

---

**Signet UCITS Funds plc**

An open-ended investment company with variable capital incorporated in Ireland with registered number 484509 established as an umbrella fund with segregated liability between sub-funds.

**PROSPECTUS**

27 September 2018

---

## IMPORTANT INFORMATION

The Directors of the Company, whose names appear on page 31, accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Application will be made to Euronext Dublin in the applicable Supplement if the Shares issued and to be issued by a Fund are to be admitted to listing on the Official List and trading on the Main Securities Market of Euronext Dublin. This Prospectus and the applicable Supplement, including all information required to be disclosed by Euronext Dublin listing requirements, will together comprise listing particulars for the purpose of such application.

Neither the admission of the Shares to the Official List and trading on the Main Securities Market of Euronext Dublin nor the approval of this Prospectus pursuant to the listing requirements of Euronext Dublin shall constitute a warranty or representation by Euronext Dublin as to the competence of the service providers to or any other party connected with the Company, the adequacy of information contained in this Prospectus or the suitability of the Company for investment purposes.

**The Company has been authorised by the Central Bank as an undertaking for collective investment in transferable securities in accordance with the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2015, as amended. The authorisation of the Company by the Central Bank 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. In addition, the authorisation of the Company by the Central Bank shall not constitute a warranty as to the performance of the Company and the Central Bank shall not be liable for the performance or default of the Company.**

**Investors should note that since transferable securities may depreciate as well as appreciate in value, no assurance can be given by the Company or the Directors or any of the persons referred to in this Prospectus that the Company will attain its objectives. The price of Shares, in addition to the income therefrom, may fall as well as rise. Accordingly, an investment should only be made where the investor is or would be in a position to sustain any loss on his or her investment. In addition investors should note that some Funds in the Company may invest in emerging markets, below investment grade securities and equity warrants and that, therefore, an investment in the UCITS should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. The difference at any one time between the sale and repurchase price of the Shares of any Fund means that the investment should be regarded as medium to long term.**

Investors' attention is drawn to the "General Risk Factors" set out on page 23. Prospective investors should not treat the contents of this Prospectus as advice relating to legal, taxation, investment or any other matters. Prospective investors should inform themselves as to: (a) the legal requirements within their own jurisdictions for the purchase, holding or disposal of Shares; (b) any applicable foreign exchange restrictions; and (c) any income and other taxes which may apply to their purchase, holding or disposal of Shares or payments in respect of Shares.

Investors' attention is also drawn to the subscription and redemption procedures which are detailed on pages 38 to 47. Shares may be subscribed for in each Fund during the relevant Initial Offer Period. After the relevant Closing Date for each Fund, the Company may offer Shares in each Fund on each Dealing Day at an issue price equal to the Net

Asset Value per Share of the relevant Fund at the Valuation Point on the Valuation Date immediately preceding the relevant Dealing Day.

**A redemption fee of up to 3% of the redemption price may be charged in respect of redemption of Shares by a Shareholder.**

**If investors are in any doubt regarding the action that should be taken, they should consult their stockbroker or other financial adviser.** The distribution of this Prospectus and the offering of the Shares in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Company to inform themselves about and to observe any such restrictions. This Prospectus does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation.

This document may not be authorised or distributed in any jurisdiction unless it is accompanied by the Company's most recent annual or interim report (when available). Such reports and this document together constitute the Prospectus for the issue of Shares in the Company.

This Prospectus was prepared in English but may be translated into other languages, for the benefit of investors. To the extent that a conflict or inconsistency arises between the English language version of this Prospectus and the version prepared in any other language, the English language version shall prevail.

#### **Notice for Investors in the United Kingdom**

The Company is a recognised collective investment scheme for the purposes of Section 264 of the Financial Services and Markets Act, 2000 of the United Kingdom.

#### **Notice for Investors in the United States**

The Shares have not been, nor will they be, registered under the U.S. 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 in Appendix III of this document), except pursuant to registration or an exemption. The Company has not been, nor will it be, registered under the U.S. Investment Company Act of 1940, as amended (the "**1940 Act**"), and investors will not be entitled to the benefits of such registration. Pursuant to an exemption from registration under the 1940 Act, the Company may make a private placement of Shares to a limited category of U.S. Persons. The Shares have not been approved or disapproved by the U.S. 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 except as permitted under the 1933 Act and applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. Each U.S. Person subscribing for Shares must agree that the Directors may reject, accept or condition any proposed transfer, assignment or exchange of those Shares. All investors in the Company have limited withdrawal/redemption rights and such rights may be suspended under the circumstances described in this Prospectus. "**ERISA Plans**" means employee benefit plans subject to ERISA, including entities (such as collective investment funds and some

insurance company separate accounts) whose underlying assets are treated as being subject to ERISA.

**"Plans"** means ERISA Plans and those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans.

#### **Notice for Investors in Other Jurisdictions**

The investment funds described in this Prospectus may not be authorized for distribution by the relevant financial regulator or similar authority in certain other jurisdictions. In any such jurisdiction, no distribution of this Prospectus or the investment funds described herein may be undertaken. This Prospectus does not constitute any offer to sell or the solicitation of any offer to buy securities in or from any territory where the same would require compliance with any regulatory filing or like requirement or where the same would constitute an offence.

## Notice for Investors in Singapore

The following Funds are restricted foreign schemes for the purposes of the offering exemption under Section 305 of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"):

(1) Signet Butler FFF European High Yield Fund,

the "**Specified Fund**".

The Specified Fund are not authorised or recognised by the Monetary Authority of Singapore (the "**MAS**") and the Shares of the Specified Fund (the "**Shares**") are not allowed to be offered to the Singapore retail public. This Prospectus and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the SFA and, accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply, and you should consider carefully whether the investment is suitable for you.

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

It is a condition of the offer that where the Shares are subscribed for or acquired pursuant to an offer made in reliance on Section 305 of the SFA by a Relevant Person which is:

- (a) a corporation (which is not an Accredited Investor), the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an Accredited Investor; or
- (b) a trust (where the trustee is not an Accredited Investor), the sole purpose of which is to hold investments and each beneficiary of the trust is an individual who is an Accredited Investor,

the shares, debentures and units of shares and debentures of that corporation, and the beneficiaries' rights and interest (howsoever described) in that trust, shall not be transferred within 6 months after that corporation or that trust has subscribed for or acquired the Shares except:

- (i) to an Institutional Investor, or an Accredited Investor or other Relevant Person, or which arises from an offer referred to in Section 275(1A) of the SFA (in the case of that corporation) or Section 305A(3)(i)(B) of the SFA (in the case of that trust);

- (ii) where no consideration is or will be given for the transfer; or
- (iii) where the transfer is by operation of law.

**INVESTORS SHOULD NOTE THAT THE FUND REFERRED TO IN THIS PROSPECTUS OTHER THAN THE SPECIFIED FUND IS NOT AVAILABLE TO SINGAPORE INVESTORS AND ANY REFERENCE TO SUCH OTHER FUNDS IS NOT AND SHOULD NOT BE CONSTRUED AS AN OFFER OF SHARES OF SUCH OTHER FUNDS IN SINGAPORE.**

Contact Details of Regulatory Authority of the Company and the Depositary

The offer of Shares of the Specified Fund, as well as the Depositary, is regulated by the Central Bank of Ireland, whose contact details are as follows:

Address: Central Bank of Ireland  
73 N Wall Quay  
North Dock  
Dublin 1  
Phone: 00 353 1 224 6000  
Fax: 00 353 1 671 6561  
Website: <http://www.centralbank.ie>

Contact Details of Regulatory Authority of the Investment Manager

The Investment Manager is regulated by the Financial Conduct Authority in the United Kingdom, whose contact details are as follows:

Address: 25 The North Colonnade  
Canary Wharf  
London  
E14 5HS  
Phone: 00 44 207 066 1000  
Website: <http://www.fca.org.uk>

Side Letters

The Company does not enter into side letter arrangements which would result in preferential treatment for certain categories of investors.

Past Performance and Reports

The past performance of the Specified Fund (where applicable) and copies of its latest available financial reports are available at [www.signetmanagement.com](http://www.signetmanagement.com).

## **DIRECTORY**

---

### **Directors**

Robert Burke  
John Mills  
William Gannon

### **Investment Manager**

Signet Capital Management Limited  
11-12 Pall Mall,  
1<sup>st</sup> Floor  
London SW1Y 5LU  
United Kingdom

### **Depository**

HSBC Institutional Trust Services (Ireland)  
DAC  
1 Grand Canal Square  
Grand Canal Harbour  
Dublin 2  
Ireland

### **Auditor**

Deloitte  
29 Earlsfort Terrace  
Dublin 2  
Ireland

### **Sponsoring Broker**

McCann FitzGerald  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Registered Office**

Beaux Lane House  
Mercer Street Lower  
Dublin 2

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

SS&C Financial Services (Ireland) Limited  
First Floor, La Touche House  
IFSC, Dublin 1  
Ireland

### **Legal Advisers in Ireland**

McCann FitzGerald  
Riverside One  
Sir John Rogerson's Quay  
Dublin 2  
Ireland

### **Company Secretary**

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

## **DEFINITIONS**

---

The following definitions apply throughout this Prospectus unless the context requires otherwise:-

<b>"1933 Act"</b>	means the US Securities Act of 1933, as amended;
<b>"1940 Act"</b>	means the US Investment Company Act of 1940, as amended;
<b>"Acts"</b>	means the Companies Acts 2014 and every other enactment which is to be read together with any of those Acts;
<b>"Administrator"</b>	means SS&C Financial Services (Ireland) Limited or such other person or persons from time to time appointed by the Company as the administrator of the sub-funds of the Company in accordance with the requirements of the Central Bank;
<b>"Administration Agreement"</b>	means the agreement dated 28 November 2012 entered into between the Company and SS&C Financial Services (Ireland) Limited, as amended by the Side Letter to the Administration Agreement dated 15 May 2018;
<b>"AIF"</b>	means an alternative investment fund as defined in Regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (SI No. 257 of 2013);
<b>"Articles"</b>	means the articles of association of the Company;
<b>"Benefit Plan Investor"</b>	has the meaning set forth in Appendix III of this Prospectus;
<b>"Business Day"</b>	means a day which will be treated as a business day for each Fund, as set out in the Supplement for the relevant Fund;
<b>"Central Bank"</b>	means the Central Bank of Ireland or any successor thereto;
<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 or modified from time to time and any other regulations, rules, conditions, notices, requirements or guidance of the Central Bank issued from time to time applicable to the Company pursuant to the UCITS Regulations and the Delegated



	Regulation or either of them, as the case may be;
<b>"CFTC"</b>	means the US Commodity Futures Trading Commission;
<b>"Closing Date"</b>	means the closing date of the Initial Offer in respect of a Fund;
<b>"Code"</b>	means the US Internal Revenue Code of 1986, as amended;
<b>"Collective Investment Schemes"</b>	means UCITS and/or Collective Investment Schemes other than UCITS in which the Funds may invest pursuant to the Central Bank UCITS Regulations;
<b>"Company"</b>	means Signet UCITS Funds plc;
<b>"Constitution"</b>	means the Memorandum and Articles of the Company;
<b>"Data Protection Law"</b>	means all applicable laws and regulations relating to the processing of personal data, including, the Irish Data Protection Act, 2018 implementing the Data Protection Directive (Directive 95/46/EC) and the Directive on Privacy and Electronic Communications (Directive 2002/58/EC), the GDPR, and any other laws and regulations implementing, derogating from or made under them, in each case as amended or re-enacted and in force from time to time;
<b>"Dealing Day"</b>	means such Business Day(s) as the Directors may in their absolute discretion determine in respect of any Fund and as set out in the applicable Supplement for that Fund;
<b>"Delegated Regulation"</b>	means the Commission Delegated Regulation (EU)2016/438 supplementing Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014;
<b>"Depositary"</b>	means HSBC Institutional Trust Services (Ireland) DAC, or such other person or persons from time to time appointed by the Company as the Depositary of the Company with the prior approval of the Central Bank;
<b>"Depositary Agreement"</b>	means the agreement dated 13 October 2016 entered into between the Company and the Depositary, as amended by the Amendment Depositary Agreement dated 15 May 2018;
<b>"Directors"</b>	means the board of directors of the Company, whose names appear on page 31, and who are collectively the responsible person for the

	purposes of the Central Bank UCITS Regulations;
<b>"Distributor"</b>	means Signet Capital Management Limited or such other person or persons from time to time appointed by the Company as distributor of the Shares in the Company in accordance with the requirements of the Central Bank;
<b>"ERISA"</b>	means the US Employee Retirement Income Security Act of 1974, as amended;
<b>"Euro" or "€"</b>	means the single currency of the participating Member States of the European Union;
<b>"Euronext Dublin"</b>	means the Irish Stock Exchange plc trading as Euronext Dublin;
<b>"FCA"</b>	means the Financial Conduct Authority of the UK;
<b>"Fund"</b>	means any separate sub-fund of the Company from time to time established with the prior approval of the Central Bank;
<b>"Initial Offer"</b>	means the initial offer of Shares in a Fund, details of which are set out on page 38;
<b>"Intermediary"</b>	means a person who (a) carries on a business which consists of, or includes, the receipt of payment from an investment undertaking on behalf of other persons, or (b) holds shares in an investment undertaking on behalf of other persons;
<b>"Investment Manager"</b>	means Signet Capital Management Limited or such other person or persons from time to time appointed by the Company as investment manager of the Company in accordance with the requirements of the Central Bank;
<b>"Investment Management Agreement"</b>	means the agreement dated 30 June 2016 entered into between the Company and the Investment Manager, as amended by the Amendment Agreement to the Investment Management dated 24 May 2018;
<b>"Investment Undertaking"</b>	means an investment undertaking within the meaning of Section 739B of the Taxes Act;
<b>"Ireland"</b>	means the Republic of Ireland;
<b>"ISA"</b>	means an Individual Savings Account constituted pursuant to the regulations set out in Statutory Instrument 1998/1870 of the UK, as amended;

<b>"Memorandum"</b>	means the memorandum of association of the Company;
<b>"MiFID II"</b>	means, collectively, the Markets in Financial Instrument Directive 2014/65/EU, Commission Delegated Directive (EU) 2017/593 and Regulation (EU) No. 600/2014;
<b>"Minimum Holding"</b>	means the minimum holding in respect of any Fund, as set out in the applicable Supplement to that Fund;
<b>"Minimum Redemption"</b>	means the minimum redemption in respect of any Fund, as set out in the applicable Supplement to that Fund;
<b>"Minimum Initial Subscription"</b>	means the minimum initial subscription in respect of any Fund, as set out in the applicable Supplement to that Fund;
<b>"Money Market Instruments"</b>	means instruments normally dealt in on the money market which:- <ul style="list-style-type: none"> <li>(i) are liquid, i.e. capable of being converted to cash within seven Business Days at a price closely approximating their current value; and</li> <li>(ii) have a value which can be accurately determined at any time;</li> </ul>
<b>"Net Asset Value"</b>	means the net asset value of the Company or of a Fund or of a class of Shares of a Fund as more fully described in the section headed "Valuation" on page 48;
<b>"OECD"</b>	means the Organisation of Economic Co-operation and Development and any member country thereof, respectively;
<b>"Official List"</b>	means the official list of Euronext Dublin;
<b>"Participating Share"</b>	means a participating share in the capital of the Company of no par value, issued subject to, and in accordance with the Acts, the UCITS Regulations and the Constitution of the Company;
<b>"Passive Hedging Calculation Agent"</b>	means HSBC Bank plc whose address is at: 8 Canada Square, London E14 5HQ, England;
<b>"Paying Agent"</b>	means any one or more companies or any successor company appointed as paying agent for the Company and its Funds;

