will be entitled to dividends, if any, up to the Dealing Day upon which the redemption is effective.

### *Deferred Redemptions*

If the number of Shares to be redeemed on any Dealing Day exceeds ten per cent (10%) or more of the total number of Shares of the Company in issue on that Dealing Day or ten per cent (10%) or more of the Net Asset Value of the Company, the Manager or its delegate may at their discretion refuse to redeem any Shares in excess of ten per cent (10%) of the total number of Shares in issue or ten per cent (10%) or more of the Net Asset Value of the Company as aforesaid and, if they so refuses, 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.

A distribution in respect of a redemption may be made in kind, at the discretion of the Manager, provided that where the redemption request represents less than 5% of the NAV of the Company, the redemption in kind will only be made with the consent of the redeeming Shareholder. The assets to be transferred will be selected at the discretion of the Manager with the approval of the Depositary and taken at their value used in determining the redemption price of the Shares being so redeemed. As a result, such distributions will only be made if the Manager and the Depositary consider that they will not materially prejudice the interests of the Shareholders of the Company as a whole and the Depositary is satisfied that the assets distributed are equivalent to the amount of the distribution declared. Shareholders will bear any risks of the distributed securities and may be required to pay a brokerage commission or other costs in order to dispose of such securities. If a Shareholder so requests, the Investment Manager will sell the assets to be distributed to that Shareholder and distribute the cash proceeds to the Shareholder.

### *Redemption Price*

Shares will be redeemed at the applicable Net Asset Value per Share, obtained on the Dealing Day on which redemption is effected, subject to any applicable fees associated with such redemption.

All payments of redemption monies will be made, except in the exceptional circumstances, within seven Business Days of the relevant Dealing Day and will be made by telegraphic transfer to the Shareholder's account, details of which will be notified by the Shareholder to the Administrator in the Subscription Agreement or subsequently in a format agreeable to the Administrator. For the avoidance of doubt, no redemption payment will be made until the Subscription Agreement has been received from the investor and all documentation required by the Company (including any documents in connection with anti-money laundering procedures) and the necessary anti-money laundering procedures have been completed.

### *Mandatory Redemption of Shares, Forfeiture of Dividend and Deduction of Tax*

Shareholders are required to notify the Directors and the Administrator immediately in writing in the event that they become Irish Residents or U.S. Persons. Shareholders who become U.S. Persons may be required to dispose of their Shares on the next Dealing Day thereafter to persons who are not U.S. Persons. Shareholders who become Irish Residents will cause the Company to become subject to Irish tax on a subsequent disposal of Shares held by

such Shareholders whether by way of a redemption or transfer and on any distributions made in respect of such Shares. The Company will be obliged to account for and remit such tax to the Irish Revenue Commissioners. However, the Company will be entitled to deduct from the payment arising on such a chargeable event an amount equal to the appropriate tax and/or where applicable, to redeem and/or cancel such number of Shares held by the Shareholder or such beneficial owner as are required to discharge the tax liability. The Company may also be obliged under the taxation laws of any other jurisdiction to deduct and account for tax in respect of chargeable events in any other such jurisdiction. The relevant Shareholder will indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax in the relevant jurisdiction of the Shareholder on the happening of a chargeable event if no such deduction, redemption or cancellation has been made.

The Company may, in its sole discretion, require any Shareholder to redeem some or all of its Shares at any time where, in the opinion of the Directors, the holding of such Shares may result in regulatory, pecuniary, legal, taxation or material administrative disadvantage to the Company or its Shareholders as a whole or where the Directors resolve to redeem such Shares. The Company may also, in its sole discretion, redeem some or all of the Shares of a Shareholder where the Shareholder has failed to pay subscription monies by the due date and may apply the redemption proceeds in satisfaction of the Shareholder's liabilities to the Company, the Manager or the Investment Manager or any of their respective affiliates pursuant to the indemnity described under the section headed "*Subscription for Shares*".

In addition, the Company may redeem all of its Shares or a Class in issue if the redemption of the Shares or Class is approved by a resolution of the Shareholders or where the Depositary has served notice of its intention to retire and an alternative depositary has not been approved within ninety (90) days from the date of such notice.

The Articles of the Company permit the Company to redeem Shares where during a period of six years any dividend on the Shares remains unpaid and no acknowledgement has been received in respect of any confirmation of ownership of the Shares sent to the Shareholder and require the Company to hold the redemption monies as a permanent debt of the Company. The Articles also provide that any unclaimed dividends may be forfeited after six years and on forfeiture will form part of the assets of the Company.

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

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## SUBSCRIPTION AND REDEMPTION COLLECTION ACCOUNT

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Subscriptions into and redemptions and distributions due from the Company will be paid into a collection account in the name of the Administrator (the "IMR Account"). Monies in the IMR Account to which investors are beneficially entitled will qualify for the protections afforded by the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund Service Providers (the "IMR Regulations") and will be protected from the insolvency of the Administrator and the Company. The IMR Regulations will only apply to, and the IMR Account will only hold, monies received in advance of the issue of Shares in the Company and redemptions and distributions from the Company following receipt into the IMR Account on payment due date. The protections of the IMR Regulations do not extend to protect investors from insolvency of the bank with which the IMR Account is opened, and in such event investors beneficially entitled to monies in the IMR Account will be unsecured creditors of the relevant bank.

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## TRANSFER OF SHARES

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All transfers of Shares will be effected by a transfer in writing in any usual or common form or any other form approved by the Directors and/or the Administrator and every form of transfer will state the full name and address of the transferor and the transferee. The instrument of transfer of a Share will be signed by or on behalf of the transferor and the transferee. The transferor will be deemed to remain the holder of the Share until the name of the transferee is entered on the Share register in respect thereof. The Directors may decline to register any transfer of Shares if, in consequence of such transfer, the value of the holding of the transferor or transferee does not meet the minimum subscription or holding levels of the relevant Share Class and/or Company. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, provided, however, that such registration will not be suspended for more than 30 days in any calendar year. The Directors may decline to register any transfer of Shares unless the instrument of transfer, and such other documents as the Directors and/or the Administrator may require, including without limitation a Subscription Agreement, are deposited at the office of the Administrator or at such other place as the Directors may reasonably require, together with such other evidence as the Directors and/or the Administrator may reasonably require to show the right of the transferor to make the transfer and to verify the identity of the transferee. Such evidence may include a declaration that the proposed transferee is not a U.S. Person or acting for or on behalf of a U.S. Person.

The Directors will decline to register a transfer of Shares if, in the opinion of the Directors, the transfer will be unlawful or result or be likely to result in any adverse regulatory, pecuniary, legal or taxation consequences or material administrative disadvantage to the Company or its Shareholders as a whole.

The Directors will decline to register a transfer of Shares if the transferee is a U.S. Person or acting for or on behalf of a U.S. Person.

No transfer of Shares can be completed until the Subscription Agreement and all documentation required by the Administrator, including any document in connection with the Acts or other requirements and/or any anti-money laundering procedures have been completed, sent to and received by the Administrator in respect of the transferor.

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## DIVIDEND POLICY

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The Directors do not currently intend to declare any dividends in respect of the Class A Shares and Class B Shares. Accordingly, net investment income on the Company's investments attributable to the Class A Shares and Class B Shares is expected to be retained by the Company, which will result in an increase in the Net Asset Value per Share of the Class A Shares and Class B Shares.

The Directors nevertheless retain the right to declare dividends in respect of such net investment income on the Company's investments attributable to the Class A Shares and Class B Shares in their sole discretion. In the event that the Directors determine to declare dividends in respect of the Class A Shares and Class B Shares in the Company, Shareholders will be notified in advance of any such change in the dividend policy (including the date by which dividends will be paid and the method by which dividends will be paid) and full details will be disclosed in an updated Prospectus.

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## TERMINATION OF THE COMPANY OR SHARE CLASS

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The Company is established for an unlimited period and may have unlimited assets. However, the Company may redeem all of its Shares or all of the Shares in any Class in issue if:

- (a) the redemption of the Shares is approved by a resolution in writing signed by all of the holders of the Shares in that Class or the Company, as appropriate;
- (b) the NAV of the Company, or of a Class of Shares, does not exceed or falls below \$25 million or its foreign currency equivalent (or such other amount as may be determined from time to time by the Directors);
- (c) the Directors deem it appropriate because of an adverse political, economic, fiscal environment affecting the Company or relevant Class; or
- (d) where the Depository has served notice of its intention to retire and an alternative depository has not been appointed within 90 days from the date of such notice. See the section headed "*Depository*" below.

In the event of termination or merger, the Shares of the Company or relevant Class will be redeemed after giving such prior written notice as may be required by law to all holders of such Shares. Such notice periods will be at least two weeks and may be up to three months. The Shares will be redeemed at the NAV per Share of such Class on the relevant Dealing Day less their pro rata share of such sums as the Company in its discretion may from time to time determine as an appropriate provision for Duties and Charges in relation to the estimated realisation costs of the assets of the Company and in relation to the redemption and cancellation of the Shares to be redeemed.

If the Company will be wound up or dissolved (whether the liquidation is voluntary, under supervision or by the Court) the liquidator may with the authority of an Ordinary Resolution, divide among the Shareholders pro-rata to the value of their shareholdings in the Company (as determined in accordance with the Articles) in specie the whole or any part of the assets of the Company, and whether or not the assets will consist of property of a single kind and may for such purposes value any class or classes of property in accordance with the valuation provisions in the Articles. The liquidator may, with the authority of an Ordinary Resolution, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator will think fit, and the liquidation of the Company may be closed and the Company dissolved, but not so that any Shareholder will be compelled to accept any asset in respect of which there is a liability. If a Shareholder so requests, the Investment Manager will sell the assets to be distributed to that Shareholder and distribute the cash proceeds to the Shareholder. Shareholders will bear any risks of the distributed securities and may be required to pay a brokerage commission or other costs in order to dispose of such securities.

Unamortised establishment and organisational expenses at the time of any such termination will be borne by the Company and will reduce the Net Asset Value per Share of Shares then outstanding pro rata in accordance with the NAV of each such Share.

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## MANAGEMENT AND ADMINISTRATION

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### ***The Board of Directors and Secretary***

The Directors have overall responsibility for the management of the Company (and any wholly owned subsidiaries) including making general policy decisions and reviewing the actions of the Manager, the Depositary, the Administrator and any other service providers appointed by the Company from time to time.