<b>"Prospectus"</b>	means this prospectus issued by the Company (as may be amended, revised or varied from time to time) in connection with the offer of Participating Shares in the Company. For the avoidance of doubt, any Supplement issued in respect of a Fund shall be deemed to form part of the Prospectus;
<b>"Recognised Market"</b>	means any regulated stock exchange or market which is provided for in the Articles, details of which are set out in Appendix II to this Prospectus;
<b>"Research Charge"</b>	means a charge to pay for third-party investment research services used by the Investment Manager (and, where appropriate, its authorised delegates) in the provision of its services to the Company;
<b>"Research Payment Account"</b>	means an account established in the name of, and controlled by, the Sub-Investment Manager and funded by the Research Charge;
<b>"Securities Financing Transactions"</b>	means a repurchase transaction, securities lending and securities borrowing, a buy-sell back transaction or sell-buy back transaction or a margin lending transaction. For the avoidance of doubt, this definition of 'Securities Financing Transactions' does not include 'derivative contacts', such as total return swaps or contracts for difference, as defined in the European Market Infrastructures Regulation (EMIR) 648/2012;
<b>or "SFTs"</b>	
<b>"Share(s)"</b>	means the Participating Shares of no par value in the capital of the Company;
<b>"Shareholder"</b>	means a holder of Shares in the Company;
<b>"Share Class Hedging Agreement"</b>	means the agreement dated 29 July 2013 entered into between the Company and the Passive Hedging Calculation Agent;
<b>"Sterling" or "£"</b>	means pounds sterling, the currency of the United Kingdom;
<b>"Sub-Investment Manager"</b>	means any person appointed to act as investment manager of one or more Funds (or segments thereof) as described in the applicable Supplement;
<b>"Subscriber Share"</b>	means a subscriber share of €1,000 each in the capital of the Company;

<b>"Settlement Cut-Off Time"</b>	means 12.00 noon (Irish time) on the Business Day immediately prior to the relevant Dealing Day
<b>"Supplement"</b>	means a supplemental prospectus issued by the Company from time to time containing information relating to a particular Fund.
<b>"Transferable Securities"</b>	means shares in companies and other securities equivalent to shares in companies, bonds and other forms of securitised debt, and any other negotiable securities which carry the right to acquire any such transferable securities by subscription or exchange other than techniques and instruments utilised for efficient portfolio management, and which fulfil the requirements for transferable securities contained in the Central Bank UCITS Regulations;
<b>"UCITS"</b>	means an undertaking the sole object of which is the collective investment in either or both (i) Transferable Securities, (ii) other liquid financial assets of capital raised from the public, and which operates on the principle of risk-spreading, and the units/shares of which are at request of the holders repurchased or redeemed directly or indirectly out of those undertakings' assets. Action taken by a UCITS to ensure that the stock exchange value of its units does not vary significantly from their net asset value shall be regarded as equivalent to such repurchase or redemption. Other liquid financial assets include cash deposits, financial derivative instruments, other collective investment undertakings index tracking funds and Money Market Instruments;
<b>"UCITS Directive"</b>	means Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended by Directive 2014/911/EU of the European Parliament and of the Council of 23 July 2014 amending Directives 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) as regards depositary functions, remuneration policies and sanctions and as may be further amended from time to time;
<b>"UCITS Regulations"</b>	means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2015, as

may be modified, amended, supplemented, consolidated or re-enacted from time to time;

**"United Kingdom" or "UK"**

means the United Kingdom of Great Britain and Northern Ireland;

**"United States" or "US"**

means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

**"U.S. Person"**

has the meaning set forth in Appendix III of this Prospectus;

**"U.S. Taxpayer"**

has the meaning set forth in Appendix III of this Prospectus;

**"Valuation Date"**

means the relevant Business Day on which the Net Asset Value of the Fund is calculated and is the first Business Day of every week. For the avoidance of doubt, there will be a valuation date in respect of each Dealing Day; and

**"Valuation Point"**

means such time on the Valuation Date as set out in the applicable Supplement for that Fund.

## TABLE OF CONTENTS

---

### THE COMPANY

Introduction .....	17
Investment Objective and Policies .....	17
Investment Restrictions .....	18
Use of Derivative Instruments.....	18
Efficient Portfolio Management .....	19
Securities Financing Transactions .....	20
Dividend Policy .....	23
Risk Factors.....	23

### MANAGEMENT AND ADMINISTRATION

The Directors of the Company.....	31
The Investment Manager.....	31
The Distributor.....	33
The Administrator .....	33
The Depository .....	34
Paying Agent .....	36
Conflicts of Interest .....	36

### SUBSCRIPTIONS, TRANSFERS AND REDEMPTIONS

Initial Offer Periods.....	38
Subscriptions after the Closing Date .....	38
Staggered Listings of Shares Classes .....	38
Minimum Initial Subscription and Holding Requirements .....	38
Subscription Procedure .....	39
Subscription in Specie.....	40
Transfers.....	40
Redemptions .....	41
Conversion of Shares .....	43
Deferral of Redemptions.....	43
Compulsory Redemptions .....	44
Suspension of Subscriptions, Transfers, Conversions and Redemptions .....	44
Fund Cash Accounts .....	44
Investor Restrictions.....	45
Abusive Trading Practices.....	46
Anti-Money Laundering Procedures and Data Protection .....	46

### VALUATION

Net Asset Value.....	48
Allocation of Assets and Liabilities .....	48
Valuation Principles .....	49
Suspension of Valuation .....	51
Publication of Net Asset Value.....	52

### FEES AND EXPENSES

Investment Management - Fixed Annual Fee.....	53
Performance Fee .....	53
Administration Fee .....	53

Company Secretary Fee .....	53
Depository Fee.....	53
Paying Agent Fees .....	53
Passive Hedging Calculation Agent Fees .....	53
Directors' Remuneration.....	53
Establishment Expenses .....	54
Other Expenses.....	54

## **TAXATION**

Ireland.....	56
Taxation of the Company .....	62
Tax payable.....	64
Stamp Duty .....	65
Dividend Withholding Tax.....	65
Taxation outside Ireland.....	65
Taxation of Shareholders.....	66
Shareholders who are Resident in Ireland.....	66
Shareholders who are Exempt Irish residents.....	66
Shareholders who are not Resident in Ireland .....	66
Capital Acquisitions Tax .....	67
Shareholder Reporting .....	67
Automatic Exchange of Information for Tax Purposes .....	67
FATCA Implementation in Ireland .....	68
United Kingdom .....	69
United States.....	73

## **MATERIAL CONTRACTS**

The Investment Management Agreement .....	75
The Administration Agreement.....	75
The Depository Agreement .....	77
The Distribution Agreement .....	78
Paying Agency Agreements.....	79
Share Class Hedging Agreement .....	79

## **GENERAL INFORMATION**

Share Capital.....	80
Constitution.....	80
Reports .....	84
Inspection of Documents.....	85
UK Facilities .....	85

## **APPENDICES**

Appendix I - Investment and Borrowing Restrictions .....	87
Appendix II - List of Recognised Markets .....	92
Appendix III – U.S. Definitions.....	97
Appendix IV – List of Delegates of the Depository.....	99



## **THE COMPANY**

---

### **Introduction**

The Company was incorporated on 17 May 2010 with registered number 484509 as an open-ended umbrella-type investment company with variable capital. It is authorised in Ireland by the Central Bank as a UCITS pursuant to the UCITS Regulations. The liability of the members is limited.

The Company is organised in the form of an umbrella fund with segregated liability between sub-funds. Each Fund will have a distinct portfolio of investments, and more than one class of Shares may be issued in respect of any Fund with the prior approval of the Central Bank. Separate books and records will be maintained for each Fund.

As provided in the Articles, the Company may from time to time create additional classes of Shares within a Fund in accordance with the requirements of the Central Bank, which may be denominated in other currencies. The Directors may, in their absolute discretion, differentiate between the rights attaching to the different classes of Shares within a particular Fund including, without limitation, the dividend policy, the level of management fees, the subscription charge and/or the redemption charge payable in respect of each class.

The Company may from time to time create such additional Funds as the Directors may deem appropriate and with the prior approval of the Central Bank. Details of any Fund or Funds created in the future shall be set out in the applicable Supplement for that Fund and in accordance with the requirements of the Central Bank.

### **Investment Objective and Policies**

The assets of each Fund will be invested in accordance with the investment objectives and policies of that Fund as set out in the applicable Supplement. The Company and its Directors, in consultation with the Investment Manager and the relevant Sub-Investment Manager, are responsible for the formulation of the investment objectives and policies of each Fund and any subsequent change to these objectives and policies and for compliance with the investment and borrowing restrictions contained in the UCITS Regulations and the Central Bank UCITS Regulations as set out in Schedule 2, to which each Fund is subject. The Directors shall not make any change to investment objective, or any material change to the investment policy each as disclosed in the Prospectus, unless Shareholders have, in advance, and on the basis of a simple majority of votes cast at a general meeting or with the prior written approval of all shareholders of the Company (in accordance with the Articles) or such other majority as is specified in the Articles, approve the relevant change(s). The Directors shall provide all Shareholders of the Company with reasonable notice of the change(s) in the event that, in accordance with any changes made in the investment objective or any material changes made in the investment policy. Additional restrictions (if any) relevant to each Fund will be as set out in the applicable Supplement.

A Fund may invest in other Collective Investment Schemes, including other Funds of the Company. Such investment in other Funds of the Company is known as "cross-investment". A Fund may not, however, cross invest in another Fund which itself holds Shares in other Funds of the Company.

Where a Fund invests in another Collective Investment Scheme managed by the Investment Manager or cross invests in another Fund, the Directors will waive any preliminary or redemption charge which would normally be charged. Where a

commission is received by the Investment Manager by virtue of a Fund's investment in another Collective Investment Scheme or another Fund, this commission must be paid into the property of the Fund. Where a Fund cross invests in another Fund, the Investment Manager will waive the portion of its investment management fee and performance fee relating to that Fund's cross-investment in the other Fund.

Any amendment to the investment objective and/or policy is the responsibility of the Directors who may change the investment objective and policy of each Fund provided that Shareholders are given reasonable notice of such change. Furthermore, any change in the investment objective or material change to the investment policy of a Fund will only be effected following a resolution of a majority of the voting Shareholders of that Fund.

### **Investment Restrictions**

The Company and each Fund is subject to the investment and borrowing restrictions contained in the UCITS Regulations and the Central Bank UCITS Regulations as set out in Appendix I. Any specific investment restrictions for a Fund will be set out in the relevant Supplement.

### **Use of Derivative Instruments**

The Company may enter into a variety of derivative instruments including, but not limited to, the instruments listed below, for investment purposes and for efficient portfolio management (such as hedging), subject to the conditions and limits set out in the Central Bank UCITS Regulations and within any further limits laid down by the Central Bank from time to time.

#### Foreign exchange forwards

A forward FX contract is a deal to exchange different currencies - to buy or sell a particular currency - at an agreed date in the future, at a price which is agreed now.

#### Futures

A futures contract is an agreement to buy (or sell) an underlying asset at a fixed price on a fixed date. It is a contract between two parties; the holder of the future has not only the right but also the obligation to buy (or sell) the underlying asset. Underlying assets that can be traded include financial instruments such as a stock market index.

#### Warrants

A warrant is an instrument that conveys the right, but not the obligation, to buy a specific amount of a security at a specific price for an extended, defined period.

#### Swaps

A swap is a derivative in which two counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument. One type of swap is a total return swap which involves the exchange of the right to receive the total return, coupons plus capital gains or losses, of a specified reference asset, index or basket of assets against the right to make fixed or floating payments. Another type is a credit default swap which can be used to acquire or to transfer the credit risk of a security in the event that there is a default (or similar incident) by the issuer of the security underlying the credit default swap.

## Stock Lending

Stocklending is the temporary transfer of securities by a lender to a borrower, with agreement by the borrower to return equivalent securities to the lender at pre-agreed time. These agreements will generally be used to increase and enhance overall returns to the Fund through finance charges.

## Repurchase Agreements and Reverse Repurchase Agreements

The Company may enter into repurchase and reverse repurchase agreements subject to the conditions and limits set out in the Central Bank UCITS Regulations. These agreements will only be utilised for efficient portfolio management. These agreements are the sale and subsequent repurchase of a security. For the party selling the security (and agreeing to repurchase it in the future at a specified time and price) it is a repurchase agreement and will generally be used as a means of raising short-term finance and its economic effect is that of a secured loan as the party purchasing the security makes funds available to the seller and holds the security as collateral; for the party purchasing the security (and agreeing to sell the security in the future at a specified time and price) it is a reverse repurchase agreement and will generally be used as a short-term and secure investment through which additional income is generated through finance charges, as the difference between the sale and repurchase prices paid for the security represent interest on the loan.

## Contracts for Difference

Contracts for difference allow a party to speculate on share price movements and to benefit from trading shares or indices, without the need for ownership of the shares or indices, at a small percentage of the cost of owning the shares or indices. As contracts for difference are directly linked to the value of the underlying assets, they will fluctuate depending on the market of the assets represented in the contract.

Each Fund may engage in foreign exchange forwards to provide protection against exchange rate risks, including cross-currency hedging, and in order to hedge foreign currency exposure of the underlying assets of the Fund into the base currency of that Fund or into a currency institutionally linked to the base currency. It is intended that the use of such forwards will reduce the currency risk in respect of each Fund and / or specific Share Classes within each Fund and will enable each Fund to manage its assets and liabilities.

At the discretion of the Directors, any Fund may also use financial derivative instruments as a primary investment policy and details of the investment policy will be set out in the applicable Supplement in accordance with the requirements of the Central Bank.

## **Efficient Portfolio Management**

The use of efficient portfolio management techniques will only be used in line with the best interests of the Funds. Efficient portfolio management means an investment decision involving transactions that are entered into for one or more of the following specific reasons:

- a reduction of risk;
- a reduction of cost; or
- the generation of additional capital or income for a Fund with an appropriate level of risk, taking into account the risk profile of the Fund and subject to the conditions and limits as set out in the Central Bank UCITS Regulations and within any further limits laid down by the Central Bank from time to time.

The use of efficient portfolio management techniques will not result in a change to the investment objective as outlined in the relevant Fund Supplement. The Funds shall not enter into stock lending agreements until such time as an updated supplement is filed with the Central Bank. Transaction costs may be incurred in respect of other efficient portfolio management techniques in respect of the Funds. The Company will ensure that all revenues from efficient portfolio management techniques, net of direct and indirect operational costs, will be returned to the Funds. Any direct and indirect operational costs/fees arising from efficient portfolio management techniques do not include hidden revenue and will be paid to such entities as outlined in the annual report of the Company.

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

### **Securities Financing Transactions**

Each Fund may utilise or engage in total return swaps and SFTs such as repurchase transactions. The counterparties to such SFTs will be corporate entities (which may or may not be related to the Company, Depositary or their delegates) typically located in OECD jurisdictions. Accordingly, the Investment Manager, on behalf of the Company, will check that the counterparties will be subject to ongoing supervision by a public authority, be financially sound and have the necessary organisational structure and resources for the relevant type of transaction. In addition, a credit assessment will be undertaken by the Company with respect to each counterparty to ensure that each counterparty has a minimum credit rating of above investment grade. All the revenues generated by SFTs are returned to the relevant Fund and all fees and operating expenses are also paid for by the Fund.

SFTs shall be held either in the physical custody of the Depositary, or for the account of the Depositary by an agent or sub-custodian of the Depositary, or a central bank, depository or clearing corporation acting as a depository.

The Company will ensure that every asset that is received by a Fund as a result of engaging in efficient portfolio management techniques and instruments is treated as collateral. For collateral management, cash as collateral is favoured by each Fund. Where non-cash collateral is used, a Fund will only accept government securities of varying maturities as non-cash collateral that do not exhibit high price volatility. Any non-cash collateral will be marked-to-market on a daily basis and subject to daily variation margin movements.

Each Fund will accept collateral which complies with ESMA 2012-832 requirements, namely:

- *Liquidity* – collateral received, other than cash, should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to its pre-sale valuation. Collateral that is received should also comply with the provisions of Regulation 74 of the UCITS Regulations.

- *Valuation* – collateral that is received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as collateral unless suitably conservative haircuts are in place.
- *Issuer credit quality* – collateral received should be of high quality. The Company shall ensure that: (i) where the issuer was subject to a credit rating by an agency registered and supervised by ESMA that rating shall be taken into account by the Company in the credit assessment process; and (ii) where an issuer is downgraded below the two highest short-term credit ratings by the credit rating agency referred to in (i) this shall result in a new credit assessment being conducted of the issuer by the Company without delay.
- *Correlation* – collateral received should be issued by an entity that is independent from the counterparty. There are reasonable grounds for the Company to expect that it would not display a high correlation with the performance of the counterparty.
- *Diversification (asset concentration)* – collateral should be sufficiently diversified in terms of country, markets and issuers in accordance with Schedule 3 of the Central Bank UCITS Regulations. When a Fund is exposed to different counterparties, the different baskets of collateral should be aggregated to calculate the relevant exposure limit to a single issuer. A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, local authority, third country or public international body drawn from the list of issuers. A Fund may receive securities from at least 6 different issues, but securities from any single issue will not account for more than 30% of a Fund's Net Asset Value and a Fund can accept more than 20% of its Net Asset Value as collateral from those entities listed at part 2 of Appendix I of the Prospectus. In accordance with the Central Bank UCITS Regulations, invested cash collateral should be diversified in accordance with the diversification requirement applicable to non-cash collateral. Invested cash collateral may not be placed on deposit with the counterparty or a related entity.
- *Immediately Available* - collateral received should be capable of being fully enforced by a Fund at any time without reference to or approval from the counterparty.
- Collateral received on a title transfer basis will be held by the Depositary (or sub-custodian thereof). Where a Fund receives collateral on any basis other than a title transfer basis, the collateral can be held by a third party depositary which is subject to prudential supervision and is unrelated and unconnected to the provider of the collateral.
- *Risks linked to the management of collateral* – in the event that collateral is received by a Fund, the risks linked to the management of collateral, such as operational and legal risks, will be identified, managed and mitigated by an updated version of the risk management process. The management and monitoring of collateral received, including monitoring its liquidity is dependent upon systems and technology operated by a Fund's service providers. Cyber-attacks, disruptions, or failures that affect a Fund's service providers or counterparties may adversely affect a Fund, including by causing losses for a Fund or impairing a Fund's operations.

Legal and regulatory changes could adversely affect a Fund in its management of collateral. The effect of any future legal or regulatory change on a Fund is impossible to predict, but could be substantial and have adverse consequences on the rights and returns of Shareholders.

Where a Fund receives collateral on any basis other than a title transfer basis, local custody services may be underdeveloped in many emerging market countries and there is custody risk involved in dealing in such markets. In certain circumstances a Fund may

not be able to recover some of its collateral. Such circumstances may include any acts or omissions or the liquidation, bankruptcy or insolvency of a sub-custodian, retroactive application of legislation and fraud.

Liquidity risk can exist when certain non-cash collateral instruments are difficult to purchase or sell. A Fund's investments in non-cash collateral instruments may reduce the returns of a Fund because it may be unable to sell the non-cash collateral instruments at an advantageous time or price.

- Non-cash collateral cannot be sold, pledged or re-invested.
- A Fund may disregard the counterparty risk on condition that the value of the collateral, valued at market price and taking into account appropriate discounts exceeds the value of the amount exposed to risk at any given time.
- Any reinvestment of cash collateral by the Company may not be invested other than in the following:
  - deposits with relevant institutions;
  - high-quality government bonds;
  - reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and a Fund is able to recall at any time the full amount of cash on an accrued basis; and
  - short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).
- The risks associated with SFTs are more fully described in the section below entitled "General Risk Factors" – "Derivatives Risk" and "Securities Lending Risk".

### **Total Return Swaps**

Where it is proposed that the Company on behalf of a Fund enter into a total return swap, information on the underlying strategy and composition of the investment portfolio or index will be detailed in the relevant Supplement.

The counterparty to any total return swap entered into by the Company on behalf of a Fund shall be an entity which satisfies the OTC counterparty criteria set down by the Central Bank in the UCITS Regulations and shall be an entity which specialise in such transactions.

The failure of a counterparty to a swap transaction may have a negative impact on the return for Shareholders. Where it is proposed that the Company on behalf of a Fund enter into a total return swap, the Investment Manager intends to minimise counterparty performance risk by only selecting counterparties with a good credit rating and by monitoring any changes in those counterparties' ratings. Additionally, any such transactions will only be concluded on the basis of standardised framework agreements (ISDA with Credit Support Annex). Further information relating to the risks associated with investment in total return swaps is disclosed in the section of this Prospectus titled "Risk Factors" – "Credit Risk" and "Derivatives - Counterparty Risk".

The counterparty to any total return swap entered into by the Company on behalf of a Fund shall not assume any discretion over the composition or management of the investment portfolio of that Fund or of the underlying of the total return swap and the counterparty's approval will not be required in relation to any investment portfolio

transaction relating to that Fund. Any deviation from this principle shall be detailed further in the relevant Supplement.

### **Dividend Policy**

The dividend policy for each Fund will be set out in the applicable Supplement.

### **Remuneration Policy of the Company**

The Company has remuneration policies and practices for certain of its staff and of certain staff of the Investment Manager that are consistent with and promote sound and effective risk management and do not encourage risk-taking which is inconsistent with the risk profiles of each of the Funds, this Prospectus or the Articles. The Company takes a proportionate approach in complying with remuneration requirements set out in the UCITS Regulations. Accordingly, the Company will not be required to comply with certain of the remuneration provisions on the basis of the size, internal organisation and the nature, scope and complexity of the activities of the Company.

Details of the up-to-date remuneration policy of the Company, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee where such a committee exists, are available by means of the investment manager's website at [www.signetmanagement.com](http://www.signetmanagement.com).

In addition, a paper copy will be made available to investors free of charge upon request.

### **Risk Factors**

#### **General Risk Factors**

Investors' attention is drawn to the following general risk factors which may relate to an investment in any Fund. In addition to the risks set out below, any risks specific to a particular Fund will be set out in the applicable Supplement.

The Company will, on reasonable request, provide supplementary information to Shareholders relating to the risk management methods employed by the Investment Manager, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments.

#### *Market fluctuations*

Potential investors should note that the investments of each Fund are subject to market fluctuations. There is no assurance that any appreciation in the value of investments will occur or that the investment objective of any Fund will be achieved. The value of Shares in the Company may fall as well as rise and investors may not recoup the original amount invested. The difference between the cost of subscribing for Shares and the amount received on redemption means that any investment in the Company should be viewed as a medium to long-term investment. An investment should only be made by those who are able to sustain a loss on their investment.

#### *Currency risk*

Each Fund's assets may, unless otherwise noted, be invested in securities denominated in currencies other than the relevant currency of such Fund and any income received by such Fund from its investments will be received in the currencies of such investments, some of which may fall in value against the relevant currency of such Fund. Each Fund will compute its Net Asset Value and make any distributions in the denomination of the

Shares while each Fund may, from time to time, engage in forward foreign exchange transactions to provide protection against exchange-rate risk, there is no guarantee that this objective will be achieved and consequently there is therefore a currency exchange risk which may affect the value of the Shares to the extent that the Fund makes investments in currencies other than the relevant currency of the Fund.

#### *Currency Hedged Share Class risk*

Shares classes denominated in currencies other than the base currency of the relevant Fund (the "**Base Currency**") are hedged back to the Base Currency in order to reduce foreign exchange risk arising through investing in a Base Currency denominated investment portfolio. Each Fund enters into forward exchange contracts to hedge each non- Base Currency Share class's exposure to the Base Currency on its underlying investments. The cost and benefit of such hedging is charged, or credited to the individual Fund and allocated to the Share classes concerned and is reflected at each Valuation Point in the published net asset value per share. Currency hedging is based on anticipated investment performance and known cash flows. There can be no guarantee that currency hedging will match exactly the Share class currency exposure. The investment performance of non- Base Currency Share classes may therefore vary when compared to the investment performance of the underlying Base Currency denominated assets.

#### *Credit Risk*

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

#### *Derivatives Risk*

A Fund may employ various investment techniques, such as, but not limited to, forward foreign exchange contracts, currency futures, swaps, options and 'swaptions' thereon, put and call options on securities, indices, stock index and interest rate futures and options thereon, stock lending, repurchase, reverse repurchase, warrants and contracts-for-difference (together "**derivatives**") in order to afford the protection of capital or the enhancement of investment returns. These derivative positions may be executed either on-exchange or over-the-counter. The primary risks associated with the use of such derivatives are (i) failure to predict accurately the direction of the market movements and (ii) market risks, for example, lack of liquidity or lack of correlation between the change in the value of the underlying asset and that of the value of the Fund's derivatives. These techniques may not always be possible or effective in enhancing returns or mitigating risk.

The use of cross-currency hedging in order to hedge foreign currency exposure of the underlying assets of a Fund on behalf of a Share class into the base currency of that Fund or into a currency institutionally linked to the base currency may adversely affect the Net Asset Value of Share classes in the respective Fund.

A Fund's investments in over-the-counter derivatives are subject to credit risk with regards to parties with whom it trades and the risk of settlement default. In addition, a Fund may have to transact with counterparties on standard terms which it may not be able to negotiate.



Price movements of forward contracts, futures contracts, options, contracts for difference and other derivative contracts in which a Fund's assets may be invested are influenced by among other things, interest rates, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies and interest rate-related futures and options. Such intervention often is intended directly to influence prices and may, together with other factors, cause all of such markets to move rapidly in the same direction because of, among other things, interest rate fluctuations. Moreover, since there is generally less government supervision and regulation of emerging market stock exchanges and clearing houses than in more developed markets, a Fund may also be subject to the risk of the failure of the exchanges on which its positions trade or of their clearing houses, and there may be a higher risk of financial irregularities and/or lack of appropriate risk monitoring and controls.

#### *Leverage Risk*

A Fund's possible use of borrowing, leverage or derivative instruments may result in certain additional risks. Leveraged investments, by their nature, increase the potential loss to investors resulting from any depreciation in the value of such investments. Consequently, a relatively small price movement in the security underlying a leveraged instrument may result in a substantial loss to the Fund.

#### *Counterparty Risk*

Each Fund will have credit exposure to counterparties by virtue of positions in contracts for difference, swaps, repurchase transactions, forward exchange rate and other contracts held by the Fund. OTC options are non-exchange traded option agreements, which are specifically tailored to the needs of an individual investor. These options enable the user to structure precisely the date, market level and amount of a given position. The counterparty for these agreements will be the specific firm involved in the transaction rather than a Recognised Market and accordingly the bankruptcy or default of a counterparty with which the Fund trades OTC options could result in substantial losses to the Fund. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Fund's investment restrictions. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

#### *Substantial repurchases*

Substantial repurchases by Shareholders may necessitate the prompt liquidation of investments. It is possible that losses may be incurred due to such liquidations that might otherwise not have arisen.

#### *Taxation*

Any change in the Company's tax status or in legislation could affect the value of investments held by the Company and affect the Company's ability to provide a return to

investors. Potential investors and Shareholders should note that the statements on taxation, which are set out herein are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that a tax position or proposed tax position prevailing at the time an investment is made in the Company will endure indefinitely. The attention of potential investors is drawn to the tax risks associated with investing in the Company, particularly the section headed "Taxation" starting on page 56.

#### *Temporary suspension*

Investors are reminded that in certain circumstances their right to redeem or convert Shares may be temporarily suspended as set out in more detail in the section headed "Suspension of Valuation" on page 51.

#### *Dependence on the principals of the Investment Manager*

The principals of the Investment Manager have authority to control the investment management of the Company. If, for any reason, the Investment Manager were to lose the services of these individuals, the Company might be adversely affected.

#### *Political and /or regulatory risks*

The value of a Fund's assets may be affected by uncertainties such as international political developments, changes in government policies, changes in taxation, restrictions in foreign investment and currency repatriation, currency fluctuations and other developments in the laws and regulations of countries in which investments may be made.

#### *Cyber Security Risk*

Cyber security breaches may occur allowing an unauthorised party to gain access to assets of the Funds, Shareholder data, or proprietary information, or may cause the Investment Manager, any distributor, the Administrator, the Depositary or other service providers to suffer data corruption or lose operational functionality.

The Funds may be affected by intentional cyber security breaches which include unauthorised access to systems, networks, or devices (such as through "hacking" activity); infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cyber security breach could result in the loss or theft of Shareholder data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause the Investment Manager, any distributor, the Administrator, the Depositary, or other service providers to incur regulatory penalties, reputational damage, additional compliance costs, or financial loss. Consequently, Shareholders may lose some or all of their invested capital. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause a Fund's investments to lose value, as a result of which investors, including the relevant Fund and its Shareholders, could potentially lose all or a portion of their investment with that issuer.

#### *Controlling Shareholder*

There is no restriction on the percentage of the Company's Shares that may be owned by one person or a number of connected persons. It is possible, therefore, that one person,

including a person or entity related to the Investment Manager, or, a collective investment scheme managed by the Investment Manager, may obtain control of the Company or of a Fund.