The Directors are responsible for managing the business affairs of the Company in accordance with the Articles. The Directors may delegate certain functions to the Manager and other parties, subject to the supervision and direction by the Directors and subject to compliance with the requirements of the Central Bank. It is intended that the Company will be centrally managed and controlled in Ireland.

The Directors are listed below with their principal occupations. All of the Directors serve in a non-executive capacity. The Manager has delegated the day to day administration of the Company to the Administrator, an Irish tax resident company, and the acquisition, management and disposal of its assets to the Investment Manager.

The Directors as of the date of this Prospectus are as follows:

**David Hammond** (Irish) is General Counsel of the Manager, having retired as Managing Director of Bridge Consulting Limited, a financial services consultancy and business advisory firm in 2014. Mr. Hammond has over 20 years' experience in the fund management industry, having formerly been employed as Chief Operating Officer of Sanlam Asset Management (Ireland) Limited, part of the Sanlam group of South Africa, and as a Director of Legal and Business Development with International Fund Managers (Ireland) Limited, the Irish fund administration subsidiary of Baring Asset Management which is now part of Northern Trust. Mr. Hammond is a CFA Charterholder and a solicitor and holds a law degree from Trinity College Dublin and an MBA from Smurfit Graduate School of Business, University College Dublin.

**Ronan Smith** (Irish) is an independent investment consultant serving institutions and asset managers in Ireland. He has over 30 years' experience in investment management, including as director at Bank of Ireland Asset Management, where he pioneered the use of passive management, and with a specialist currency management firm. He has developed and delivered investment training programs for trustees and others. He is a founding principal of Verus Advisory Limited which provides independent advice and monitoring to pension funds on the use of outsourced investing. He is a past chairman of CFA Ireland and a past council member of the IAPF. He holds degrees in mathematical economics and management science. He is also an FCCA and a QFA.

**John Wells** (British) currently serves as Chairman of the Investment Manager and is one of its founding partners. John has over 30 years of capital markets and financial markets experience. From 2000 until 2005 he was one of the founding members of Swiss Re Financial Products which included a team pioneering a number of structures for insurance-linked investments. He was a senior member of the management committees running the European capital markets business with overall regulatory responsibility for the operations. Before joining Swiss Re, John was a Managing Director at Greenwich NatWest and spent just under 20 years in investment banking with the NatWest group, including 5 years in Tokyo.

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

The Company Secretary is Matsack Trust Limited.

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## MANAGER

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The Company has appointed Waystone Fund Management (IE) Limited to act as Manager. The Manager is also responsible for the promotion of the Company and the distribution of Shares of the Company. Waystone Fund Management (IE) Limited is a private limited company established in Ireland on 6 February 2015. The Manager is a member of the ML Capital group of companies and is engaged in the business of providing management and administrative services to collective investment schemes. It is authorised by the Central Bank as a UCITS management company under the UCITS Regulations and as an Alternative Investment Sub-Fund Manager, or AIFM, under the European Union (Alternative Investment Sub-Fund Managers) Regulations 2013. As of 31 August, 2018, the Manager had over US\$5.7 billion in assets under management.

The Directors of the Manager as of the date of this Prospectus are as follows:

**David Hammond.** Mr Hammond's biography is outlined above.

**David Tease** (Irish) has over 20 years' experience as a hedge fund manager and commodity trading advisor. He began his career as an agricultural economist, then joined Citibank in Dublin as a bond trader in 1986. He worked for Bank of Ireland, Gandon Securities and Allied Irish Capital Management, before becoming Managing Director of Vega Capital Partners in 2002. Between 2007 and 2010, he ran alternative investment accounts at GlobalReach Securities and Dolmen Securities, before retiring in 2010 to manage his own portfolio. He has a Masters in Agriculture (Economics) from Queens University, Belfast, and an MBA from University College Dublin;

**Cyril Delamare** (UK Resident) is the Chief Executive Officer of the ML Capital group of companies, which includes Waystone Fund Management (IE) Limited and ML Capital Asset Management Limited. Prior to co-founding the ML Capital group, Mr. Delamare was a Partner and CEO at Tara Capital, a leading global distributor of hedge funds which helped money management clients attract over \$3 billion in new assets. Mr. Delamare's responsibilities at Tara included directing a multilingual institutional sales team of 20, manager sourcing and selection and due diligence. He has covered investors and run coverage groups across every region of Europe since 2000 with a particular focus on France and Switzerland. Mr. Delamare gained a degree in International Business from L'Institut Supérieur Européen de Gestion et de Commerce (ISEG) in Lyon, France.

**Matthew Williamson** (Irish) is General Manager of the ML Capital office in Dublin. Mr. Williamson has over 20 years financial services experience gained in global financial services firms. Mr. Williamson began his career at Daiwa Bank as a Finance Officer in the early 90's before moving on to roles at AIG and Old Mutual. From 1999, Mr. Williamson was at the Man Group where he spent 16 years building out their Irish and Middle Eastern offices. Mr. Williamson served as General Manager in Ireland and was a member of the board of the Man Group. In Dubai, he was Chief Operating Officer and a member of the board of the Man Group. Mr. Williamson is a former Chairman of the Irish Sub-Funds Industry Association Transfer Agency Committee.

**Conor Murphy** (Irish) is a Director at ML Capital. Mr Murphy's career in fund management spans 25 years. During the late 80's Mr. Murphy worked in Investment Fund Sales and Marketing at Irish Life and subsequently AIB, dealing with fund product development and innovation, distribution and portfolio analysis. He went on to become a Founding Director of a leading firm specialising in treasury management, fund advisory and portfolio analysis, financial software product development for the banking industry, structured products and fund-of-funds for the wealth management market in 1993. Since 2001 Mr. Murphy has actively been involved in structuring private equity deals in the financial services sector in Ireland and Continental Europe. He is also an active real estate commercial/residential investor, developer and deal structurer in Ireland. Mr. Murphy holds a degree in Applied Sciences.

**Richard Day** (British) is the Chief Operating Officer and a member of the Risk Committee at the ML Capital group. In his role, Mr. Day oversees the full operational management of the asset management activities of the group with responsibilities including Fund Structuring & Origination, Service Provider Management and day to day relationship management of ML's Fund Manager Partners. Prior to joining ML Capital in 2010, he spent 12 months as a senior consultant advising the alternative asset management industry on corporate governance issues post the 2008 crisis.

Mr. Day spent the first 10 years of his career at Morgan Stanley working within a number of senior roles within Technology, Operations, Equities and Asset Management. Mr. Day read Politics, Philosophy and Economics at the University of Essex.

The company secretary of the Manager is MFD Secretaries Limited.

The Management Agreement provides that the Manager (and its directors, officers, employees and agents) will not be liable for any loss or damage arising directly or indirectly out of any act or omission done or suffered by the Manager in the performance of its duties unless such loss or damage arose out of or in connection with the negligence, wilful default or fraud of the Manager (or any of its directors, officers, employees and agents) in the performance of its duties thereunder. Under the Management Agreement, in no circumstances will the Manager, its directors, officers, employees and agents be liable for special, indirect or consequential damages, or for lost profits or loss of business, arising out of or in connection with the performance of its duties, or the exercise of its powers. The Company is obligated under the Management Agreement to indemnify and keep indemnified and hold harmless the Manager (and each of its directors, officers, employees and agents) against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including reasonable legal fees or expenses) suffered or incurred by the Manager in connection with the performance of its duties and/or the exercise of its powers under the Management Agreement, in the absence of any such negligence, wilful default or fraud.

The Management Agreement will continue in force until terminated by either party thereto on three months' notice in writing to the other party and in other circumstances as set out in the agreement.

## **Remuneration Policy**

The Manager has a remuneration policy in place to ensure compliance with the relevant requirements of the Central Bank UCITS Regulations. This remuneration policy includes measures to avoid conflicts of interest and applies to staff and senior management within the Manager whose activities have been identified by the Manager as potentially having a material impact on the risk profile of the Company. In line with the provisions of the Central Bank UCITS Regulations, the Manager applies its remuneration policy and practices in a way and to the extent that is proportionate to its size, its internal organisation and the nature, scope and complexity of its activities.

Where the Manager delegates investment management functions in respect of the Company, such as to the Investment Manager, it will ensure that any delegates it appoints apply the remuneration rules as detailed in the Central Bank UCITS Regulations in a proportionate manner or, alternatively, are subject to equally effective remuneration policies under their home authorisation.

Further details with regard to the remuneration policy (including how remuneration and benefits are calculated and the identity of persons responsible for awarding the remuneration and benefits) are available at the following website: [www.mlcapital.com/mlc/remuneration-policy](http://www.mlcapital.com/mlc/remuneration-policy) and a paper copy may be obtained free of charge on request from the Manager.

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## INVESTMENT MANAGER AND DISTRIBUTOR

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

The Manager has appointed Leadenhall Capital Partners LLP to act as Investment Manager. The Investment Manager is also responsible for the promotion of the Company and the distribution of Shares of the Company. Leadenhall Capital Partners LLP was incorporated as a limited liability partnership in England and Wales on 30 April 2008. The Investment Manager is authorised and regulated by the FCA and is engaged in managing and advising third party offshore funds.

Under the Investment Management and Distribution Agreement, the Investment Manager is entitled to delegate or sub-contract all or any of its functions, powers, discretions, duties and obligations to any person approved by the Company in accordance with the requirements of the Central Bank, provided that such delegation or sub-contract will terminate automatically on the termination of the Investment Management and Distribution Agreement and provided further that the Investment Manager will remain responsible and liable for any acts or omissions of any such delegate as if such acts or omissions were those of the Investment Manager. All sub-investment managers appointed will be disclosed in the Company's periodic reports. Details on any sub-investment managers appointed will be disclosed to Shareholders on request. Such sub-investment managers will not be paid directly by the Company but instead will be paid by the Investment Manager.

The Investment Management and Distribution Agreement provides that the Investment Manager (and its directors, officers, employees and agents) will not be liable for any loss or damage arising directly or indirectly out of any act or omission done or suffered by the Investment Manager in the performance of its duties unless such loss or damage arose out of or in connection with the negligence, wilful default or fraud of the Investment Manager (or any of its directors, officers, employees and agents) in the performance of its duties thereunder. Under the Investment Management and Distribution Agreement in no circumstances will the Investment Manager, its directors, officers, employees and agents be liable for special, indirect or consequential damages, or for lost profits or loss of business, arising out of or in connection with the performance of its duties, or the exercise of its powers. The Manager is obligated under the Investment Management and Distribution Agreement to indemnify and keep indemnified and hold harmless the Investment Manager (and each of its directors, officers, employees and agents) against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including reasonable legal fees or expenses) suffered or incurred by the Manager in connection with the performance of its duties and/or the exercise of its powers under the Investment Management and Distribution Agreement, in the absence of any such negligence, wilful default or fraud.