#### *Past Performance*

The Company does not have an operating history upon which investors may base an evaluation of the likely performance of the Company.

#### *Cross liability between Funds*

The Company is established as a segregated portfolio company. As a matter of Irish law, the assets of one Fund will not be available to satisfy the liabilities of another. However, the Company is a single legal entity which may operate or have assets held on its behalf or be subject to claims in other jurisdictions which may not necessarily recognise such segregation. There is no guarantee that the courts of any jurisdiction outside Ireland will respect the limitations on liability associated with segregated portfolio companies nor is there any guarantee that the creditors of one Fund will not seek to enforce such Fund's obligations against another Fund.

#### *Risks associated with Stock Lending*

The risks in lending portfolio securities, as with other extensions of credit, consist of the failure of one or more counterparty to comply with the terms of agreement, which can result in the:

- possible loss of rights to the collateral put up by the borrower of the securities;
- inability of the intermediary to return the securities deposited by the Fund; and
- possible loss of benefits accruing to the securities deposited with the intermediary.

#### *Common Reporting Standard Risks*

The requirements of the Common Reporting Standard ("CRS") as implemented in Ireland impose additional due diligence procedures, systems and/or administrative burdens and costs on the Company and/ or its Shareholders. Investors are reminded that their personal and account information may need to be reported to the relevant tax authorities. Where investors provide inaccurate or incomplete information, the Company could become liable to penalties for non-compliance. The Company has the ability to compulsorily redeem recalcitrant investors and make withholdings from distributions/redemption proceeds to pass on any CRS related financial penalties and costs suffered by the Company solely to any recalcitrant investors that have caused the liabilities rather than allowing such liabilities to be borne by the investors as a whole.

#### *Foreign Account Tax Compliance Act*

The Company will be required to comply (or be deemed compliant) with extensive new reporting and withholding requirements designed to inform the U.S. Department of the Treasury of U.S.-owned foreign investment accounts. Failure to comply with these requirements will subject such entities to U.S. withholding taxes on certain U.S.-sourced income and gains beginning in 2014. Shareholders may be requested to provide additional information to the Company to enable the Company to satisfy these obligations. Where Shareholders provide inaccurate or incomplete information, the Company could become liable to withholding taxes and other penalties for non-compliance. The Company has the ability to compulsorily redeem recalcitrant investors and make withholdings from distribution/redemption proceeds to pass on any FATCA related withholding tax or financial penalties and costs suffered by the Company solely to

any recalcitrant investors that have caused the liabilities rather than allowing such liabilities to be borne by investors as a whole.

#### *Dodd-Frank Wall Street Reform and Consumer Protection Act*

With the passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") in the United States, there has been extensive rulemaking and regulatory changes that have affected and will continue to affect private fund managers, the funds that they manage and the financial industry as a whole. Under Dodd-Frank, the SEC has mandated new reporting requirements and is expected to mandate new recordkeeping requirements for investment advisers, which are expected to add costs to the legal, operations and compliance obligations of the Investment Manager, the Sub-Investment Manager and the Company and increase the amount of time that the Investment Manager and the Sub-Investment Manager spend on non-investment related activities. Until the SEC implements all of the new requirements of Dodd-Frank, it is unknown how burdensome such requirements will be. Dodd-Frank will affect a broad range of market participants with whom the Company interacts or may interact, including commercial banks, investment banks, other non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies and broker-dealers. Regulatory changes that will affect other market participants are likely to change the way in which the Investment Manager and the Sub-Investment Manager conduct business with counterparties. It may take several years to understand the impact of Dodd-Frank on the financial industry as a whole, and therefore, such continued uncertainty may make markets more volatile, and it may be more difficult for the Investment Manager and the Sub-Investment Manager to execute the investment strategy of the Company.

#### *Changes in the UK Political Environment*

As a result of the outcome of the UK Referendum on continued membership of the EU held on 23 June 2016, the UK has indicated its intention to withdraw its membership from the EU. On 29 March 2017, the UK triggered the procedures to withdraw from the European Union after the two year period settlement negotiation as prescribed in Article 50 of the Treaty of Lisbon. The terms of any withdrawal and the on-going relationship between the UK and the EU are still to be negotiated and this uncertainty may impact the Company and/or the financial markets within which it operates.

The result of the UK Referendum has led to political, legal, tax and economic uncertainty. This may impact the general economic conditions in the UK and various other countries. It is not yet clear whether and to what extent EU regulations remain applicable or will be replaced by different UK regulations with respect to the activities of any UK service providers or counterparties utilised by the Company following a UK exit from the EU or what legal or cooperation arrangements the UK may put in place with the EU. It is possible that UK investors in the Company may be subject to fewer regulatory protections than would otherwise be the case. A UK exit may adversely affect the ability of UK service providers or UK counterparties to access markets, make investments or enter into agreements (on either their own behalf or on behalf of the Company or a Fund), or continue to work with non-UK counterparties and service providers, all of which may result in increased costs to the Company and/or a Fund. UK based investors may no longer be allowed to invest in a Fund or suffer negative consequences from an investment in a Fund.

In addition, following the results of the UK Referendum the financial markets, including currency exchange rates, have experienced volatility and disruption. It is not possible to predict whether such volatility and disruption will continue. Investors should be aware that the result of the 23 June 2016 Referendum and any subsequent negotiations, notifications, withdrawal and changes to legislation may introduce potentially significant new uncertainties and instabilities in the financial markets. These uncertainties and

instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Company and certain of its service providers and counterparties, and could therefore also be detrimental to Shareholders.

The ongoing withdrawal process could cause an extended period of uncertainty and market volatility, not just in the United Kingdom but throughout the European Union, the European Economic Area and globally. As an investment manager authorised and regulated by the FCA, the Investment Manager and is currently subject to provisions of certain European directives and regulations (e.g., Markets in Financial Instruments Directive (Directive 2004/39/EC), the Alternative Investment Fund Managers Directive (Directive 2011/61/EU), and the European Market Infrastructure Regulation (Regulation 2012/648/EU) which have either been incorporated into the UK law or have a direct effect in the UK. The longer term impact of the decision to leave the EU on the UK regulatory framework will depend, in part, on the relationship that the UK will seek to establish with the EU in the future. In particular, it is uncertain whether and how UK laws that incorporate EU directives may be modified in the future and whether UK firms (such as the Investment Manager) will continue to have the benefit of certain rights to conduct cross border business within the EU. It is not possible to ascertain the precise impact the United Kingdom's departure from the EU may have on the Company or the Investment Manager from an economic, financial or regulatory perspective but any such impact could have material consequences for the Investment Manager and/or the Company.

#### *Data Protection Risk*

In order to maintain security and to prevent processing in infringement of Data Protection Law, the Company, the Investment Manager or the Administrator where acting as a "data controller", or the Depositary where acting as a "data processor", are each required to evaluate the risks inherent in the processing and implement measures to mitigate those risks, such as encryption. Such measures are required to ensure an appropriate level of security, including confidentiality, taking into account the costs of implementation in relation to the risks and the nature of the personal data to be protected. Potential investors and shareholders should be aware that certain data security risks can arise by processing of personal data, such as accidental or unlawful destruction, loss, alteration, unauthorised disclosure of, or access to, personal data transmitted, stored or otherwise processed which may in particular lead to physical, material or non-material damage. There may be instances where processing operations by the Company, the Investment Manager, the Administrator and/or the Depositary are likely to result in a high risk to the rights and freedoms of potential investors or shareholders, however, the relevant data controller will be responsible for the carrying out of a data protection impact assessment to evaluate, in particular, the origin, nature, particularity and severity of any such risk. A personal data breach may, if not addressed in an appropriate and timely manner, result in physical, material or non-material damage to potential investors or shareholders such as loss of control over their personal data or limitation of their rights, discrimination, identity theft or fraud, financial loss, damage to reputation, loss of confidentiality of personal data protected by professional secrecy or any other significant economic or social disadvantage to the natural person concerned and/or to the Company.

#### *Securities Lending Risk*

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

associated with such investments, such as failure or default of the issuer of the relevant security.

## **MANAGEMENT AND ADMINISTRATION**

### **The Directors of the Company**

The Directors of the Company are responsible, inter alia, for establishing the investment objectives and policies of the Company and each Fund, for monitoring the Company's performance and for the overall management and control of the Company.

The following are the Directors of the Company:-

**Robert Burke.** Robert Burke (Irish national and resident) was, until 2005, a partner of McCann FitzGerald, a Dublin-based law firm, having joined the firm in 1978. He remains a consultant to the firm. Mr Burke is experienced in most areas of company and commercial law in addition to corporate taxation. He qualified as a Chartered Accountant with Price Waterhouse in 1973 and practiced as a tax specialist with them until 1978. He is a member of the Foundation for Fiscal Studies (Ireland), the International Fiscal Association, the International Tax Planning Association and the International Bar Association and an Associate Member of the Institute of Taxation in Ireland. He is an independent director of the Company and the Funds

**John Mills.** John Mills is a Director of Maitland Luxembourg S.A. ("**Maitland**"), a professional services firm providing legal services from ten offices across Europe. John is admitted as a South African advocate and as a solicitor of the courts of England and Wales. He has been with Maitland since 1991. John holds a Bachelor of Commerce and Bachelor of Laws degrees from the University of Stellenbosch in South Africa. He is a non-executive director of a number of investment companies listed on Euronext Dublin. John specializes in the area of international corporate structuring, financing and investment. He is an independent director of the Company and the Funds.

### **William Gannon.**

William Gannon (Irish national and resident) qualified with distinction as a Chartered Accountant with PWC in 1972 and is also a member of the Irish Taxation Institute and the Irish Society of Insolvency Practitioners. He is a senior director in Gannon Kirwan Somerville Limited, Dun Laoghaire, Co. Dublin specialising in insolvency and corporate recovery with over forty years' experience.

All of the Directors are non-executive directors and their address, for the purpose of the Company, is the registered office of the Company.

### **The Investment Manager**

The Company has appointed the Investment Manager to act as investment manager pursuant to the Investment Management Agreement.

The Investment Manager was incorporated in the United Kingdom on 22 January, 2003 in order to provide investment management services and is regulated by the United Kingdom's Financial Services Authority. As of 31 May 2018, the Investment Manager had in excess of \$170 million of assets under discretionary management.

The Investment Manager may, from time to time, appoint investment advisers. Any such appointments would be in accordance with the requirements of the Central Bank. In addition, the Company may, from time to time, appoint other investment managers to act as discretionary investment manager to a specific Fund in accordance with the requirements of the Central Bank. Such sub-investment managers would not be paid directly by the Company. Details of any such appointments shall be contained in an updated Prospectus or Supplement and shall also be provided to shareholders within the Company's periodic reports.

The Investment Manager also acts as the promoter of the Company.

The Directors of the Investment Manager are Robert Marquardt, Roman Fetisov, Marco Meli, Vitaliy Ardislamov, Andrey Lifshits and Dmitry Evenko.

**Robert Marquardt.** Robert Marquardt is Chairman of the Signet group, which he founded in 1993. He has over two decades of experience with alternative investments. His responsibilities include portfolio management and manager due diligence. He is a member of Signet's Investment Committee. Robert was previously an independent investment manager based in Luxembourg (1990-93). This followed a career with Chase Manhattan Bank (1979-90) in London, Bahrain, and finally Luxembourg, where he was the manager of Private Banking and a Director of Chase Manhattan Bank Luxembourg. Robert is a graduate of the University of Connecticut where he read Languages and Business; he also studied Arabic at the American University in Cairo and French at the University of Rouen.

**Roman Fetisov.** Roman Fetisov is the CEO of Signet Capital Management, the Investment Manager. Prior to joining Signet, Roman was an investment banker at Bank of America Merrill Lynch in London and Moscow, focused on the CEEMEA region as well as Financial Institutions and Metals and Mining sectors. Roman holds an MBA from Stanford Graduate School of Business and a Bachelor's degree in Economics from Lomonosov Moscow State University.

**Marco Meli.** Marco Meli is the Chief Operating Officer and Director of the Investment Manager. Prior to joining the Investment Manager on 1st October 2017, Marco held various operational and investment related functions at Signet Research & Advisory SA in Lausanne, Switzerland. From 2006 to 2011 Marco was a Senior Business Development Officer and subsequently Portfolio Manager at E.I.M. S.A. in Nyon, Previously, Marco was a Product Sales Specialist at UBS Wealth Management Switzerland. He holds a Bachelor's Degree in Financial and Monetary Economics (University of Geneva, Switzerland) and is a CFA and CAIA Charter Holder.

**Vitaliy Ardislamov.** Vitaliy Ardislamov is a Director and Portfolio Manager of the Investment Manager. Prior to joining the Investment Manager on 1st September 2017, Vitaliy was a Research Analyst at BlueMountain Capital Management, a multi-strategy hedge fund. From 2013 to 2015 Vitaliy was an Associate at Strategic Value Partners, a global alternative investment firm focused on distressed and deep value opportunities. Previously, Vitaliy was an Investment Banking Senior Analyst at Bank of America Merrill Lynch. He holds a Bachelor's Degree in Economics and Finance from the London School of Economics and a Bachelor's Degree in Economics from The Higher School of Economics (Moscow, Russia).

**Andrey Lifshits.** Andrey Lifshits is an employee and director to the Investment Manager. In 2014- 2015 he was a Chief Portfolio Manager in BCS group, covering teams of Portfolio Managers located in Russia and Cyprus. Prior to that he was a Portfolio Manager in PSB Asset Management, Russia. In 2011-2014 he was an Investment Adviser to Stratim Spectrum Debt Fund, which won a number of nominations from Eurohedge and Barclayhedge. Before joining the Spectrum team, Andrey worked for top Russian institutions as a prop trader, Portfolio Manager and Chief Portfolio Manager, including: Troika Dialog Asset Management, Uralsib Asset Management, Gazprombank, Investment Bank Trust. Andrey Lifshits graduated from Moscow Institute of Physics and Technology in 1999. He passed exams for Brokerage/Dealing and for Asset Management activity (Russia) and Advanced level Certification by CySec (Cyprus).

**Dmitry Evenko.** Dmitry Evenko is Partner and Board Member at the Signet Group. Prior to taking this position from 2000 to 2014 he was the Chairman and the Chief Executive Officer of Spectrum Partners, a hedge fund management firm, focusing on Russia and



the CIS region. From 2003 to 2009 he also served as the Chief Executive Officer of Marcuard Spectrum, the joint venture between Spectrum Partners and Marcuard, Swiss wealth management group. From 1995 to 2000 Dmitry was the Managing Director and Head of trading and sales at UCB Capital, and after the acquisition of UCB by Robert Fleming Securities he was President and Head of Capital Markets at Fleming UCB. Dmitry graduated with honours from Lomonosov Moscow State University (economic faculty) and Institute of Europe, and went through Executive MBA program at Skolovo School of Management. Dmitry is resident in Moscow.