The Investment Management and Distribution Agreement will continue in force until terminated by either party thereto on three months' notice in writing to the other party and in other circumstances as set out in the agreement.

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## DEPOSITARY

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### Biography of the Depositary

Elavon Financial Services DAC, trading as U.S. Bank Depositary Services has been appointed to provide depositary services to the Company as required under the UCITS Regulations. The Depositary is a designated activity company incorporated under the laws of Ireland and has its registered office at Building 8, Cherrywood Business Park, Loughlinstown, Dublin 18, Ireland bearing company number 418442, and is a credit institution regulated by the Central Bank. The Depositary is a wholly owned subsidiary of U.S. Bancorp.

The Depositary is a financial service provider and has as its main business activity the provision of custodial and depositary services, and related services, to collective investment schemes and other portfolios.

### Duties of the Depositary

The Depositary is responsible for the safekeeping of the assets of the Company, monitoring the cash flows of the Company, and must ensure that certain processes carried out by the Company and the Manager are performed in accordance with the UCITS Regulations and the Memorandum and Articles of Association of the Company.

In this capacity, the Depositary's principal duties include, amongst others, the following:

- (a) ensuring that the Company's cash flows are properly monitored, and that all payments made by or on behalf of Shareholders upon the subscription of Shares of the Company have been received;
- (b) safekeeping the assets of the Company, which includes (i) holding in custody all financial instruments that may be registered in a financial instrument account opened in the Depositary's books and all financial instruments that can be physically delivered to the Depositary; and (ii) for other assets, verifying the ownership of such assets and maintaining a record accordingly;
- (c) ensuring that the sale, issue, re-purchase, redemption and cancellation of Shares of the Company are carried out in accordance with applicable national law and the Memorandum and Articles of Association of the Company;
- (d) ensuring that the value of the Shares of the Company are calculated in accordance with the applicable national law and the Memorandum and Articles of Association of the Company;
- (e) carrying out the instructions of the Company and the Manager, unless they conflict with the applicable national law or the Memorandum and Articles of Association of the Company;
- (f) ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits; and
- (g) ensuring that the Company's income is applied in accordance with the applicable national law and the Memorandum and Articles of Association of the Company.

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

## Delegation

The Depositary acts as custodian and has full power to delegate the whole or any part of its safe-keeping functions. Under the terms of the Depositary Agreement, the Depositary may delegate its safekeeping obligations provided that: (i) the requirements of Regulation 34A(3) of the UCITS Regulations are met; (ii) the tasks are not delegated with the intention of avoiding the requirements of the UCITS Regulations, (iii) the Depositary can demonstrate that there is an objective reason for the delegation and (iv) the Depositary: (A) exercises all due, skill, care and diligence in the selection and appointment of any third party; (B) carries out periodic reviews and ongoing monitoring of the third party and of the arrangement put in place by the third party in respect of the delegation, and (C) continues to exercise all due skill, care and diligence in carrying out such review and monitoring. The Depositary's liability shall not be affected by any delegation of its safe-keeping functions under the Depositary Agreement.

The Depositary has delegated its safe-keeping duties (as set out in 34(a)(4) of the UCITS Regulations) in respect of financial instruments in custody to its global sub-custodian, U.S. Bank N.A. (the "**Global Sub-Custodian**"). The Global Sub-Custodian may sub-delegate safekeeping of assets in certain markets in which the Company may invest to various sub-custodians. The Global Sub-Custodian, proposes to further delegate these responsibilities to sub-custodians, the identities of which are set out in Appendix F hereto. Investors should note that, except in the event of material changes requiring a prompt update of this Prospectus, the list of sub-custodians is updated only at each Prospectus review.

## Conflicts of Interest

The Depositary is part of an international group of companies and businesses that, in the ordinary course of their business, act simultaneously for a large number of clients, as well as for their own account, which may result in actual or potential conflicts. Conflicts may arise between the Depositary and its affiliates or delegates where the Depositary or its affiliates or delegates engage in activities under the Depositary Agreement or under separate contractual or other arrangements. For example, where an appointed delegate is an affiliated group company and is providing a product or service to the Company and has a financial or business interest in such product or service or where an appointed delegate is an affiliated group company which receives remuneration for other related custodial products or services it provides to the Company. Such activities may include but are not limited to, the provision of administration, registrar, transfer agency, nominee, agency, research, investment management, securities lending, financial advice and other advisory services, engaging in banking, sales and trading transactions (such as foreign exchange, derivative, principal lending, broking, market making or other financial transactions) with the Company either as principal and in the interests of itself, or for other clients. Conflicts of interest may also arise between the Depositary's different clients.

As a financial services provider, one of the Depositary's fundamental obligations is to manage conflicts of interest fairly and transparently. As a regulated business, the Depositary is required to prevent, manage and, where required, disclose information regarding any actual or potential conflict of interest incidents to relevant clients. The Depositary does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to the Global Sub-Custodian or any of the sub-delegates listed in Appendix F. The Depositary will notify the Company and the Manager of any such conflict should it so arise.

Please see further under the section headed "*RISK CONSIDERATIONS - Conflicts of Interest*".

## Depositary Agreement

The Depositary has been appointed pursuant to a Depositary Agreement between the Company, the Manager and the Depositary dated 13 May 2019. The Depositary Agreement may be terminated by either party on 90 calendar days' written notice or forthwith by notice in writing in certain circumstances such as the insolvency of the Depositary or un-remedied breach after notice provided that the Depositary shall continue to act as depositary until a successor depositary approved by the Central Bank is appointed by the Company or the Company's authorisation by the Central Bank is revoked.

Under the terms of the Depositary Agreement, the Depositary shall not be liable to the Company, the Manager, the Investment Manager or Shareholders or any other person in any respect for consequential or indirect or special damages or losses arising out of or in connection with the performance or non-performance by the Depositary of its duties and obligations under the Depositary Agreement. The Depositary Agreement provides that the Company shall indemnify and hold the Depositary (and its the directors, officers and employees of the Depositary) harmless from and against all or any direct losses, actions, proceedings, liabilities, demands, damages, costs, claims or expenses whatsoever and howsoever arising (including reasonable legal fees and other costs, charges and expenses incurred) which the Depositary may suffer or incur in acting as Depositary on behalf of the Company, other than due to (i) any such losses which arise as a result of the Depositary's negligence, fraud, bad faith, wilful default, recklessness or negligent or intentional failure to properly fulfil its obligations under applicable laws in accordance with the terms of the Depositary Agreement and (ii) in respect of a loss of a financial instrument held in its custody (or that of its duly appointed delegate) unless it can prove that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. In case of a loss of financial instruments held in custody, the Shareholders may invoke the liability of the Depositary directly or indirectly through the Company provided that this does not lead to a duplication of redress or to unequal treatment of the Shareholders. The Depositary has the power to delegate its duties but its liability will not be affected by the fact that it has entrusted to a third party some or all of the assets in its safekeeping. The Company shall indemnify the Depositary from any loss or damage suffered by the Depositary in providing contractual settlement to the Company in those markets specified in the Depositary Agreement. In addition, the Depositary shall be entitled to any indemnity to which it may be entitled at law.

#### **Further Information in relation to the Depositary**

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

The Depositary 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 depositary services that it provides to the Company pursuant to the Depositary Agreement. The Depositary is a service provider to the Company and is not responsible for the preparation of this document or the activities of the Company and therefore accepts no responsibility for any information contained in this Prospectus other than the relevant descriptions relating to it. The Depositary will not participate in any investment decision-making process related to the Company. The Company reserves the right to change the Depositary's arrangements described above by agreement with the Depositary. Such agreement shall be in accordance with the requirements of the Central Bank.

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## ADMINISTRATOR

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The Administrator, the Company and the Manager have entered into an administration agreement dated 16 December 2015 (as amended by an agreement dated 6 June 2018 and as novated by an agreement dated 4 April 2019 and as may be further amended) (the "**Administration Agreement**") pursuant to which the Administrator provides the Company with certain transfer agency and accounting services including, without limitation, computation of the Net Asset Value in exchange for a fee.

The Administrator is a private limited company incorporated in Ireland on 12 January 2006 (under registration number 413707). Its registered and head office is at 24-26 City Quay, Dublin 2, Ireland. In addition, the Administrator is an indirect wholly owned subsidiary of U.S. Bancorp and is authorised and regulated by the Central Bank of Ireland under the Investment Intermediaries Act, 1995.

Pursuant to the Administration Agreement, the Administrator is responsible, under the overall supervision of the Manager, for certain matters pertaining to the day-to-day administration of the Company including, but not limited to: (a) maintaining books and records related to the Company's cash and position reconciliations, and portfolio transactions; (b) preparation of financial statements and other reports for the Company; (c) calculating the Net Asset Value of the Company (in accordance with the Manager's valuation policies and procedures); (d) preparing certain reports to investors; (e) calculating fees payable or allocable to the Manager (as applicable); (f) reviewing Subscription Agreements and withdrawal requests and performing various other transfer agency and investor services; and (g) performing certain other administrative and clerical services in connection with the administration of the Company pursuant to the terms of the Administration Agreement. For the purposes of determining the Net Asset Value, the Administrator will follow the valuation policies and procedures adopted by the Company and the Manager.

The Company may elect to terminate the Administration Agreement (in accordance with the terms thereof) and enter into a new agreement with a new administrator in its discretion and on such terms as it deems advisable, without prior notice to, or approval of, the Shareholders.

The Administration Agreement provides that the Administrator may upon prior notice to the Manager and having received prior approval of the Central Bank, delegate some or all of its administrative functions on behalf of the Company to one or more third parties, and also provides for certain limitations of the Administrator's liability and indemnification of the Administrator.

The Administrator in no way acts or will act as guarantor or offeror of interests in the Company or any underlying investment, nor will it be responsible for the actions of the Company's sales agents, its brokers, its custodians, any other brokers or the Manager. The Administrator will not be responsible for any trading decisions of the Manager or the Company. The Administrator will not be responsible in any way for the Company's selection or ongoing monitoring of its brokers, custodians or other counterparties. The decision to select any counterparties on behalf of the Company will be made solely by the Investment Manager.