### **The Distributor**

The Company has appointed the Investment Manager to act as distributor of the Shares pursuant to the Distribution Agreement between the Company and the Investment Manager, under which the Investment Manager may appoint sub-distributors and agents.

### **The Administrator**

The Company has entered into an agreement (the "**Services Agreement**") with SS&C Financial Services (Ireland) Limited (the "**Administrator**") pursuant to which each Fund has engaged the Administrator to perform certain day-to-day administrative services on its behalf. The Administrator was incorporated in Ireland as a private limited company on 18 May 2007 with registered number 439950 and is authorised by the Central Bank to provide administration services to collective investment schemes. The Administrator is 100% owned by SS&C Technologies Ireland Limited. SS&C Technologies Ireland Limited is 100% owned by SS&C European Holdings SARL, SS&C European Holdings SARL is 100% owned by Advent Software Luxembourg SARL, Advent Software Luxembourg SARL is 100% owned by Hub Data, Inc., Hub Data, Inc. is owned in part by Advent Software, Inc. and SS&C Technologies, Inc., Advent Software, Inc. and SS&C Technologies, Inc. are both 100% owned by SS&C Technologies Holdings, Inc. (the "Parent Company"). The Parent Company is a publically traded company on the NASDAQ Global Select Market.

The Administrator, or an affiliate thereof, will also perform certain middle-office and/or back-office support activities pursuant to a separate agreement. The Company will indemnify and hold harmless the Administrator, its affiliates and any of their respective officers, directors, members, shareholders, employees, and agents, or any of their successors or assigns (each, an "**Administrator Indemnified Party**"), from and against any and all losses, judgments, liabilities, expenses (including, without limitation, attorney's fees) and amounts paid in settlement of any claims arising out of, or in connection with, any action taken or omitted by any of the foregoing Administrator Indemnified Parties, unless such action or omission is found by a final determination of an arbitrator, mediator, or court of competent jurisdiction to have resulted solely from the fraud, negligence or willful misconduct by such Administrator Indemnified Party in connection with the performance of its duties and obligations under the Services Agreement.

The Services Agreement may generally be terminated at any time without penalty by the Company on 90 days' notice or by the Administrator on 180 days' notice, except that it may be terminated upon less notice in certain instances.

The Administrator may have relationships with providers of technology, data or other services and may receive economic and/or other benefits in connection. The Administrator may subcontract with agents, selected by the Administrator in good faith for administrative and certain other services.

The Administrator does not act as a guarantor of the shares. Moreover, the Administrator is not responsible for any of the trading or investment decisions of any Fund (all of which are made by the Investment Manager), or the effect of such trading decisions on the

performance of the Fund.

The Company has engaged the Administrator to provide certain FATCA services to each of the Funds, pursuant to an amendment to the service agreement dated 20 March 2015.

The office of the Administrator is located at SS&C Financial Services (Ireland) Limited, First Floor, La Touche House, IFSC, Dublin 1, Ireland

### **The Depositary**

Pursuant to the agreement dated 13 October 2016, as amended, between the Company and the Depositary (the "**Depositary Agreement**") and for the purposes of and in compliance with the UCITS Regulations, the Depositary has been appointed as depositary to the Company.

The Depositary was incorporated in Ireland on 29 November 1991 and is regulated by the Central Bank of Ireland. The Depositary is an indirect wholly owned subsidiary of HSBC Holdings plc, a public limited company incorporated in England and Wales.

The Depositary provides services to the Company as set out in the Depositary Agreement and, in doing so, shall comply with the UCITS Regulations.

The Depositary's duties include the following:-

- (i) safekeeping the assets of the Company, which includes (i) holding in custody all financial instruments that may be held in custody in accordance with Regulations 34(4)(a) of the UCITS Regulations; and (ii) verifying the ownership of other assets and maintaining records accordingly, in each case in accordance with Regulation 34(4)(b) of the UCITS Regulations;
- (ii) ensuring that the Company's cash flows are properly monitored and in particular that all payments made by or on behalf of applicants upon the subscription to shares of the Company have been received and that all cash of the Company has been booked in cash accounts that are in accordance with Regulation 34(3) of the UCITS Regulations;
- (iii) ensuring that the sale, issue, redemption, repurchase and cancellation of each of the Company's shares is carried out in accordance with the UCITS Regulations and the Constitutional Documents (as defined in the Depositary Agreement) and that the valuation of the shares of the Company are calculated in accordance with the UCITS Regulations and the Constitutional Documents;
- (iv) carrying out the instructions of the Company, unless they conflict with the UCITS Regulations or the Constitutional Documents;
- (v) ensuring that in transactions involving the Company's assets any consideration is remitted to the Company within the usual time limits;
- (vi) ensuring that the Company's income is applied in accordance with the UCITS Regulations, the Prospectus and the Constitutional Documents; and
- (vii) enquiring into the conduct of the Company in each accounting period and report thereon to the Shareholders. The Depositary's report shall state whether in the Depositary's opinion the Company has been managed in that period:

1. in accordance with the limitations imposed on the borrowing powers of the Company by the Prospectus, the Constitutional Documents and by the Central Bank of Ireland under the powers granted to the Central Bank of Ireland by the UCITS Regulations;
2. otherwise in accordance with the provisions of the Prospectus, the Constitutional Documents and the UCITS Regulations; and
3. if the Company has not been managed in accordance with (1) or (2) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

The Depositary may delegate its safekeeping functions to one or more delegates in accordance with, and subject to the UCITS Regulations and on the terms set out in the Depositary Agreement. The performance of the safekeeping function of the Depositary in respect of certain of the Company's assets has been delegated to the delegates listed in Appendix IV. An up-to-date list of any such delegate(s) is available from the Company on request. The Depositary will have certain tax information-gathering, reporting and withholding obligations relating to payments arising in respect of assets held by the Depositary or a delegate on its behalf.

From time to time actual or potential conflicts of interest may arise between the Depositary and its delegates, for example, and without prejudice to the generality of the foregoing, 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 receives remuneration for other related products or services it provides to the Company. The Depositary maintains a conflict of interest policy to address this.

Potential conflicts of interest may arise from time to time from the provision by the Depositary and/or its affiliates of other services to the Company and/or other parties. For example, the Depositary and/or its affiliates may act as the depositary, trustee and/or administrator of other funds. It is therefore possible that the Depositary (or any of its affiliates) may in the course of its business have conflicts or potential conflicts of interest with those of the Company and/or other funds for which the Depositary (or any of its affiliates) act. Potential conflicts of interest may also arise between the Depositary and its delegates, for example where an appointed delegate is an affiliated group company which receives remuneration for another custodial service it provides to the Company. In the event of any potential conflict of interest which may arise during the normal course of business, the Depositary will have regard to the applicable laws.

Where a conflict or potential conflict of interest arises, the Depositary will have regard to its obligations to the Company and will treat the Company and the other funds for which it acts fairly and such that, so far as is practicable, any transactions are effected on terms which are not materially less favourable to the Company than if the conflict or potential conflict had not existed.

Up-to-date information regarding the name of the Depositary, any conflicts of interest and delegations of the Depositary's safekeeping functions will be made available to Shareholders on request.

Subject to the terms of the Depositary Agreement, the Depositary in no way acts as guarantor or offeror of the Company's shares or any underlying investment. The Depositary is a service provider to the Company and has no responsibility or authority to make investment decisions, or render investment advice, with respect to the assets of the Company. Save as required by the UCITS Regulations, the Depositary is not responsible for, and accepts no responsibility or liability for, any losses suffered by the

Company or any Shareholders in the Company, as a result of any failure by the Company or the Investment Manager to adhere to the Company's investment objectives, policy, investment restrictions, borrowing restrictions or operating guidelines. The Depositary is not responsible for the preparation of this document or for the activities of the Company and therefore accepts no responsibility for any information contained, or incorporated by reference, in this Prospectus.

### **Paying Agent**

Local laws/regulations in member states of the European Economic Area may require the appointment of Paying Agents and maintenance of accounts by such agents through which subscription and redemption monies may be paid. Investors who choose or are obliged under local regulations to pay or receive subscription or redemption monies via an intermediate entity (e.g. a sub-distributor or agent in the local jurisdiction) rather than directly to the Depositary of the Company bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the Depositary for the account of the relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant investor.

Fees and expenses of Paying Agents, which will be at normal commercial rates, will be borne by the relevant Fund. Fees payable to the Paying Agents which are based on Net Asset Value will be payable only from the Net Asset Value of the relevant Fund attributable to the class(es) of Shares, all Shareholders of which are entitled to avail of the services of the agents.

Paying Agents may be appointed in one or more countries.

### **Conflicts of Interest**

Due to the operations which are or may be undertaken by the Investment Manager, the Administrator, the Depositary, the Sub-Investment Manager and the Directors and their respective holding companies, subsidiaries and affiliates (each an "**connected party**"), conflicts of interest may arise.

A connected party may acquire or dispose of any investment notwithstanding that the same or similar investments may be owned by or for the account of or otherwise connected with the Company. Furthermore, an connected party may acquire, hold or dispose of investments notwithstanding that such investments had been acquired or disposed of by or on behalf of the Company by virtue of a transaction effected by the Company in which the connected party was concerned provided that the acquisition or disposal by an connected party of such investments is effected on normal commercial terms as if negotiated on an arm's length basis and the investments held by the Company are acquired in the best interests of the Shareholders. Where a "competent person" valuing unlisted securities is a related party to the Company, a possible conflict of interest may arise. For example, where a valuation is provided by an investment adviser, the advisor's fee will increase as the value for the Company increases.

There may be dealings by the Depositary, the Investment Manager (or by delegate or group companies of these entities) where the Company and connected parties may enter into transactions with one and other. Any such transaction between the Company and the Depositary, the Investment Manager and/or associated or group companies of these connected parties shall be conducted as if negotiated at arm's length. Transactions shall be in the best interests of Shareholders. The Company and a connected party may only enter into a transaction with each other subject to complying with the following requirements:

(i) the value of the transaction is certified by a person approved by the Depositary as independent and competent, or a person approved by the Company as independent and competent in the case of transactions involving the Depositary; or (ii) execution on best

terms on organised investment exchanges under their rules; or (iii) where (i) and (ii) are not practical, execution on terms which the Depositary, or the Company in the case of transactions involving the Depositary, is satisfied conform to these principles. The Depositary or the Company, in the case of transactions involving the Depositary, must document how it complied with paragraphs (i), (ii) or (iii). Where transactions are conducted in accordance with paragraph (iii), the Depositary, or the Company in the case of transactions involving the Depositary, must document their rationale for being satisfied that the transaction conformed to these principles.

The Investment Manager, the Sub-Investment Manager, the Administrator, the Depositary, and/or their affiliates may invest, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets that may also be purchased or sold by the Company. Neither the Investment Manager nor the Sub-Investment Manager nor any of their affiliates 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 the Company or inform the Company of) any such transaction or any benefit received by any of them from any such transaction.

In the event that a conflict of interest does arise, the Directors will endeavour to ensure that any such conflict is resolved fairly and in the best interests of the Shareholders.

In rendering services to any accounts other than that of the Company which it may have at present or in the future, the Investment Manager is obliged to follow FCA rules as to the fair allocation of investments across the various accounts.

## **SUBSCRIPTIONS, TRANSFERS AND REDEMPTIONS**

---

### **Initial Offer Periods**

The Initial Offer Period for any Fund and the price at which Shares will be offered during this Initial offer Period will be set out in the applicable Supplement.

During an Initial Offer, investors should complete and sign the application form (available from the Administrator and Distributor) and send it by post, delivery or fax (with the original form and supporting documentation in relation to money laundering checks to follow without delay) to the Administrator to be received no later than 2 p.m. (Dublin time) on the relevant Closing Date. Subscription monies must be received by the Administrator, for the account of the Fund, by no later than 4 p.m. (Dublin time), on the Closing Date. If payment in full has not been received by the relevant times stipulated above, the Company and/or the Distributor may cancel the allotment and the investor shall indemnify and hold harmless the Company, the Directors, the Investment Manager, the Administrator and the Depositary for any loss, cost or expense suffered by them as a result of a failure by the investor to pay the subscription monies by the relevant time.

### **Subscriptions after the Closing Date**

After the relevant Closing Date for each Fund, the Company may offer Shares in each Fund on each Dealing Day at an issue price equal to the Net Asset Value per Share of the relevant Fund at the Valuation Point on the Valuation Date immediately preceding the relevant Dealing Day. Save as set out in an applicable Supplement, during any period of net subscriptions, a charge may be added, at the discretion of the Directors in consultation with the Investment Manager and the Sub-Investment Manager where appropriate, to the purchase price per Share and deducted directly from the subscription proceeds, to cover the dealing costs involved in purchasing investments in the underlying investments of the relevant Fund. The charge is intended to protect existing and continuing Shareholders against the dilution of the value of their investment on account of these charges.

In addition, the Directors may in their absolute discretion charge a subscription fee, payable to the Investment Manager, of up to 2 per cent of the aggregate investment amount subscribed. This fee may be paid in full or in part by the Investment Manager to introducing agents and intermediaries. By way of example, where a retail bank requires payment for its intermediation services, all or a part of the subscription fee may be paid to such a bank. Where the amount subscribed for Shares is not equivalent to an exact number of Shares, fractions of Shares may be issued and will be rounded to the second decimal place.

### **Staggered Listings of Share Classes**

The launch and listing of various classes of Shares within a Fund may occur at different times and, therefore, at the time of the launch of given classes of Shares, the pool of assets to which a given class of Shares relates may have commenced trading. Where relevant, further information in this regard will be available in the interim and annual reports of the Fund which are sent to Shareholders and which will be made available to potential investors upon request.

### **Minimum Initial Subscription and Holding Requirements**

The Minimum Initial Subscription and Minimum Holding requirements for any Fund shall be set out in the applicable Supplement.

## Subscription Procedure

All applications for Shares must be received by post, delivery or fax (with the signed original to follow as soon as possible after) by the Administrator at its registered office address the **Subscription Dealing Deadline**, as set out in the applicable supplement.

Before subscribing for Shares, an applicant who is not an Irish Resident or is an Exempt Irish Resident will be required to complete a declaration in a form prescribed by the Revenue Commissioners of Ireland. Such declaration will be included in the application form, which is available from the Administrator.

Each Shareholder must notify the Administrator in writing of any change in the information contained in the application form and furnish the Administrator with whatever additional documents relating to such change as it may request.

Measures aimed at the prevention of money laundering may require an applicant to provide verification of identity, verification of address and source of funds to the Administrator.

By way of example, an individual may be required to produce a copy of a current valid passport or identification card (which should show a clear and identifiable photograph, signature and the date of birth of the individual applicant) duly certified by a notary public, a director of a regulated financial or credit institution in a FATF country, a chartered or certified accountant, a police officer, a member of the judiciary, a practising lawyer or member of embassy/consular staff, together with two pieces of evidence of the applicant's address, such as a utility bill or bank statement (no more than six months old) duly certified in the same manner. In the case of corporate applicants, this may require production of certified copies of the certificate of incorporation (and any change of name), bye-laws, memorandum and articles of association (or equivalent), and authorised signatories list together with the names, occupations, residential and business addresses and dates of birth of all directors and beneficial owners. Detailed verification of directors' and substantial beneficial owners' identity and address may also be required.

The Fund and/or the Administrator reserves the right to request any additional documentation it deems necessary in order to identify and verify the identity and source of funds of an applicant.

Shares will not be issued until such time as the Administrator has received and is satisfied with all the information and documentation required to verify the identity, address and source of funds of the applicant. This may result in Shares being issued on a Dealing Day subsequent to the Dealing Day on which an applicant initially wished to have Shares issued to him/her. It is further acknowledged that the Administrator shall be held harmless by the applicant against any loss arising as a result of the failure to process a subscription or redemption if such information as has been requested by the Administrator has not been provided by the applicant. In addition, the Directors or the Administrator will refuse to process a redemption request until proper information has been provided including any relevant money laundering documentation.

Shares will be issued in registered form. Confirmation notes will normally be issued within two full Business Days of the determination of the Net Asset Value in respect of the relevant Dealing Day on which the application is being processed subject to the receipt of completed subscription and due diligence documentation by the Administrator. Share certificates will not be issued. The Administrator will issue a transaction confirmation after the Shares have been issued and this will constitute a written confirmation of ownership of the Shares. Investors will not be entered onto the register of Shareholders if they subscribe for less than the Minimum Subscription (or such other amount as the Directors have in their absolute discretion determined).

Shares will be issued upon: (i) fulfilment of the conditions for acceptable subscriptions; (ii) the provision of all relevant money laundering documentation; and (iii) receipt of cleared funds by the Company and the Administrator in accordance with the terms and conditions of the Prospectus at the time of the subscription. Failure by the Company to receive cleared funds by the Settlement Cut-Off Time will result in the cancellation of the provisionally allotted Shares. Any gains or losses incurred by the Company as a result of the cancellation of the provisionally allotted Shares shall be for the account of the relevant Fund.

Payment in respect of subscriptions which are received in advance of the relevant Dealing Day will be held as an asset of the Company and the investor will rank as a general creditor of the Company in respect of such payment until the relevant Dealing Day, at which time the Shares will be issued and the investor will become a Shareholder in the Company.

Investors will be required to agree to indemnify and hold harmless the Company, the Directors, the Investment Manager, the Administrator and the Depositary for any losses, costs or expenses incurred by them as a result of the failure or default of the investor to transmit subscription monies in immediately available funds to the account of the Company within the time specified in the Prospectus.

In addition, the Directors or the Administrator may refuse to process a subscription request until proper information has been provided including any relevant money laundering documentation.

### **Subscription in Specie**

The Directors may, in their absolute discretion and in consultation with the Investment Manager and the Sub-Investment Manager where appropriate, accept payment for Shares by a transfer in specie of assets, the nature of which would qualify as investments of the Fund in accordance with the investment policy and restrictions of the relevant Fund and the value of which (being the Net Asset Value per Share, thereof) shall be calculated by the Administrator, having consulted with the Investment Manager, in accordance with the valuation principles governing the Company and applicable law. The Directors will also ensure that the number of Shares issued in respect of any such in specie transfer will be the same amount which would have fallen to be allotted for settlement in cash. Any prospective investor wishing to subscribe for Shares by a transfer in specie of assets will be required to comply with any administrative and other arrangements (including any warranties to the Company in relation to the title of such assets being passed to the Depositary, if applicable) for the transfer specified by the Directors, the Depositary and the Administrator. In addition, the Directors must ensure that any assets transferred will be vested with the Depositary on behalf of the Company. The Director must be satisfied that any such in specie transfer will not result in any material prejudice to existing Shareholders.

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

### **Transfers**

The transferor shall be deemed to remain the holder of any Shares that it proposes to transfer until the name of the transferee is entered in the Company's register of members in respect of those Shares. In respect of the Shares, each transferee will be required to provide the same information, representations and warranties to the Company and the Administrator as are required from any applicant for Shares.



The Company will be required to account for tax on the value of the Shares transferred at the applicable rate unless it has received from the transferor a declaration in the prescribed form confirming that the Shareholder transferring its Shares is not an Irish Resident or is an Exempt Irish Resident. The Company and the Administrator reserve the right to redeem such number of Shares held by a transferor as may be necessary to discharge the tax liability arising. The Company and the Administrator reserve the right to refuse to register a transfer of Shares until it receives a declaration as to the transferee's status and residency in the form prescribed by the Revenue Commissioners of Ireland.

No transfer may be completed until the Administrator is in receipt of the original subscription application and all required documentation in relation to money laundering prevention checks in respect of the transferor.

The Directors have the discretion to refuse to decline to register a transfer to a U.S. Person if such transfer would, in the discretion of the Directors, have a material adverse impact on the Company.

### **Redemptions**

After the relevant Closing Date for each Fund, the Company may accept requests for redemptions on each Dealing Day at a price equal to the Net Asset Value per Share of the relevant Fund at the Valuation Point on the Valuation Date immediately preceding the relevant Dealing Day.

The Minimum Redemption requirement for any Fund shall be set out in the applicable Supplement.

Requests for redemption may be made by post, delivery or fax (with the signed original to follow as soon as is possible) to the Administrator on a completed redemption request (which is available on request from the Administrator) so as to be received by the Redemption Dealing Deadline, as set out in the applicable supplement.

Redemption requests not received by this time shall be held over and applied on the next following Dealing Day. Redemption requests for less than the Minimum Redemption will be refused. A request for a partial redemption of Shares will be refused, or the holding may be redeemed in its entirety, if, as a result of such partial redemption, the aggregate Net Asset Value of the Shares maintained by the Shareholder would be less than the Minimum Holding specified in the relevant section herein. Once a redemption request has been received by the Administrator, the request may not be withdrawn unless the Directors, in their discretion and in consultation with the Investment Manager and the Sub-Investment Manager where appropriate, declare otherwise.

Save as set out in an applicable Supplement, during any period of net redemptions, the redemption price per Share may be reduced, at the discretion of the Directors in consultation with the Investment Manager and the Sub-Investment Manager where appropriate, by a charge in respect of each Fund to cover the dealing costs involved in redeeming investments in the underlying investments of the relevant Fund. The charge is intended to protect existing and continuing Shareholders against the dilution of the value of their investment on account of these charges. The Directors may in their absolute discretion charge a redemption fee, payable to the Investment Manager, of up to 3 per cent of the aggregate investment amount redeemed. The amount of such redemption fee, if any, will be specified in the relevant Supplement.

Redemption requests may be sent by post or facsimile but redemption proceeds will not be remitted until the Administrator has received the original of the redemption request, the original of the application form used on initial subscription and any other documentation required by the Administrator, including any relevant anti-money

laundering documentation, and the anti-money laundering procedures have been completed. Subject to the agreement of the Administrator, the original of the redemption request may not be required prior to payment of redemption proceeds, provided that an indemnity in relation to faxed instructions in the form prescribed by the Administrator has been received by the Administrator. Redemption requests will only be processed on receipt of faxed instructions where payment is made to a bank account on record. In addition, the Administrator or the Directors may refuse to process a redemption request until proper information has been provided. Any amendments to a Shareholder's registration detail or payment instructions will only be effected upon receipt of original documentation by the Administrator.

Payment of redemption monies will be made by electronic transfer to the account of the redeeming Shareholder, at the risk and expense of the Shareholder, within five Business Days of the relevant Dealing Day on which the redemption was processed.

Where the payment of redemption proceeds is delayed in the event of a delay or failure by the applicant to produce any information required for verification purposes the proceeds of that redemption shall remain an asset of the Company, and the Shareholder will rank as a general creditor of the Company until such time as the Company or the Administrator has verified the Shareholder's identity to its satisfaction following which redemption proceeds will be released.

The Company and the Administrator will be required to withhold tax on redemption monies at the applicable rate unless it has received from the Shareholder a declaration as to status and residency in the form prescribed by the Revenue Commissioners of Ireland confirming that the Shareholder is either (i) not an Irish Resident, or (ii) an Exempt Irish Resident, in each case in respect of whom it is not necessary to deduct tax.

The Directors, in consultation with the Investment Manager and Sub-Investment Manager where appropriate, have the power to pay redemption proceeds in specie, provided that the Directors, in consultation with the Investment Manager and Sub-Investment Manager where appropriate, and the Depositary are satisfied that the terms of any exchange shall not be such as are likely to result in any material prejudice to any remaining Shareholders. Subject to the agreement of the relevant Shareholder, any such in specie redemption must be made on such terms and conditions as the Directors, in consultation with the Investment Manager and Sub-Investment Manager where appropriate, may specify, to such Shareholder of assets equalling the aggregate redemption price (or together with any such cash payment when aggregated with the value of the assets being redeemed are equal to such redemption price). Asset allocation is subject to the approval of the Depositary; and a determination to provide redemption in specie may be solely at the discretion of the Directors where the redeeming Shareholder requests redemption of a number of shares that represents at least 5% of the Net Asset Value of the Company. In this event the Company will, if so requested by the redeeming Shareholder, sell the assets on behalf of the Shareholder and the cost of the sale of the relevant Shares may be charged to the Shareholder.

Where redemption of Shares is to be satisfied by an in specie redemption of assets held by the Company, the Depositary shall transfer such assets as the Directors, in consultation with the Investment Manager and Sub-Investment Manager where appropriate, shall direct and the Depositary has approved to the Shareholder as soon as practicable after the relevant Dealing Day. All costs and risks of such redemption shall be borne by such Shareholders. Shares redeemed shall be deemed to cease to be in issue at the close of business on the relevant Dealing Day in respect of the redemption and such redeemed Shares shall be cancelled.

## Conversion of Shares

If the Company establishes more than one Fund, subject to the restrictions set out below, a Shareholder may convert Shares of one Fund into Shares of another Fund or, Shares of one class within a Fund into Shares of another class within the same Fund on giving five days' notice to the Administrator in such form as the Administrator may require. The conversion is effected by arranging for the redemption of Shares of one Fund, converting the redemption proceeds into the currency of another Fund, and subscribing for the Shares of the other Fund with the proceeds of the currency conversion. No conversion fee will be levied. During the period between the determination of the Net Asset Value applicable to the Shares being redeemed and the subscription for Shares, the Shareholder will not be the owner of, or be eligible to receive dividends with respect to, either the Shares which have been redeemed or the Shares being acquired.

Conversion will take place in accordance with the following formula:-

$$\text{NSH} = \frac{\text{OSH} \times \text{RP}}{\text{SP}}$$

where:-

NSH = the number of Shares which will be issued in the new Fund;

OSH = the number of the Shares to be converted;

RP = the Net Asset Value of the Shares to be converted after deducting the redemption fee, if any; and

SP = the issue price of Shares in the new Fund on that Business Day after deducting the subscription fee, if any.

If NSH is not a whole number of Shares the Administrator reserves the right to issue fractional Shares in the new Fund or to return the surplus arising to the Shareholder seeking to convert the Shares.

If compliance with a request for the conversion of part only of a holding of Shares would leave the Shareholder with less than the Minimum Holding in respect of Shares of the original Fund or the new Fund, the Directors may if they think fit refuse the request for conversion or convert the whole of that Shareholder's holding of Shares of the original Fund. The Directors may also fix a minimum amount of Shares which may be converted at any time, which would be disclosed in an updated Prospectus.

A Shareholder is not required to submit a new application form for the purchase of Shares in connection with a conversion.

## Deferral of Redemptions

Where total requests for redemption on any Dealing Day for the Company or a Fund, exceed at least 10% of the total number of Shares in the Company or a Fund or at least 10% of the Net Asset Value of the Company or a Fund and the Directors decides to refuse to redeem any Shares in excess of 10% of the total number of Shares in the Company or a Fund or 10% of the Net Asset Value of the Company or a Fund or such higher percentage that the Company may determine, the Directors may, in their absolute discretion, refuse to redeem, on any one Redemption Date, Shares in excess of 10% of the Net Asset Value of the applicable Fund. In this event, the Company shall reduce pro rata any requests for redemption on that Dealing Day and shall treat the redemption

requests as if they were received on each subsequent Dealing Day until all the Shares to which the original request related have been redeemed.

### **Compulsory Redemptions**

The Directors may compulsorily redeem or transfer any holding of Shares if it comes to their attention that those Shares are being held directly or beneficially by any person who is not entitled to apply for Shares as described more fully in the section headed "Investor Restrictions" below. The Directors also reserve the right to effect the compulsory redemption of all Shares held by a Shareholder if the aggregate Net Asset Value of the Shares held by the Shareholder is less than the Minimum Holding specified. Prior to any compulsory redemption of Shares, the Directors will notify the Shareholder in writing and allow such Shareholder thirty days to purchase additional Shares to meet this minimum holding requirement.

### **Suspension of Subscriptions, Transfers, Conversions and Redemptions**

Subscriptions, transfers, conversions and redemptions for any Fund will be suspended for as long as the calculation of the Net Asset Value of that Fund is suspended as more fully described in the section headed "Valuation – Suspension of Valuation" on page 51.

Any applications for subscriptions, transfers, conversions and redemptions for a Fund will be considered on the first Valuation Date following the termination of a suspension.

### **Fund Cash Accounts**

The Company may utilise the relevant Fund's cash account when processing subscriptions, redemptions, distributions or other relevant payments to or from investors or Shareholders. Any such unprocessed subscriptions, redemptions, distributions or other relevant payments to or from investors or Shareholders shall belong to the Company or the relevant Fund as an asset of the Company or the relevant Fund (albeit such amounts shall not be used in the calculation of the NAV of the relevant Fund) and such amounts are not held on trust on behalf of any investors or Shareholders or any other persons.

#### *Subscriptions*

Cash subscriptions received in advance of the relevant Dealing Day will be held as an asset of the relevant Fund in cash in the relevant Fund's cash account until the relevant Dealing Day, at which time the Shares will be issued and the investor will become a Shareholder in the relevant Fund. In respect of such subscription proceeds received in advance of the relevant Dealing Day and until such time as the Shares have been issued to the investor, in the event of the Company or the relevant Fund becoming insolvent, the investor will rank as a general unsecured creditor of the Company or relevant Fund in respect of such subscription proceeds.

Should the Company be unable to issue Shares to an investor who has paid the requisite subscription amount to the Company but has yet to provide the Company or the Administrator with all requisite information or documentation in order to verify the investor's identity, the Company shall instruct the Depositary to return such subscription proceeds to the relevant investor within five working days.

The Company may temporarily borrow an amount equal to a subscription, subject to a Fund's borrowing limits, and invest the amount borrowed in accordance with the investment objective and policies of the Fund. Once the required subscription monies have been received, the Company will use this to repay the borrowings. In the event of any delay in the settlement of the investor's subscription monies, the Company reserves the right to charge that Shareholder for any interest or other costs incurred by the Company as a result of this borrowing. If the Shareholder fails to reimburse the

Company for those charges, the Company will have the right to sell all or part of the investor's holdings of Shares in the Fund in order to meet those charges and/or to pursue that Shareholder for such charges.