THE ADMINISTRATOR WILL NOT PROVIDE ANY INVESTMENT ADVISORY OR INVESTMENT MANAGEMENT SERVICES TO THE COMPANY AND, THEREFORE, WILL NOT BE IN ANY WAY RESPONSIBLE FOR THE COMPANY'S PERFORMANCE. THE ADMINISTRATOR WILL NOT BE RESPONSIBLE FOR MONITORING ANY INVESTMENT RESTRICTIONS OR COMPLIANCE WITH ANY INVESTMENT RESTRICTIONS APPLICABLE TO THE COMPANY AND THEREFORE WILL NOT BE LIABLE FOR ANY BREACH THEREOF.

### **Paying Agent**

Local laws/regulations in certain EEA member states may require (i) the Manager to appoint facilities agents/paying agents/representatives/distributors/correspondent banks (any such appointee is hereafter referred to as a "Paying Agent" and provided further that any such appointment may be made notwithstanding that it is not a legal or regulatory requirement) and (ii) the maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or who are obliged under local regulations to pay subscription monies, or receive redemption monies or dividends, through a Paying Agent are subject to the credit risk of the Paying Agent with respect to (a) the subscription monies for investment in the Company held by the

Paying Agent prior to the transmission of such monies to the Depositary for the account of the Company, and (b) the redemption monies and dividend payments held by the Paying Agent (after transmission by the Company) prior to payment to the relevant Shareholder. Fees and expenses of the 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. All Shareholders of the Company on whose behalf a Paying Agent is appointed may use the services provided by Paying Agents appointed by the Manager.

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## MEETINGS OF AND REPORTS TO SHAREHOLDERS

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All general meetings of the Company will be held in Ireland. In each year the Company will hold an annual general meeting. 21 days' notice (excluding the day of posting and the day of the meeting) will be given in respect of each general meeting of the Company. The notice will specify the venue and time of the meeting and the business to be transacted at the meeting. A proxy may attend on behalf of any Shareholder. The requirements for quorum and majorities at all general meetings are set out in the Articles. Two members present in person or by proxy will constitute a quorum, save in the case of a meeting of a Class where the quorum will be at least two Shareholders of the relevant Class and in either case if a quorum is not present and the meeting is adjourned one member may constitute the quorum. Under Irish law an Ordinary Resolution is a resolution passed by a simple majority of votes cast and a special resolution is a resolution passed by a majority of 75% or more of the votes cast. Under Irish law, the Articles can be amended only with the agreement of the Shareholders by special resolution.

### ***Reports to Shareholders***

Shareholders will receive an annual report containing audited financial statements of the Company for the period ending 31 December in each year. Annual reports will be forwarded to Shareholders at least 21 days before the annual general meeting of the Company. The annual audited financial statements will be sent to Shareholders and prospective investors on request.

In addition, the Company will prepare and circulate to Shareholders a half-yearly report for the period ending June 30 in each year which will include unaudited semi-annual accounts for the Company. The unaudited semi-annual report will be published, where applicable, within two months of the end of the relevant period and to Shareholders as soon as practical thereafter.

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## TAXATION

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### Irish Tax Information

The following is a summary of certain Irish tax consequences of the purchase, ownership and disposal of Shares. The summary does not purport to be a comprehensive description of all of the Irish tax considerations that may be relevant. The summary relates only to the position of persons who are the absolute beneficial owners of Shares and may not apply to certain other classes of persons.

The summary is based on Irish tax laws and the practice of the Irish Revenue Commissioners in effect on the date of this Prospectus (and is subject to any prospective or retroactive change). Potential investors in Shares should consult their own advisors as to the Irish or other tax consequences of the purchase, ownership and disposal of Shares.

#### **Taxation of the Company**

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

The Company will be obliged to account for Irish income tax to the Irish Revenue Commissioners if Shares are held by non-exempt Irish resident Shareholders (and in certain other circumstances), as described below. Explanations of the terms '*resident*' and '*ordinarily resident*' are set out at the end of this summary.

#### **Taxation of Non-Irish Shareholders**

Where a Shareholder is not resident (or ordinarily resident) in Ireland for Irish tax purposes, the Company will not deduct any Irish tax in respect of the Shareholder's Shares once the declaration set out in the Subscription Agreement has been received by the Company confirming the Shareholder's non-resident status. The Declaration may be provided by an Intermediary who hold Shares on behalf of investors who are not resident (or ordinarily resident) in Ireland, provided that, to the best of the Intermediary's knowledge, the investors are not resident (or ordinarily resident) in Ireland. An explanation of the term '*Intermediary*' is set out at the end of this summary.

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

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

#### **Taxation of exempt Irish shareholders**

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

The categories listed in section 739D(6) TCA can be summarised as follows:

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

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

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

### **Taxation of Other Irish Shareholders**

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

### *Distributions by the Company*

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

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

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

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

### *Redemptions and Transfers of Shares*

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

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

The Company will pay this deducted tax to the Irish Revenue Commissioners. In the case of a transfer of Shares, to fund this Irish tax liability the Company may appropriate or cancel other Shares held by the Shareholder. This may result in further Irish tax becoming due.

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

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

### *Eighth Anniversary Events*

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

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

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

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

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

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

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

#### *Share Exchanges*

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

#### **Stamp Duty**

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

#### **Gift and Inheritance Tax**

Irish capital acquisitions tax (at a rate of 33%) can apply to gifts or inheritances of Irish situate assets or where either the person from whom the gift or inheritance is taken is Irish domiciled, resident or ordinarily resident or the person taking the gift or inheritance is Irish resident or ordinarily resident.

The Shares could be treated as Irish situate assets because they have been issued by an Irish company. However, any gift or inheritance of Shares will be exempt from Irish gift or inheritance tax once:

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

#### **FATCA**

Ireland has an intergovernmental agreement with the United States of America (the "IGA") in relation to FATCA, of a type commonly known as a 'model 1' agreement. Ireland has also enacted regulations to introduce the provisions of

the IGA into Irish law. The Company intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA, pursuant to the terms of the IGA. Unless an exemption applies, the Company shall be required to register with the US Internal Revenue Service as a 'reporting financial institution' for FATCA purposes and report information to the Irish Revenue Commissioners relating to Shareholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified US persons. Exemptions from the obligation to register for FATCA purposes and from the obligation to report information for FATCA purposes are available only in limited circumstances. Any information reported by the Company to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Company should generally not be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. FATCA withholding tax would only be envisaged to arise on US source payments to the Company if the Company did not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Company as being a 'non-participating financial institution' for FATCA purposes.

### **OECD Common Reporting Standard**

The EU has adopted the regime known as the "Common Reporting Standard" proposed by the Organisation for Economic Co-operation and Development which generalises the automatic exchange of information within EU Member States. Under these measures, the Company may be required to report information relating to Shareholders, including the identity and residence of Shareholders, and income, sale or redemption proceeds received by Shareholders in respect of the Shares. This information may be shared with tax authorities in other EU Member States and jurisdictions which implement the OECD Common Reporting Standard.

### **Meaning of Terms**

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

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

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

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

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

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

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

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

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

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

The term 'ordinary residence' (as distinct from 'residence') relates to a person's normal pattern of life and denotes residence in a place with some degree of continuity. An individual who has been resident in Ireland for three consecutive tax years becomes ordinarily resident with effect from the commencement of the fourth tax year. An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which the individual is not resident. For example, an individual who is resident and ordinarily resident in Ireland in 2019 and departs Ireland in that year will remain ordinarily resident in Ireland up to the end of the tax year in 2022.

### *Meaning of 'Intermediary'*

An 'intermediary' means a person who:

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

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## GENERAL

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### *The Share Capital*

The share capital of the Company will at all times equal the NAV. The authorised share capital of the Company is 500,000,000,002 represented by two subscriber Shares of no par value issued at €1 each (the “**Subscriber Shares**”) and 500,000,000,000 Shares of no par value. The Directors are empowered to issue up to 500,000,000,000 Shares of no par value in the Company at the NAV per Share on such terms as they may think fit.

Each of the Shares entitles the Shareholder to participate equally on a pro rata basis in the dividends and net assets of the Company in respect of which they are issued, save in the case of dividends declared prior to becoming a Shareholder. The Subscriber Shares entitle the Shareholders holding them to attend and vote at all meetings of the Company, but do not entitle the holders to participate in the dividends or net assets of the Company.

The Directors also reserve the right to redesignate any Class of Shares from time to time, provided that Shareholders in that Class will first have been notified by the Company that the Shares will be redesignated and will have been given the opportunity to have their Shares redeemed by the Company.

Each of the Shares entitles the holder to attend and vote at meetings of the Company represented by those Shares. The Articles provide that matters may be determined at meetings of the Shareholders on a show of hands unless a resolution is not passed unanimously on such show of hands, in which case such resolution shall be decided on a poll. Each Shareholder will have one vote on a show of hands. Each Shareholder will be entitled to such number of votes as will be produced by dividing the aggregate NAV of that Shareholder’s shareholding (expressed or converted into the Base Currency and calculated as of the relevant record date) by one. The “relevant record date” for these purposes will be a date being not more than thirty days prior to the date of the relevant general meeting or written resolution as determined by the Directors. Where a separate written resolution or general meeting of a particular Class is held, in such circumstances, the Shareholders’ votes will be calculated by reference only to the NAV of each Shareholder’s shareholding in that particular Class. The holders of Subscriber Shares will have one vote for each Subscriber Share held. In relation to a resolution which in the opinion of the Directors affects more than one Class of Shares or gives or may give rise to a conflict of interest between the Shareholders of the respective Classes, such resolution will be deemed to have been duly passed, only if, in lieu of being passed through a single meeting of the Shareholders of those Classes, such resolution will have been passed at a separate meeting of the Shareholders of each such Class.

### **Material Contracts**

The following contracts have been entered into and are, or may be, material:

- The Management Agreement
- The Depositary Agreement
- The Administration Agreement
- The Investment Management and Distribution Agreement

### **Supply and Inspection of Documents**

Copies of the following documents are available for inspection free of charge during normal business hours on weekdays (Saturdays and public holidays excepted) at the registered office of the Company:

- (a) Memorandum and Articles of Association of the Company;

- (b) the certificate of incorporation; and
- (c) the UCITS Regulations.

Copies of the Memorandum and Articles of Association of the Company (each as amended from time to time) and the latest financial reports of the Company, as appropriate, may be obtained, free of charge, upon request at the registered office of the Company.