### *Dividends*

In respect of a dividend declared and owing to a Shareholder that is unable to be paid for any reason whatsoever, such as, for example, if the relevant Shareholder has not provided the requisite information or documentation to the Company or the Administrator, such dividend amount will be held as an asset of the relevant Fund in the relevant Fund's cash account until such time as the reason for the Company being unable to pay the dividend amount to the relevant Shareholder has been addressed, at which point the Company shall pay the dividend amount to the Shareholder. In this regard, the relevant Shareholder should seek to promptly address the reason for the Company being unable to pay the dividend amount to the relevant Shareholder. In respect of such dividend amounts that are unable to be paid and until such time as such dividend amount has been paid to the Shareholder, in the event of the Company or the relevant Fund becoming insolvent, the Shareholder will rank as a general unsecured creditor of the Company or relevant Fund in respect of such a dividend amount.

### *Redemptions*

In respect of a redemption request, the Company may refuse to remit the redemption proceeds to the Shareholder until such time as the Shareholder has provided the requisite information or documentation to the Company or the Administrator, as requested by the Company or the Administrator from time to time. In such circumstances, the Administrator will process the redemption request received by the Shareholder, at which point in time the Shareholder will no longer be considered a Shareholder of the relevant Fund and the proceeds of that redemption shall be held as an asset of the relevant Fund in cash in the relevant Fund's cash account until such time as the Company or the Administrator has received all requisite information or documentation and has verified the Shareholder's identity to its satisfaction, following which the redemption proceeds will be released. In this regard, the relevant Shareholder should seek to promptly address the reason for the Company being unable to pay the redemption proceeds to the relevant Shareholder. In respect of such redemption proceeds that are unable to be paid and until such time as the redemption proceeds have been released to the investor, in the event of the Company or the relevant Fund becoming insolvent, the investor will rank as a general unsecured creditor of the Company or relevant Fund in respect of such redemption proceeds.

### **Investor Restrictions**

Potential investors should note that restrictions apply regarding the types of persons to whom Shares may be issued and transferred for the purpose of ensuring that no Shares are held by any person or persons:-

- (i) in breach of the law or requirements of any country or governmental authority; or
- (ii) in circumstances (whether directly or indirectly affecting such person or persons and whether taken alone or in conjunction with any other person or persons, connected or not, or any other circumstance appearing to the Directors and the Administrator to be relevant) where, in the opinion of the Directors and the Administrator, such holding might result in taxation, legal, pecuniary, regulatory or material administrative disadvantage to the relevant Fund or its Shareholders as a whole; or
- (iii) In circumstances where a Fund might be deemed to be a "controlled foreign corporation" by virtue of the fact that more than 50% of the Fund's Shares (by

vote or value) are held, directly or indirectly, by U.S. Taxpayers (including U.S. tax-exempt entities) each holding, directly or indirectly, 10% or more of the voting shares of the Fund.

### **Abusive Trading Practices**

Excessive, short-term (or market timing) or other abusive trading practices may disrupt portfolio management strategies and harm Fund performance. To minimise harm to a Fund and its Shareholders, the Directors, working in conjunction with the designated anti-money laundering reporting officer, reserves the right to reject any subscription (including any transfer) from any investor whom it believes has a history of abusive trading or whose trading, in its judgement, has been or may be disruptive to a Fund. In making this judgement, the Directors may consider trading done in multiple accounts under common ownership or control.

### **Anti-Money Laundering Procedures and Data Protection**

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis. The identity of a politically exposed person ("PEP"), an individual who is or has, at any time in the preceding year, been entrusted with a prominent public function, and investors who are immediate family members of PEPs, or person know to be close associates of such persons.

By way of example, an individual may be required to produce a copy of a passport or identification card duly certified by a public authority such as a notary public, the police or the ambassador in their country of residence together with two original or certified pieces of evidence of his/her address such as a utility bill or bank statement not less than three months old and disclose his/her occupation and date of birth. In the case of corporate investors, such measures may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), and of the names, dates of birth and residential and business addresses of all directors and beneficial owners and of the authorised signatories of the investor, which must be certified. Amendment to any investor records will only be effected by the Administrator upon receipt of original evidencing documentation.

Depending on the circumstances of each application, a detailed verification might not be required where for example, the application is made through a relevant third as such term is defined in the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 (as amended). This exception will only apply if the relevant third party referred above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations and satisfies other applicable conditions such as providing a letter of undertaking confirming that it has carried out the appropriate verification checks on the investor and will retain such information in accordance with the required timeframe and will provide such information on request to the Company.

The details above are given by way of example only and in that regard the Administrator and the Company each reserve the right to request any such information as is necessary at the time of, application for Shares in a Fund to verify the identity of an investor and where applicable the beneficial owner of an investor. In particular, Administrator and the Company each reserve the right to carry out additional procedures in relation to both new and existing investors who are/become classed as PEPs. Verification of the investor's identity is required to take place before the establishment of the business relationship. In any event, evidence of identity is required for all investors as soon as is reasonably practicable after the initial contact. In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the Company may refuse to accept the application and subscription monies and/or

return all subscription monies or compulsorily repurchase such Shareholder's Shares and/or payment of repurchase proceeds may be delayed (no repurchase proceeds will be paid if the Shareholder fails to produce such information). None of the Company, the Directors or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily repurchased or payment of repurchase proceeds is delayed in such circumstances. If an application is rejected, the Administrator will return application monies or the balance thereof in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant. The Administrator may refuse to pay or delay payment of redemption proceeds where the requisite information for verification purposes has not been produced by a Company.

The Administrator and the Company reserve the right to obtain any additional information from investors so that it can monitor the ongoing business relationship with such investors.

Prospective investors should note that by completing the Application Form they are providing personal information to the Company, which may constitute personal data within the meaning of data protection legislation in Ireland. This data will be used for the purposes of client identification, administration, statistical analysis, market research, to comply with any applicable legal or regulatory requirements and, if an applicant's consent is given, for direct marketing purposes. Data may be disclosed to third parties including regulatory bodies, tax authorities in accordance with the Common Reporting Standard and any other tax reporting obligations under legislation or regulation, delegates, advisers and service providers of the Company and their or the Company's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified.

## **VALUATION**

---

### **Net Asset Value**

The Net Asset Value of the Company and of each Fund or of each class of Shares, as the case may be, will be calculated by the Administrator at the relevant Valuation Point in accordance with the principles more fully described in the section headed "Valuation Principles" below.

The Net Asset Value of each Fund is, as at any Valuation Point, the aggregate value of the assets attributable to each Fund (including, without limitation, any unamortised expenses) less the aggregate liabilities attributable to each Fund (including, without limitation, its accrued expenses including any Performance Fee accrual and such amount in respect of contingent or projected expenses as the Directors consider fair and reasonable). The Net Asset Value per Share in each Fund will be calculated by dividing the Net Asset Value of such Fund by the number of Shares in issue in respect of that Fund.

Where a Fund is made up of more than one class of Shares, the Net Asset Value of each class of Shares will be calculated by determining that part of the Net Asset Value of each Fund attributable to each such class of Shares and dividing this value by the number of Shares of that class in issue to the nearest four decimal places to give the Net Asset Value per Share. Any increase or decrease in the Net Asset Value of each Fund will be allocated between the Share classes based on their pro rata Net Asset Values. The Net Asset Value of Share classes denominated in currencies other than the base currency of a Fund will be calculated using the relevant exchange rate prevailing at the relevant Valuation Point.

The Net Asset Value per Share will increase or decrease in accordance with profits earned or losses incurred by the Company.

### **Allocation of Assets and Liabilities**

The Constitution requires the Directors to establish separate Funds in the following manner:

- (a) the proceeds from the issue of each Share shall be applied in the books and records of the Fund established for that Share, and the assets less the liabilities plus any income less expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (b) where any asset is derived from another asset (whether cash or otherwise), the derived asset shall be applied to the same Fund as the assets from which it was derived and on each revaluation of an asset the increase or diminution in value shall be applied to the relevant Fund;
- (c) in the case of any asset which the Directors do not consider as attributable to a particular Fund, the Directors shall have discretion to determine the basis upon which any such asset shall be allocated between Funds and the Directors shall have the power at any time to vary such basis; and
- (d) the Directors shall have the discretion to determine the basis upon which any liability (which, without limitation, may include all operating expenses of the Company such as stamp duties, taxes, brokerage or other expenses of acquiring and disposing of investments, the fees and expenses of the auditors and legal advisers, the costs of printing and distributing reports, accounts and any prospectus, publishing prices and any relevant registration fees, etc.) shall be



allocated between Funds (including conditions as to the subsequent re-allocation thereof if circumstances so permit) and shall have the power at any time and from time to time to vary such basis.

### **Valuation Principles**

The Net Asset Value for each class of Shares shall be determined separately by reference to the Fund appertaining to that class of Shares and to each such determination the following provisions shall apply:-

- (1) The Net Asset Value of each Fund shall be determined and shall be equal to the value as at the relevant Valuation Point of all the assets, less all the liabilities, of that Fund.
- (2) The assets of a Fund shall be deemed to include:-
  - (a) all cash in hand, on loan or on deposit, or on call including any interest accrued thereon;
  - (b) all bills, demand notes, promissory notes and accounts receivable;
  - (c) all bonds, certificates of deposit, shares, stock, units in collective investment schemes, debentures, debentures stock, subscription rights, warrants, options and other investments and securities owned and contracted for, (other than rights and securities issued by it);
  - (d) all stock and cash dividends and cash distributions which the Directors consider will be received by the Company in respect of the Fund but which have not yet been received by it but have been declared payable to stockholders of record on a date before the day as of which the assets are being valued;
  - (e) all interest accrued on any interest-bearing securities forming part of the Fund; and
  - (f) all prepaid expenses including dividends receivable by the Company relating to that Fund and a proportion of any prepaid expenses relating to the Company generally, such prepaid expenses to be valued and defined from time to time by the Directors.
- (3) Any expense or liability of the Company may be amortised over such period as the Directors (with the approval of the Auditor) may determine (and the Directors may at any time and from time to time determine with the approval of the Auditor to lengthen or shorten any such period), and the unamortised amount thereof at any time shall also be deemed to be an asset of the Company.
- (4) Assets shall be valued as follows:-
  - (a) deposits shall be valued at their principal amount plus accrued interest from the date on which the same was acquired or made;
  - (b) save as otherwise herein provided assets listed, quoted or dealt in on a Recognised Market shall be valued at the Valuation Point in each case being the closing mid-market price (being the average of the bid and offer prices) on the Recognised Market on which these assets are traded or admitted for trading. If, in the sole opinion of the Company, the dealing price (which will be the closing mid-market price) for the assets, calculated as at the Valuation Point is not representative of the value of the assets,

the value will be the probable redemption value, estimated with care and in good faith by such competent person as may be appointed by the Company and approved for the purpose by the Depositary;

- (c) exchange traded futures and options contracts (including index futures) shall be valued at the settlement price as determined by the market in question. If such market price is not available, the value shall be the probable redemption value estimated with care and in good faith by such competent person as may be appointed by the Company and approved for the purpose by the Depositary. The value of any off-exchange traded derivative instruments shall be the price provided for such contracts from an independent pricing service appointed by the Directors and approved for the purposes by the Depositary and, if unavailable, the quotation provided by the relevant counterparty at the Valuation Point and shall be valued daily. The valuation provided by the independent pricing service will be reconciled to the counterparty valuation on a monthly basis. Where significant differences arise, these will be promptly investigated and explained. The valuation shall be approved or verified at least weekly by a party independent of the counterparty which has been appointed by the Investment Manager and who has been approved for this purpose by the Depositary (and who may be the Sub Investment Manager). Forward exchange contracts shall be valued by reference to freely available market quotations at each Valuation Point. The Fund will follow international best practice and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA.
- (d) in respect of assets quoted, listed or normally dealt in on more than one market, the Directors shall adopt as the value thereof the relevant price on the market which, in their opinion, provides the principal market for such securities;
- (e) at any time when dealing prices are unrepresentative or not available in respect of assets listed, quoted or dealt in on a Recognised Market in each case on the Recognised Market on which these assets are traded or admitted for trading (being the Recognised Market which is the sole or in the opinion of the Company the principal Recognised Market on which the asset in question is listed, quoted or dealt in), the value of the assets will be the probable redemption value estimated with care and in good faith by such competent person as may be appointed by the Company and approved for the purpose by the Depositary;
- (f) any assets not listed, quoted or dealt in on a Recognised Market shall be valued at the probable redemption value as determined with care and in good faith by such competent persons as may be appointed by the Company and approved for the purpose by the Depositary;
- (g) assets listed or traded on a Recognised Market but acquired or traded at a premium or at a discount outside or off the relevant market may be valued, taking into account the level of premium or discount at the date of the valuation. The Depositary must ensure that the adoption of such a procedure is justifiable in the context of establishing the probable redemption value of the asset;
- (h) cash (in hand or deposit) shall be valued at face/ nominal value (plus accrued interest to the relevant Valuation Date);
- (i) the value of units or shares or other similar participation in any investment funds shall be valued at the latest closing mid-market price if listed on a

Recognised Market or the last available Net Asset Value as published by the investment fund, if consistent with the valuation policy. The Company may, in accordance with the valuation of listed securities, undertake a valuation based on market prices where the investment fund in which the investment is made is listed on a regulated market; and

- (j) notwithstanding the foregoing, the Company may permit some other method of valuation to be used for any particular asset if they consider that such valuation better reflects the fair value of that asset, such other method to be approved by the Depositary and the rationale or methodologies used shall be clearly documented. The value of an asset may be adjusted by the Directors where such an adjustment is considered necessary to reflect the fair value in the context of currency, marketability, dealing costs and/or such other considerations which are deemed relevant.
- (5) Currencies or values in currencies other than in the currency of designation of a particular Fund shall unless the Directors determine otherwise be converted or translated at the rate which the Investment Manager after consulting with, or in accordance with, the method approved by the Depositary may consider appropriate having regard (inter alia) to any premium or discount which may be relevant and to costs of exchange into the currency of designation of that Fund.

### **Suspension of Valuation**

The Directors, in consultation with the Investment Manager and the Sub-Investment Manager where appropriate, may at any time temporarily suspend the calculation of the Net Asset Value of the Company or any Fund during:-

- (a) any period when any of the principal markets or stock exchanges on which a substantial part of the investments of the relevant Fund are quoted is closed, otherwise than for ordinary holidays, or during which dealings thereon are restricted or suspended;
- (b) any period when, as a result of political, economic, military or monetary events or any circumstances outside the control, responsibility and power of the Directors, disposal or valuation of a substantial part of the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of the Shareholders in the relevant Fund or if, in the opinion of the Directors in consultation with the Investment Manager and the Sub-Investment Manager where appropriate, the Net Asset Value of the relevant Fund cannot be fairly calculated; or
- (c) any breakdown in the means of communication normally employed in determining the value of the investments of the relevant Fund or when for any reason the current prices on any market of a substantial part of the investments of the relevant Fund cannot be promptly and accurately ascertained; or
- (d) any period when the Company is unable to repatriate funds for the purpose of making payments on the redemption of Shares or during which any transfer of funds involved in the realisation or acquisition of investments or payments due on redemption of Shares cannot in the opinion of the Directors in consultation with the Investment Manager and the Sub-Investment Manager where appropriate be effected at normal rates of exchange; or
- (e) any period where the business operations of the Investment Manager, the Administrator or the Depositary in respect of the Company are substantially interrupted or closed as a result of or arising from pestilence, acts of war, terrorism, insurrection, revolution, civil unrest, riot, strikes, or acts of God.