#### *Data Protection Notice*

Prospective investors should note that by completing the Subscription Agreement when subscribing for Shares in the Company, they will provide to the Company personal information, which may constitute personal data within the meaning of the Data Protection Legislation. This data will be used for the purposes of administration, transfer agency, statistical analysis and research, and will be disclosed to the Company, its delegates and agents. The personal data of prospective investors and registered Shareholders shall be processed in accordance with the Privacy Statement.

Pursuant to applicable data protection legislation, investors have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by making a request in writing to the Company.

The Company is a Data Controller within the meaning of the Data Protection Legislation and undertakes to hold any personal information provided by investors in confidence and in accordance with the Data Protection Legislation.

By signing the Subscription Agreement, prospective investors consent to the recording of telephone calls made to, and received from, investors by the Company, its delegates, its duly appointed agents and any respective related, associated or affiliated companies for record keeping, security and/or training purposes.

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## APPENDIX A – DEFINITIONS OF US PERSON AND NON-US PERSON

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### *US Person*

A “**US Person**” for purposes of this Prospectus is a person who is in either of the following two categories: (a) a person included in the definition of “US person” under Rule 902 of Regulation S under the 1933 Act or (b) a person excluded from the definition of a “Non-United States person” as used in CFTC Rule 4.7. For the avoidance of doubt, a person is excluded from this definition of US Person only if he or it does not satisfy any of the definitions of “US person” in Rule 902 and qualifies as a “Non-United States person” under CFTC Rule 4.7.

“**US person**” under Rule 902 of Regulation S includes the following:

- (a) any natural person resident in the United States;
- (b) any partnership or corporation organised or incorporated under the laws of the United States;
- (c) any estate of which any executor or administrator is a US person;
- (d) any trust of which any trustee is a US person;
- (e) any agency or branch of a non-US 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 US person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the United States; and
- (h) any partnership or corporation if:
  - (i) organised or incorporated under the laws of any non-US jurisdiction; and
  - (ii) formed by a US person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in Rule 501(a) of Regulation D under the 1933 Act) who are not natural persons, estates or trusts.

Notwithstanding the preceding paragraph, “**US person**” under Rule 902 does not include: (i) any discretionary account or similar account (other than an estate or trust) held for the benefit or account of a non-US person by a dealer or other professional fiduciary organised, incorporated, or (if an individual) resident in the United States; (ii) any estate of which any professional fiduciary acting as executor or administrator is a US person, if (A) an executor or administrator of the estate who is not a US person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-US law; (iii) any trust of which any professional fiduciary acting as trustee is a US person, if a trustee who is not a US person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a US person; (iv) an employee benefit plan established and administered in accordance with the law of a country other than the United States and customary practices and documentation of such country; (v) any agency or branch of a US person located outside the United States if (A) the agency or branch operates for valid business reasons, and (B) the agency or branch is engaged in the business of insurance or banking and is subject to substantive insurance or banking regulation, respectively, in the jurisdiction where located; and (vi) certain international organisations as specified in Rule 902(k)(2)(vi) of Regulation S under the 1933 Act, including their agencies, affiliates and pension plans.

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

- (a) a natural person who is not a resident of the United States or an enclave of the US government, its agencies or instrumentalities;
- (b) a partnership, corporation or other entity, other than an entity organised principally for passive investment, organised under the laws of a non-US jurisdiction and which has its principal place of business in a non-US jurisdiction;
- (c) an estate or trust, the income of which is not subject to US income tax regardless of source;
- (d) an entity organised principally for passive investment such as a pool, investment company or other similar entity, provided, that units of participation in the entity held by persons who do not qualify as Non-United States persons or otherwise as qualified eligible persons (as defined in CFTC Rule 4.7(a)(2) or (3)) represent in the aggregate less than ten per cent. 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; and
- (e) a pension plan for the employees, officers or principals of an entity organised and with its principal place of business outside the United States.

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## APPENDIX B – RECOGNISED MARKETS

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The following exchanges and markets constitute Recognised Markets for the purposes of this Prospectus:

Any stock exchange in an EU Member State or in any of the following member countries of the OECD:

Australia, Canada, Iceland, Japan, Hong Kong, New Zealand, Norway, Switzerland, the United Kingdom and the United States of America.

Any of the following stock exchanges:

- Argentina
  - Buenos Aires Stock Exchange
  - Cordoba Stock Exchange
  - La Plata Stock Exchange
  - Mendoza Stock Exchange
  - Rosario Stock Exchange
  - Bolsa de Comercio de Santa Fe
  - Mercado Abierto Electrónico (MAE)
  - Mercado a Termino de Rosario
  - Mercado de Valores de Rosario
  - Mercados de Futuros y Opciones SA (Merfox)
- Bahrain
  - Bahrain Stock Exchange
  - Manama Stock Exchange
- Bangladesh
  - Dhaka Stock Exchange
  - Chittagong Stock Exchange
- Bermuda
  - Bermuda Stock Exchange
- Brazil
  - Rio de Janeiro Stock Exchange
  - Sao Paulo Stock Exchange
  - Bahia-Sergipe-Alagoas Stock Exchange
  - Brasilia Stock Exchange
  - Extremo Sul Porto Alegre Stock Exchange
  - Minas Esperito Santo Stock Exchange
  - Parana Curitiba Stock Exchange
  - Pernambuco e Paraiba Recife Stock Exchange
  - Regional Fortaleza Stock Exchange
  - Santos Stock Exchange
- Cayman Islands
  - Cayman Islands Stock Exchange
- Chile
  - Santiago Stock Exchange
  - Valparaiso Stock Exchange
  - Bolsa Electronica de Chile
- Colombia
  - Colombian Stock Exchange
  - Bogota Stock Exchange
  - Medellin Stock Exchange
  - Occidente Stock Exchange
- Croatia
  - Zagreb Stock Exchange
- Guernsey
  - Channel Islands Securities Exchange
- Hong Kong
  - The Stock Exchange of Hong Kong Limited
- Iceland
  - OMX Nordic Exchange
- India
  - The National Stock Exchange of India
  - The Stock Exchange, Mumbai
  - Delhi Stock Exchange
  - Ahmedabad Stock Exchange

	Bangalore Stock Exchange
	Cochin Stock Exchange
	Guwahati Stock Exchange
	Magadh Stock Exchange
	Pune Stock Exchange
	Hyderabad Stock Exchange
	Ludhiana Stock Exchange
	Uttar Pradesh Stock Exchange
	Calcutta Stock Exchange
	Bombay Stock Exchange
	Madras Stock Exchange
	Delhi Stock Exchange
	Gauhati Stock Exchange
	Magadh Stock Exchange
-	Indonesia
	Jakarta Stock Exchange
	Surabaya Stock Exchange
-	Israel
	Tel Aviv Stock Exchange Limited
-	Jordan
	Amman Stock Exchange
-	Kazakhstan
	Kazakhstan Stock Exchange
-	Kenya
	Nairobi Stock Exchange
-	Korea (South)
	Korea Stock Exchange
	KOSDAQ
	Korea Futures Exchange
	Korean Securities Dealers Association
-	Kuwait
	Kuwait Stock Exchange
-	Malaysia
	Kuala Lumpur Stock Exchange
	The Bursa Malaysia Berhad
	Bumipatra Stock Exchange
-	Mauritius
	Stock Exchange of Mauritius
-	Morocco
	Casablanca Stock Exchange
-	Mexico
	Mexico Stock Exchange
	Mercado Mexicana de Derivados
-	Nigeria
	Nigerian Stock Exchange
	Lagos Stock Exchange
	Kaduna Stock Exchange
	Port Harcourt Stock Exchange
-	Oman
	Muscat Securities Market
-	Pakistan
	Karachi Stock Exchange
	Lahore Stock Exchange
	Islamabad Stock Exchange
-	Peru
	Lima Stock Exchange
-	Philippines
	Philippines Stock Exchange
-	Qatar
	Doha Securities Market
-	Russia
	Moscow International Currency Exchange (included solely in relation to equity securities)
	Russian Trading System (RTS) 1 (included solely in relation to equity securities)
	Russian Trading System (RTS) 2 (included solely in relation to equity securities)
-	Serbia
	Belgrade Stock Exchange
-	Singapore
	Singapore Stock Exchange
	SESDAQ
-	South Africa
	Johannesburg Stock Exchange
-	Sri Lanka
	Colombo Stock Exchange
-	Taiwan
	Taiwan Stock Exchange
	(Republic of China)
	GreTai Securities Market (GTSM)

- Thailand
  - Taiwan Futures Exchange (TAIFEX)
  - Stock Exchange of Thailand
  - Market for Alternative Investments (MAI)
- Turkey
  - Istanbul Stock Exchange
- United Arab Emirates (UAE)
  - Abu Dhabi Securities Market (ADSM)
  - Borse Dubai
  - Dubai: Financial Market (DFM)
  - Dubai: Gold and Commodities Exchange
  - Dubai: International Financial Exchange (DIFX)
  - Dubai: Mercantile Exchange
- Vietnam
  - Ho Chi Min Stock Exchange (HOSE)
  - Ho Chi Minh Securities Trading Center
  - Hanoi Securities Trading Center

The following markets:

- the market organised by the International Capital Market Association;
- the market conducted by “listed money market institutions” as described in the Financial Services Authority Publication “The Regulation of the Wholesale cash and Derivatives Markets under Section 43 of the Financial Services Act 1986 (The Grey Paper)” dated June 1999 (as amended from time to time);
- (a) NASDAQ in the United States, (b) the market in the U.S. government securities conducted by the primary dealers regulated by the Federal Reserve Bank of New York; and (c) the over-the-counter market in the United States conducted by primary dealers and secondary dealers regulated by the Securities and Exchange Commission and the Financial Industry Regulatory Authority and by banking institutions regulated by the U.S. Comptroller of Currency, the Federal Reserve System or Federal Deposit Insurance Corporation;
- the over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
- AIM - the alternative investment market in the U.K. regulated and operated by the London Stock Exchange;
- the French market for “Titres de Creance Negotiable” (over-the-counter market in negotiable instruments); and
- the over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada.
- Multilateral Trading Facilities which meet with applicable regulatory criteria, as same may be amended from time to time.

## **DERIVATIVES MARKETS**

In the case of an investment in FDI, in any derivative market approved in a member state of the European Economic Area or the United Kingdom and the following exchanges or markets:

American Stock Exchange, Chicago Mercantile Exchange, Chicago Board of Options Exchange, Chicago Board of Trade, Coffee, Sugar and Cocoa Exchange, Iowa Electronic Markets, Kansas City Board of Trade, Mid-American Commodity Exchange, Minneapolis Grain Exchange, New York Cotton Exchange, New York Mercantile Exchange and Twin Cities Board of Trade.

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

With the exception of permitted investments in unlisted securities the Company will only invest in securities traded on a stock exchange or market which meets with the regulatory criteria (regulated, operated regularly, recognised and open to the public) and which is listed in this Prospectus.

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## APPENDIX C – EFFICIENT PORTFOLIO MANAGEMENT

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**This section of the Prospectus clarifies the instruments and/or strategies which the Company may use for efficient portfolio management purposes. The Manager will, on request provide supplementary information to Shareholders relating to the risk management methods employed including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.**

The Investment Manager may, on behalf of the Company and subject to the conditions and limits set out in the Central Bank UCITS Regulations employ techniques and instruments relating to transferable securities for hedging purposes (to protect an asset of the Company against, or minimise liability from, fluctuations in market value or foreign currency exposures) or for efficient portfolio management purposes (with a view to achieving a reduction in risk, a reduction in costs or an increase in capital or income returns to the Company provided such transactions are not speculative in nature). Investment in FDI which give exposure to foreign exchange will only be used for hedging purposes. Such techniques and instruments may include investments in exchange-traded or over-the-counter (“**OTC**”) FDI, such as currency forwards (which may be used to manage currency risk) and interest rate swaps (which may be used to manage interest rate risk). The Fund will not engage in stock lending or enter into repurchase agreements or total return swaps. The Company may also invest in the FDI as part of its investment strategy where such intention is disclosed in the Company’s investment policy and provided that the counterparties to such transactions are institutions subject to prudential supervision and, in relation to OTC transactions, belong to categories approved by the Central Bank.

The Manager employs a risk management process in respect of the Company in accordance with the requirements of the Central Bank to enable it to accurately monitor, measure and manage, the global exposure from FDIs (“**global exposure**”) which the Company gains. The Manager will use the commitment approach, which is one of the two methods explicitly permitted under the UCITS Regulations for this purpose, to calculate its global exposure. The Company will, on request, provide supplemental information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investment.

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

1. Although the Company may be leveraged as a result of its use of derivatives and efficient portfolio management techniques in no circumstances will the global exposure of the Company exceed 100% of its Net Asset Value.
2. Position exposure to the underlying assets of FDIs, including embedded FDIs in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations (This provision does not apply in the case of index based FDIs provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations).
3. The Company may invest in FDIs dealt in OTC provided that the counterparties are institutions with legal personality typically located in OECD jurisdictions, subject to prudential supervision and belonging to categories approved by the Central Bank.
4. Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

The Company may only enter into OTC derivatives with counterparties in accordance with the requirements of the Central Bank UCITS Regulations where a credit assessment has been undertaken. Where the counterparty is subject to a credit rating by any agency registered and supervised by ESMA, that rating shall be taken into account in the credit assessment. Where a counterparty is downgraded to A-2 or below (or comparable rating) by such a credit rating agency, a new credit assessment in respect of the counterparty will be undertaken without delay.

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

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

## **Revenues generated from efficient portfolio management techniques**

The Investment Manager may enter into efficient portfolio management techniques with certain brokers, stock lending agents, derivative counterparties and financial institutions. There may be direct and indirect operational costs or fees arising from such transactions, but these will at all times be paid at normal commercial rates and there will be no hidden fees or revenue payable to any of these entities. The Manager shall ensure that such revenues, net of direct and indirect operational costs, shall be returned to the Company.

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

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

- (a) Collateral obtained in respect of OTC financial derivative transactions and efficient portfolio management techniques (“**Collateral**”), must comply with the following criteria:
  - (i) liquidity: Collateral (other than cash) should be transferable securities or money market instruments (of any maturity) which should be highly liquid and traded on a regulated market or multi-lateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral should also comply with the provisions of Regulation 74 of the UCITS Regulations;
  - (ii) valuation: Collateral should be capable of being valued on a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements;
  - (iii) issuer credit quality: Collateral should be of high quality;
  - (iv) correlation: Collateral should be issued by an entity that is independent from the counterparty and is expected not to display a high correlation with the performance of the counterparty;
  - (v) diversification: Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Company’s Net Asset Value. When the Company is exposed to different counterparties the different baskets of collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. By way of derogation from this sub-paragraph, the Company may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by any entity listed in section 2.10 of Appendix D, provided the Company will receive securities from at least six different issues and securities from any single issue will not account for more than 30% of the Company’s Net Asset Value; and

- (vi) immediately available: Collateral must be capable of being fully enforced by the Company at any time without reference to or approval from the counterparty.
- (b) Collateral obtained under such contracts or arrangements:
  - (i) must be marked to market daily (as valued by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk); and
  - (ii) must equal or exceed, in value, at all times the value of the amount invested or securities loaned.
- (c) Collateral must be held by the Depositary, or its agent (where there is title transfer). This is not applicable in the event that there is no title transfer in which case the Collateral can be held by a third party Depositary which is subject to prudential supervision, and which is unrelated to the provider of the Collateral.
- (d) Non-cash Collateral:

Non- cash Collateral cannot be sold, re-invested or pledged.
- (e) Cash Collateral:

Cash as Collateral may only be:

  - (i) placed on deposit with Relevant Institutions; or
  - (ii) invested in high quality government bonds; or
  - (iii) used for the purpose of reverse repurchase agreements provided that the transactions are with credit institutions subject to prudential supervision and the Company is able to recall at any time the full amount of cash on an accrued basis; or
  - (iv) invested in short term money market funds.

Re-invested cash collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral. Where cash collateral is re-invested it will be subject to the same risks as direct investments as set out under “*Risk Considerations*” above.
- (f) The Company has implemented a haircut policy in respect of each Class of assets received as Collateral. A haircut is a discount applied to the value of a Collateral asset to account for the fact that its valuation, or liquidity profile, may deteriorate over time. The haircut policy takes account of the characteristics of the relevant asset Class, including the credit standing of the issuer of the Collateral, the price volatility of the Collateral and the results of any stress tests which may be performed in accordance with the stress testing policy. The value of any Collateral received by the Company, adjusted in light of the haircut policy, will equal or exceed, in value, at all times, the relevant counterparty exposure.

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## APPENDIX D – INVESTMENT RESTRICTIONS

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The assets of the Company must be invested in accordance with the restrictions on investments set out in the UCITS Regulations and such additional investment restrictions in accordance with Central Bank requirements, if any, as may be adopted from time to time by the Directors in respect of the Company. The principal investment restrictions applying to the Company under the UCITS Regulations are described as follows:

### 1 Permitted Investments

The Company may invest in:

- 1.1 transferable securities and money market instruments, as prescribed in the UCITS Regulations<sup>1</sup>, which are either admitted to official listing on a Recognised Market in an EU Member State or non-EU Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in an EU Member State or non-EU Member State;
- 1.2 recently issued transferable securities which will be admitted to official listing on a Recognised Market within a year;
- 1.3 money market instruments, as defined in the UCITS Regulations<sup>2</sup>, other than those dealt on Recognised Market;
- 1.4 units of UCITS;
- 1.5 units of alternative investment funds as set out in the UCITS Regulations;
- 1.6 deposits with credit institutions as prescribed in the UCITS Regulations<sup>3</sup>; and
- 1.7 financial derivative instruments (“**FDI**”) as prescribed in the UCITS Regulations<sup>4</sup>.

### 2 Investment Restrictions

- 2.1 The Company may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- 2.2 The Company may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a Recognised Market within a year. This restriction will not apply in relation to investment by the Company in certain U.S. securities known as Rule 144A securities which satisfy the requirements of paragraph 1.1 or provided that:
  - i) the securities are issued with an undertaking to register with the U.S. Securities and Exchanges Commission within one year of issue; and

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1. See Regulation 4 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015
  2. See Regulation 6 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015
  3. See Regulation 7 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015
  4. See Regulation 8 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015

- ii) the securities are not illiquid securities i.e., they may be realised by the Company within seven days at the price, or approximately at the price, at which they are valued by the Company.
- 2.3 The Company may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5%, is less than 40%.
- 2.4 The limit of 10% in 2.3 is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by an EU Member State or its local authorities or by a non-EU Member State or public international body of which one or more EU Member States are members. The transferable securities and money market instruments referred to in 2.4 and 2.7 will not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.5 The Company may not invest more than 20% of net assets in deposits made with the same credit institution. Deposits with any one credit institution, other than (i) a credit institution authorised in the EU Member States, Norway, Iceland or Liechtenstein (the “**EEA**”), (ii) 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 of America) or (iii) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand, held as ancillary liquidity must not exceed 10% of net assets. This limit may be raised to 20% in the case of deposits made with the Depositary.
- 2.6 The risk exposure of the Company to a counterparty to an over-the-counter (“**OTC**”) derivative may not exceed 5% of net assets. This limit is raised to 10% in the case of a credit institution authorised in the EEA, a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 2.7 Notwithstanding paragraphs 2.3, 2.5 and 2.6 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:
- (i) investments in transferable securities or money market instruments;
  - (ii) deposits, and/or
  - (iii) counterparty risk exposures arising from OTC derivatives transactions.
- 2.8 The limits referred to in 2.3, 2.4, 2.5, 2.6 and 2.7 above may not be combined, so that exposure to a single body will not exceed 35% of net assets.
- 2.9 Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.6 and 2.7. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.10 The Company may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, non-EU Member States or public international body of which one or more EU Member States are members.

The individual issuers may be drawn from the following list:

OECD Governments (provided the relevant issues are investment grade), Government of Brazil (provided the issues are of investment grade), Government of the People’s Republic of China (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 and Straight-A Funding LLC. In a situation where the Company has invested 100% of net assets in this manner, the Company must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.

### **3 Investment in Collective Investment Schemes (“CIS”)**

- 3.1 The Company may not invest more than 10% of net assets in aggregate in CIS, including alternative investment funds.<sup>5</sup>
- 3.2 A CIS in which the Company invests may not invest more than 10% of its net assets in other open ended CIS. The assets of the CIS in which the Company has invested do not have to be taken into account when complying with the investment restrictions set out herein.
- 3.3 When the Company invests in the units of other CIS that are managed, directly or by delegation, by the Manager or by any other company with which the Manager is linked by common management or control, or by a substantial direct or indirect holding, the Manager or other company will not charge subscription, conversion or redemption fees on account of the Company’s investment in the units of such other CIS.
- 3.4 Where a commission (including a rebated commission) is received by the Manager by virtue of an investment in the units of another CIS, this commission will be paid into the assets of the Company.

### **4 General Provisions**

- 4.1 The Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- 4.2 The Company may acquire no more than:
  - (1) 10% of the non-voting shares of any single issuing body;
  - (2) 10% of the debt securities of any single issuing body;
  - (3) 25% of the units of any single CIS; or
  - (4) 10% of the money market instruments of any single issuing body.

The limits laid down in 4.2 (2), (3) and (4) 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.

- 4.3 4.1 and 4.2 will not be applicable to:

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5. See Central Bank Guidance “UCITS Acceptable Investment in other Investment Funds”

- (1) transferable securities and money market instruments issued or guaranteed by an EU Member State or its local authorities;
  - (2) transferable securities and money market instruments issued or guaranteed by a non-EU Member State;
  - (3) transferable securities and money market instruments issued by public international bodies of which one or more EU Member States are members;
  - (4) shares held by the Company in the capital of a company incorporated in a non-EU Member State which invests its assets mainly in the securities of issuing bodies with their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the Company can invest in the securities of issuing bodies in that State. This waiver is applicable only if in its investment policies the company from the non-EU Member State complies with the limits laid down in 2.3 to 2.10, 3.1, 4.1, 4.2, 4.4, 4.5 and 4.6 provided that where these limits are exceeded, paragraphs 4.5 and 4.6 below are observed.
  - (5) 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.
- 4.4 The Company need not comply with the investment limits herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- 4.5 The Central Bank has allowed the Company to derogate from the provisions of 2.3 to 2.9 and 3.1 for six months following the date of its authorisation, provided it observes the principle of risk spreading.
- 4.6 If the limits laid down herein are exceeded for reasons beyond the control of the Company, or as a result of the exercise of subscription rights, the Company must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.
- 4.7 Neither the Company, nor the Manager will carry out uncovered sales of:
- transferable securities;
  - money market instruments\*;
  - units of CIS; or
  - financial derivative instruments.
- 4.8 The Company may hold ancillary liquid assets.

## 5 Financial Derivative Instruments

- 5.1 The Company's global exposure (as prescribed in the UCITS Regulations<sup>6</sup>) relating to FDI must not

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\* Any short selling of money market instruments by the Company is prohibited.

6. See Chapter 3 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and Central Bank Guidance "UCITS Financial Derivative Instruments and Efficient Portfolio Management"

exceed its total net asset value.

- 5.2 Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the UCITS Regulations<sup>7</sup>. (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 Regulations<sup>8</sup>).
- 5.3 The Company may invest in FDI dealt in **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.
- 5.4 Investment in FDI is subject to the conditions and limits laid down by the Central Bank.

## 6 **General Provisions**

The Company may not acquire either precious metals or certificates representing them. This provision does not prohibit the Company from investing in transferable securities or money market instruments issued by a corporation whose main business is concerned with precious metals.

The Directors may, without limitation, adopt additional investment restrictions with respect to the Company to facilitate the distribution of Shares to the public in a particular jurisdiction. In addition, the investment restrictions set out above may be changed from time to time by the Directors in accordance with a change in the applicable law and regulations in any jurisdiction in which Shares in the Company are currently offered provided that the assets of the Company will at all times be invested in accordance with the restrictions on investments set out in the UCITS Regulations. In the event of any such addition to, or change in, the investment restrictions applicable to the Company a reasonable notification period will be provided by the Company to enable Shareholders to redeem their Shares prior to implementation of these changes.

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7. See Chapter 3 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and Central Bank Guidance “UCITS Financial Derivative Instruments and Efficient Portfolio Management”

8. See Regulation 9 of Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) (Undertakings for Collective Investment in Transferable Securities) Regulations 2015 and Central Bank Guidance “UCITS Financial Indices”

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## APPENDIX E – PRIVACY STATEMENT

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### PRIVACY STATEMENT – INVESTORS AND RELATED PARTIES

Leadenhall UCITS ILS Fund plc (the “**Fund**”) will collect and process the Personal Data of natural persons who are registered shareholders, applicants for shares, beneficial owners of registered shareholders and applicants for shares, personal representatives, financial advisors, directors, officers, employees, agents, trustees and / or authorised signatories of registered shareholders and applicants for shares, and directors, officers, employees, agents of the Fund and of the Fund’s or its investors’ service providers (“**Individuals**”) and other information relating to the dealings of Individuals with the Fund and / or its service providers. This Privacy Statement explains how the Fund will manage the Personal Data of Individuals, why the Fund uses it, and how Individuals may contact the Fund in relation to the use of Personal Data.

**Where the Fund needs to process Personal Data in connection with a registered shareholder’s contract with the Fund or in anticipation of an applicant for shares becoming a registered shareholder, or where the Fund has a legal obligation to collect certain Personal Data relating to an Individual (for example, in order to comply with AML obligations), the Fund will not be able to deal with the registered shareholder or applicant for shares if the Individual does not provide the necessary Personal Data and other information required by the Fund.**

Personal Data means any information which the Fund has or obtains, or which an Individual provides to the the Fund or the Fund’s service providers, such as his / her name, address, email address, date of birth etc, from which that Individual can be directly or indirectly personally identified, and may include information such as identification and account numbers, tax identifiers and residency information, and online identifiers.

#### Use of Personal Data and Basis of Processing

The Fund will use the Personal Data:

1. for the purposes of performing the contract with a registered shareholder, or in anticipation of an applicant for shares becoming a registered shareholder, namely:
  - (a) for the purposes of providing services to the registered shareholder, and setting up and administering the applicant’s or registered shareholder’s account(s), as the case may be;
  - (b) for the collection of subscriptions and payment of redemptions, distributions and dividends;
  - (c) to deal with queries or complaints from registered shareholders;
2. for compliance with the Fund’s legal obligations, including:
  - (a) anti-money laundering and anti-terrorist financing (collectively “**AML**”) and fraud prevention purposes, including OFAC and PEP screening for these purposes and to comply with UN, EU and other applicable sanctions regimes;
  - (b) compliance with applicable tax and regulatory reporting obligations;
  - (c) where the Fund is ordered to disclose information by a court with appropriate jurisdiction;

- (d) recording of telephone calls and electronic communications in order to comply with applicable law and regulatory obligations;
3. where use is for a legitimate purpose of the Fund, including:
    - (a) for day to day operational and business purposes;
    - (b) to take advice from Fund's external legal and other advisors;
    - (c) board reporting and management purposes, including quality assurance;
    - (d) in the event of a merger or proposed merger of the Fund;
  4. where use or sharing is for a legitimate purpose of a third party to which the Fund provides the Personal Data, including:
    - (a) for day to day operational and business purposes;
    - (b) investor relationship management; and
    - (c) calculation and payment by the recipient of commissions and rebates;
  5. where necessary to establish, exercise or defend their legal rights or for the purpose of legal proceedings;
  6. where an Individual has consented to use for a particular purpose. If an Individual gives consent for the Fund to use his / her Personal Data for a particular purpose, that Individual has the right at any time to withdraw consent to the future use of his / her Personal Data for some or all of those purposes by writing to the address specified below.

The Fund will not disclose any Personal Data to any third party, except as outlined above and / or as follows:

1. to enable the Fund to carry out the obligations under the contract with a registered shareholder or in anticipation of an applicant for shares becoming a registered shareholder;
2. to anyone providing a service to the Fund or acting as the Fund's agent (which may include the distributor, Waystone Fund Management (IE) Limited as the manager of the Fund, the investment manager and companies within their group of companies, the administrator and its or their sub-contractors), as data processors, for the purposes of providing services to the Fund and on the understanding that they will keep the Personal Data confidential;
3. where Personal Data needs to be shared with the depository appointed to the Fund, in order to enable it to discharge its legal and regulatory obligations;
4. in limited circumstances, where the administrator to the Fund is subject to a separate legal obligation requiring it to act as controller of the Personal Data, including where it is required to use the Personal Data for the discharge of its own AML obligations, or where an Individual has otherwise consented to the Personal Data being shared with the administrator for specific purposes;

5. where the registered shareholder or applicant for shares is a client of the Investment Manager, a third party financial advisor or investment manager, or a company within its or their group of companies, with such company or advisor for the purposes outlined above;
6. where the Fund needs to share Personal Data with its auditors, and legal and other advisors;
7. in the event of a merger or proposed merger, any (or any proposed) transferee of, or successor in title to, the whole or any part of the Fund's business, and their respective officers, employees, agents and advisers, to the extent necessary to give effect to such merger;
8. the disclosure is required by law or regulation, or court or administrative order having force of law, or is required to be made to any of the Manager or the Fund's regulators.

The Fund will not otherwise share Personal Data with any third party unless it receives the prior written consent of the relevant Individual to do so.

### **International transfers**

Personal Data may be transferred outside the European Economic Area (the "EEA") in connection with administering a registered shareholder's account(s) and / or in anticipation of an applicant for shares becoming a registered shareholder, in accordance with an Individual's instructions, where an Individual has explicitly consented, and / or as otherwise required or permitted by law.

Many of the countries to which data will be transferred, will be within the EEA, or will be ones which the European Commission has approved, and will have data protection laws which are the same as or broadly equivalent to those in Ireland.

However, some transfers may be to countries which do not have equivalent protections, and in that case the the Fund shall use reasonable efforts to implement contractual protections for the Personal Data. While this will not always be possible where the Fund is required to transfer the Information in order to comply with and perform the contract with an investor or where it has a legal obligation to do so, any transfers will be done in accordance with applicable data protection laws, including through the implementation of appropriate or suitable safeguards in accordance with such applicable data protection laws.

### **Third Party Providers of Information**

The Fund may obtain Personal Data relating to Individuals from someone other than that Individual. This may include Personal Data relating to beneficial owners, partners, directors, officers, employees, advisors or other related persons of an investor or of the person providing the Personal Data. The Personal Data may be obtained from a variety of sources, such as financial advisors to investors, employers of Individuals, and / or direct and indirect service providers to the Fund, such as vendors providing AML and sanctions checking databases. The person providing the information will be asked to warrant that it will only do so in accordance with applicable data protection laws, and that it will ensure that before doing so, the Individuals in question are made aware of the fact that the Fund will hold information relating to them and that it may use it for any of the purposes set out in this privacy statement, and where necessary that it will obtain consent to the Fund's use of the information. The Fund may, where required under applicable law, notify those individuals that they have been provided with their Personal Data and provide a copy of this Privacy Statement to them.

### **Recipient of the Personal Data**

In any case where the Fund shares Personal Data with a third party data controller (including, as appropriate, the Fund's service providers and other members of their respective groups), the use by that third party of the Personal Data will be subject to the third party's own privacy policies.

## **Updates to Personal Data**

The Fund will use reasonable efforts to keep Personal Data up to date. However, each Individual will need to notify the Fund without delay in the event of any change in his / her personal circumstances, or those of the others mentioned above, so that the Fund can keep the Personal Data up to date.

## **Retention of Personal Data**

The Fund is obliged to retain certain information to ensure accuracy, to help maintain quality of service and for legal, regulatory, fraud prevention and legitimate business purposes.

It is obliged by law to retain AML related identification and transaction records for six years from the end of the relevant investor relationship or the date of the transaction respectively.

Other information will be retained for no longer than is necessary for the purpose for which it was obtained by the Fund or as required or permitted for legal, regulatory, fraud prevention and legitimate business purposes. In general, the Fund (or its service providers on its behalf) will hold this information for a period of seven years, unless it is obliged to hold it for a longer period under law or applicable regulations.

The Fund will also retain records of telephone calls and any electronic communications for a period of five years and, where requested by the Central Bank, for a period of up to seven years.

## **An Individual's Rights in relation to Personal Data**

An Individual may at any time request a copy of his / her Personal Data from the Fund. This right can be exercised by writing to the Manager at the address specified below.

An Individual also has the right to correct any inaccuracies in, and in certain circumstances, to request erasure, or restriction on the use, of his / her Personal Data, and to object to certain uses of his / her Personal Data, in each case subject to the restrictions set out in applicable data protection laws. Further information on these rights, and the circumstances in which they may arise in connection with the Fund's processing of Personal Data can be obtained by writing to the Manager at the address specified below.

In any case where the Fund is relying on an Individual's consent to process his / her Personal Data, that Individual has the right to change his / her mind and withdraw consent by writing to the address specified below.

Where the Fund is relying on a legitimate purpose of the Fund, a service provider or a third party recipient of the Personal Data, in order to use and disclose Personal Data, an Individual is entitled to object to such use or disclosure of his / her Personal Data, and if he / she does so, the Fund (as applicable) will cease to use and process the Personal Data for that purpose unless the Fund can show there are compelling legitimate reasons for it to continue or it needs to use the Personal Data for the purposes of legal claims.

In limited circumstances, an Individual may also have the right to data portability in respect of certain of his / her Personal Data, which means he / she can request the Fund via the Manager to provide it to him / her in a structured, commonly used and machine-readable format, or transmit it to his / her third party nominee where this is technically feasible.

An Individual also has the right to lodge a complaint with the Data Protection Commissioner about the processing of his / her Personal Data by the Fund.

## **Contacting the Manager on behalf of the Fund**

Any queries or complaints regarding the use of the Personal Data by the Fund and / or the exercise of individual rights should be addressed to the Compliance Officer of the Manager at 23 St Stephen's Green, Dublin 2, Ireland.

**APPENDIX F – LIST OF SUB-CUSTODIANS AND DELEGATES APPOINTED BY THE GLOBAL SUB-CUSTODIAN**

The Depository's global sub-custodian, U.S Bank N.A. has appointed the following entities as sub-delegates in each of the markets set forth below. The list of sub-delegates will be updated from time to time and is available upon request in writing from the Administrator or the Depository. The Depository does not anticipate that there would be any specific conflicts of interest arising as a result of any delegation to any of the sub-delegates listed below. The Depository will notify the Manager of any such conflict should it so arise.

<b>US Bank Sub-custodian Network Listing</b>		
<b>Country/Market</b>	<b>Subcustodian</b>	<b>Sub-custodian Delegates</b>
<b>Argentina</b>	Citibank N.A., Argentina	
<b>Australia</b>	Bank of New York Mellon	The Hongkong and Shanghai Banking Corporation Limited
<b>Austria</b>	Bank of New York Mellon	UniCredit Bank Austria AG
<b>Bahrain</b>	Bank of New York Mellon	HSBC Bank Middle East Limited
<b>Bangladesh</b>	Bank of New York Mellon	The Hongkong and Shanghai Banking Corporation Limited
<b>Belgium</b>	Bank of New York Mellon	Bank of New York Mellon
<b>Bermuda</b>	Bank of New York Mellon	HSBC Bank Bermuda Limited
<b>Brazil</b>	Citibank N.A., Brazil	
<b>Bulgaria</b>	Bank of New York Mellon	Citibank Europe plc, Bulgaria Branch
<b>Canada</b>	Royal Bank of Canada	
<b>Chanel Islands (Guernsey)</b>	Bank of New York Mellon (settled via UK)	
<b>Cayman Islands</b>	U.S. Bank Direct to DTC (settled via DTC)	
<b>Chile</b>	Banco de Chile	
<b>China (B Shares Only)</b>	Bank of New York Mellon	HSBC Bank (China) Company Limited
<b>Colombia</b>	Cititrust Colombia S.A. Sociedad Fiduciaria	
<b>Croatia</b>	Bank of New York Mellon	Privredna banka Zagreb d.d.
<b>Cyprus</b>	Bank of New York Mellon	BNP Paribas Securities Services S.C.A., Athens
<b>Czech Republic</b>	Bank of New York Mellon	Citibank Europe plc, organizacni slozka
<b>Denmark</b>	Bank of New York Mellon	Skandinaviska Enskilda Banken AB (Publ)
<b>Estonia</b>	Bank of New York Mellon	SEB Pank AS
<b>Finland</b>	Bank of New York Mellon	Skandinaviska Enskilda Banken AB (Publ)
<b>France</b>	Bank of New York Mellon	
<b>Germany</b>	Bank of New York Mellon	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
<b>Greece</b>	Bank of New York Mellon	BNP Paribas Securities Services S.C.A., Athens
<b>Hong Kong</b>	Bank of New York Mellon	The Hongkong and Shanghai Banking Corporation Limited
<b>Hungary</b>	Bank of New York Mellon	Citibank Europe plc. Hungarian Branch Office
<b>Iceland</b>	Bank of New York Mellon	Landsbankinn hf.
<b>India</b>	Bank of New York Mellon	Deutsche Bank AG
<b>Indonesia</b>	Bank of New York Mellon	Deutsche Bank AG

<b>Ireland</b>	Bank of New York Mellon	The Bank of New York Mellon
<b>Israel</b>	Bank of New York Mellon	Bank Hapoalim B.M.
<b>Italy</b>	Bank of New York Mellon	
<b>Japan</b>	Bank of New York Mellon	The Bank of Tokyo-Mitsubishi UFJ, Ltd.
<b>Jordan</b>	Bank of New York Mellon	Standard Chartered Bank
<b>Kazakhstan</b>	Bank of New York Mellon	Citibank Kazakhstan Joint-Stock Company
<b>Kenya</b>	Bank of New York Mellon	Stanbic Bank Kenya Limited
<b>Kuwait</b>	Bank of New York Mellon	HSBC Bank Middle East Limited, Kuwait
<b>Latvia</b>	Bank of New York Mellon	AS SEB banka
<b>Lithuania</b>	Bank of New York Mellon	AB SEB bankas
<b>Luxembourg</b>	Bank of New York Mellon	Euroclear Bank
<b>Malaysia</b>	Bank of New York Mellon	Deutsche Bank (Malaysia) Berhad
<b>Malta</b>	Bank of New York Mellon (Clears via Clearstream Germany)	The Bank of New York Mellon SA/NV, Asset Servicing, Niederlassung Frankfurt am Main
<b>Mauritius</b>	Bank of New York Mellon	The Hongkong and Shanghai Banking Corporation Limited
<b>Mexico</b>	Citibanamex	
<b>Morocco</b>	Bank of New York Mellon	Citibank Maghreb S.A.
<b>Netherlands</b>	Bank of New York Mellon	
<b>New Zealand</b>	Bank of New York Mellon	HSBC
<b>Nigeria</b>	Bank of New York Mellon	Stanbic IBTC Bank Plc.
<b>Norway</b>	Bank of New York Mellon	Skandinaviska Enskilda Banken AB (Publ)
<b>Oman</b>	Bank of New York Mellon	HSBC Bank Oman S.A.O.G.
<b>Pakistan</b>	Bank of New York Mellon	Deutsche Bank AG
<b>Peru</b>	Citibank del Peru S.A.	
<b>Philippines</b>	Bank of New York Mellon	Deutsche Bank AG
<b>Poland</b>	Bank of New York Mellon	Bank Polska Kasa Opieki S.A.
<b>Portugal</b>	Bank of New York Mellon	Citibank Europe Plc, Sucursal em Portugal
<b>Qatar</b>	Bank of New York Mellon	HSBC Bank Middle East Limited, Doha
<b>Romania</b>	Bank of New York Mellon	Citibank Europe plc Dublin, Romania Branch
<b>Russia</b>	Bank of New York Mellon	PJSC ROSBANK
<b>Singapore</b>	Bank of New York Mellon	United Overseas Bank Limited
<b>Slovak Republic</b>	Bank of New York Mellon	Citibank Europe plc, pobočka zahraničnej banky
<b>Slovenia</b>	Bank of New York Mellon	UniCredit Banka Slovenia d.d.
<b>South Africa</b>	Bank of New York Mellon	The Standard Bank of South Africa Limited
<b>South Korea</b>	Bank of New York Mellon	Deutsche Bank AG
<b>Spain</b>	Bank of New York Mellon	Banco Bilbao Vizcaya Argentaria, S.A.
<b>Sri Lanka</b>	Bank of New York Mellon	The Hongkong and Shanghai Banking Corporation Limited
<b>Sweden</b>	Bank of New York Mellon	Skandinaviska Enskilda Banken AB (Publ)
<b>Switzerland</b>	Bank of New York Mellon	Credit Suisse (Switzerland) Ltd.
<b>Taiwan</b>	Bank of New York Mellon	HSBC Bank (Taiwan) Limited
<b>Thailand</b>	Bank of New York Mellon	The Hongkong and Shanghai Banking Corporation Limited
<b>Turkey</b>	Bank of New York Mellon	Deutsche Bank A.S.

<b>United Arab Emirates</b>	Bank of New York Mellon	HSBC Bank Middle East Limited, Dubai
<b>United Kingdom</b>	The Bank of New York Mellon	
<b>U.S.A</b>	U.S. Bank Direct to DTC	
<b>Vietnam</b>	Bank of New York Mellon	HSBC Bank (Vietnam) Ltd