Any such suspension will be notified immediately (without delay) to the Central Bank, the Depositary and Euronext Dublin (for each class of Shares admitted to the Official List and trading on the Main Securities Market of Euronext Dublin) immediately and, where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

### **Publication of the Net Asset Value**

The Net Asset Value per Share of each Fund as calculated for each Valuation Point will be published as soon as practicable after each Valuation Point on the Investment Manager's website ([www.signetmanagement.com](http://www.signetmanagement.com)), Euronext Dublin and such other media as the Directors may from time to time determine and notify to Shareholders. The Net Asset Value per Share will also be available from the Administrator. Such information is published for information only; it is not an invitation to subscribe for, redeem or convert Shares at that Net Asset Value.

The Administrator will communicate the Net Asset Value per Share to Euronext Dublin immediately upon calculation for each class of Shares admitted to the Official List and trading on the Main Securities Market of Euronext Dublin.

## **FEES AND EXPENSES**

---

### **Investment Management - Fixed Annual Fee**

The Investment Manager will be paid, and share, an aggregate fixed fee in respect of each Fund as set out in the applicable Supplement.

Furthermore, any sub-Investment Manager will be paid out of the Investment Manager's Fee.

### **Performance Fee**

Details of any performance fees payable in respect of a Fund will be set out in the applicable Supplement.

### **Administration Fee**

Under the provisions of the Administration Agreement, each Fund will pay the Administrator a fee in respect of its duties as Administrator of that Fund. Details of such fees payable in respect of each Fund are set out in the applicable Supplement. The fee will accrue at each Valuation Point and will be paid monthly in advance.

### **Company Secretary Fee**

The Company Secretary will also be entitled to an annual fee of up to €10,000 for acting as Company Secretary.

### **Depositary Fees**

Under the provisions of the Depositary Agreement, each Fund will pay the Depositary a fee in respect of its duties as Depositary of that Fund. Details of such fees payable in respect of each Fund are set out in the applicable Supplement. The fee will accrue at each Valuation Point and will be payable monthly in arrears.

### **Paying Agent Fees**

Fees and expenses of Paying Agents, which will be at normal commercial rates, will be borne by the relevant Fund. Fees payable to the agent which are based upon Net Asset Value will be payable only from the Net Asset Value of the relevant Fund attributable to the classes of the Shares.

### **Passive Hedging Calculation Agent Fees**

Under the provisions of the Share Class Hedging Agreement the Company will pay the Passive Hedging Calculation Agent 0.05% per annum (calculated against the value of the forward leg per FX trade for its services).

### **Directors' Remuneration**

The Directors shall be entitled to a fee in remuneration for their services at a rate to be determined from time to time by the Directors, but so that the aggregate amount of Directors' remuneration in any one year shall not exceed €100,000. The Directors may also be paid all travelling, hotel and other expenses, properly incurred by them, in attending and returning from meetings of the Directors or general meetings of the Company or in connection with the business of the Company. The Directors may in addition to such remuneration as aforesaid grant special remuneration to any Director

who, being called upon, shall perform any special or extra services to or at the request of the Company and such remuneration will be at normal commercial rates.

### **Establishment Expenses**

The fees and expenses incurred in connection with the establishment of the Company and the initial Fund, including the costs incurred in connection with obtaining a listing for the Shares of the Initial Fund on Euronext Dublin, the preparation and publication of this Prospectus, and all legal costs and out-of-pocket expenses related thereto did not exceed €200,000. Such expenses were amortised on a straight-line basis in the accounts of the Initial Fund. Each separate and subsequent Fund incurred setup costs as set out in the separate Supplement relating to that Fund. Such expenses are being amortised on a straight-line basis in the accounts of each separate Fund over the first 60 months of the Company's operations or such shorter period as the Directors may determine. While an extended amortisation policy is not in accordance with applicable accounting standards generally accepted in Ireland and the UK and may result in the audit opinion on the annual report being qualified in this regard, the Directors believe that such amortisation is fair and equitable to all Shareholders over the lifetime of each Fund. Any Funds of the Company which may be established subsequent to the Initial Fund may, at the absolute discretion of the Directors, be allocated such portion of the formation expenses as the Directors consider to be fair in the circumstances. Details of the establishment expenses relating to any Funds created in the future, if any, will be set out in an updated version of this Prospectus and in the relevant Fund Supplement.

### **Other Expenses**

The Company will also pay the following costs and expenses:-

- (i) all out-of-pocket expenses payable to the Investment Manager, the Administrator and the Depositary (including VAT thereon). Any expenses incurred in relation to a particular Fund will be applied to that Fund. Expenses incurred in relation to more than one Fund will be applied pro-rata across the relevant Funds;
- (ii) all stamp duty (other than any payable by an applicant for Shares or by a Shareholder) or other tax or duty which may be levied or payable from time to time on or in respect of the Company or on creation or issue of Shares or arising in any other circumstance;
- (iii) all fiscal and purchase or fiscal and sale charges arising on any acquisition or disposal of investments;
- (iv) all expenses incurred in relation to the registration of any investments into and transfer of any investments out of the name of the Company or its nominees or the holding of any investment or the custody of investments and/or any Prospectus or title thereto (including bank charges, insurance of documents of title against loss in shipment, transit or otherwise);
- (v) all expenses incurred in the collection of income of the Company;
- (vi) all costs and expenses of and incidental to preparing resolutions of Shareholders for the purpose of securing that the Company conforms to legislation coming into force after the date of the incorporation of the Company (including costs and expenses incurred in the holding of a meeting of Shareholders, where necessary);
- (vii) all taxation payable in respect of the holding of or dealings with or income from the Company relating to the Company's property and in respect of allocation and distribution of income to Shareholders other than tax of Shareholders or tax withheld on account of Shareholders' tax liability;

- (viii) all commissions, stamp duty, value added tax and other costs and expenses of or incidental to any acquisition, holding, realisation or other dealing in investments, foreign exchange options, financial futures, contracts for differences or any other derivative instruments or the provision of cover or margin therefore or in respect thereof or in connection therewith;
- (ix) all stationery, printing and postage costs in connection with the preparation and distribution of cheques, warrants, tax certificates, statements, accounts and reports made, issued or despatched pursuant to the Articles;
- (x) the fees and expenses of the auditors, tax and legal advisers, rating agencies, translators and other professional advisers of the Company;
- (xi) all fees and expenses in connection with the marketing and advertising of the Company;
- (xii) any fees payable by the Company to any regulatory authority in any other country or territory, the costs and expenses (including legal, accountancy and other professional charges and printing costs) incurred in meeting on a continuing basis the notification, registration and other requirements of each such regulatory authority, and any fees and expenses of representatives or facilities agents in any such other country or territory;
- (xii) all fees and costs relating to the listing or de-listing of Shares in the Company on Euronext Dublin or on any other stock exchange;
- (xiii) all fees and costs relating to a scheme of reconstruction and amalgamation (to the extent it has not been agreed that such expenses should be borne by other parties) under which the Company acquires investments; and
- (xiv) all other costs and expenses incurred by the Company and any of its appointees which are permitted by the Articles.

The foregoing expenses will be properly vouched for or, if not vouched for, shall be charged to the Company at normal commercial rates.

## **TAXATION**

---

The taxation of income and capital gains of the Company and of the Shareholders is subject to the fiscal laws and practices of Ireland, of the countries in which the Company invests and of the jurisdictions in which Shareholders are resident for tax purposes or otherwise subject to tax.

The following summary is by way of a general guide to potential investors and Shareholders only and does not constitute tax advice. Potential investors and Shareholders are therefore advised to consult their professional advisers concerning possible taxation or other consequences of purchasing, holding, selling or otherwise disposing of the shares under the laws of their country of incorporation, establishment, citizenship, residence or domicile. It does not purport to consider all aspects of taxation which may be relevant to a prospective Shareholder, some of which may be subject to special rules.

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

### **IRELAND**

#### **Definitions**

The following definitions will apply in this section of the Prospectus:

**“Exempt Irish Resident”**

means:-

- (i) a pension scheme which is an exempt approved scheme within the meaning of section 774 of the Taxes Act, or a retirement annuity contract or a trust scheme to which section 784 or 785 of the Taxes Act applies which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (ii) a company carrying on a life business, within the meaning of section 706 of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (iii) an investment undertaking within the meaning of section 739B of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (iv) a special investment scheme within the meaning of section 737 of the Taxes Act



which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;

- (v) a unit trust, to which section 731(5)(a) of the Taxes Act applies which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (vi) a charity being a person referred to in section 739(D)(6)(f)(i) of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (vii) a qualifying management company within the meaning of section 734(1) of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (viii) a specified company within the meaning of section 734(1) of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (ix) a Qualifying Company that made a declaration to the Company to that effect and has provided details of its corporation tax reference number to the Company before the occurrence of a chargeable event;
- (x) a person exempt from income tax and capital gains tax by virtue of section 784A(2) of the Taxes Act, where the shares held are assets of an approved retirement fund or an approved minimum retirement fund and the "qualifying fund manager" (within the meaning of section 784A of the Taxes Act) has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (xi) a person exempt from income tax and capital gains tax by virtue of section 848E of the Taxes Act where the shares held are assets of a special savings incentive account and the "qualifying savings manager" (within the meaning of section 848B of the Taxes Act) has made a Relevant Declaration which is in the

possession of the Company prior to the occurrence of a chargeable event;

- (xii) a person exempt from income tax and capital gains tax by virtue of section 787I of the Taxes Act where the shares held are assets of a Personal Retirement Savings Account (within the meaning of Chapter 2A of Part 30 of the Taxes Act) and the PRSA Administrator (within the meaning of Chapter 2A) has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (xiii) a credit union within the meaning of section 2 of the Credit Union Act 1997 which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;
- (xiv) a company in respect of its investment in a money market fund within the meaning of Regulation (EC) No 2423/2001 of the European Central Bank of 22/11/2001, where such company is within the charge to corporation tax and has made a declaration to that effect to the Company and has supplied details of its corporation tax reference number to the Company;
- (xv) the National Asset Management Agency which has made a declaration to that effect to the Company;
- (xvi) the National Treasury Management Agency or a fund investment vehicle (within section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency has made a declaration to that effect to the company;
- (xvii) an investment limited partnership within the meaning of section 739J of the Taxes Act which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event; and
- (xviii) an Intermediary acting on behalf of persons who are neither Irish Resident nor Ordinarily Resident in Ireland for tax purposes or an Intermediary acting on

behalf of Irish Resident persons listed above which has made a Relevant Declaration which is in the possession of the Company prior to the occurrence of a chargeable event;

**“Exempt Non-Resident”**

means any person that is neither Resident in Ireland or Ordinarily Resident in Ireland at the time of the chargeable event provided either:

(a) the Company is in possession of a Relevant Declaration and is not in possession of any information that would reasonably suggest that the information contained therein is no longer materially correct; or

(b) the Company is in possession of a written notice of approval from the Revenue Commissioners pursuant to the provisions of section 739D (7B) of the Taxes Act to the effect that section 739D (7) and section 739D (9) of the Taxes Act is deemed to have been complied with in respect of the Shareholder and that approval has not been withdrawn.

**“Ordinarily Resident in Ireland”**

means an individual who has been Resident in Ireland for three consecutive tax years with effect from the commencement of the fourth tax year save that an individual who has been Ordinarily Resident in Ireland will continue to be Ordinarily Resident in Ireland until the commencement of the fourth consecutive tax year in which he/she is not Resident in Ireland;

**“Qualifying Company”**

means qualifying company within the meaning of section 110 of the Taxes Act;

**“Recognised Clearing System”**

means any of the following clearing systems:-

- (i) BNY Mellon Central Securities Depository SA/NV (BNY Mellon CSD);
- (ii) Central Moneymarkets Office;
- (iii) Clearstream Banking SA;
- (iv) Clearstream Banking AG;
- (v) CREST;
- (vi) Depository Trust Company of New York;
- (vii) Deutsche Bank AG, Depository and Clearing Centre;

- (viii) Euroclear;
- (ix) Hong Kong Securities Clearing Company Limited;
- (x) Japan Securities Depository Center;
- (xi) Monte Titoli SPA;
- (xii) Netherlands Centraal Instituut voor Giraal Effectenverkeer BV;
- (xiii) National Securities Clearing System;
- (xiv) Sicovam SA;
- (xv) SIS Sega Intersettle AG;
- (xvi) The Canadian Depository for Securities Ltd;
- (xvii) VPC AB (Sweden); and
- (xviii) Any other system for clearing securities which is designated by the Revenue Commissioners as a recognised clearing system;

**“Relevant Declaration”**

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

**“Relevant Period”**

means in relation to a Share in the Company, a period of eight years beginning with the acquisition of a Share by a Shareholder and each subsequent period of eight years beginning immediately after the end of the preceding Relevant Period for as long as the Shareholder holds that Share;

**“Resident in Ireland”**

means any person resident in Ireland for the purposes of Irish tax. The following is a summary of how different categories of persons/ entities may be treated as resident in Ireland for this purpose.

***Company***

A company will be Resident in Ireland if its central management and control is exercised in Ireland irrespective of where it is incorporated. For Ireland to be treated as the location for central management and control this typically means that Ireland is the location where all fundamental policy decisions of the company are made.

A company incorporated in Ireland after 1 January 2015 will be regarded for all purposes of Irish tax legislation as being resident in Ireland unless it is regarded for the purposes of a double tax treaty in effect with Ireland as being resident in that other tax treaty territory and not in Ireland.

A company incorporated in Ireland prior to 1 January 2015 will be similarly treated for the purposes of ascertaining tax residency after 1 January 2020 or if earlier, from the date of a major change of ownership of the company where there is a major change in the nature or conduct of the business of the company between 1 January 2015 and 1 January 2020.

Otherwise, a company incorporated in Ireland prior to 1 January 2015 which does not have its central management and control in Ireland will be regarded as being resident in Ireland except where:-

(a) the company or a related company (as described in section 23A of the Taxes Act) carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in a Member State or, resident in a territory with which Ireland has a double taxation treaty (a "treaty territory"), and the company is not ultimately controlled by persons who are not so resident, or the principal class of shares of the company (or that of a related company) is substantially and regularly traded on one or more recognised stock exchanges in any Member State or treaty territory.

or

(b) the company is regarded as a resident of a territory other than Ireland and not a resident of Ireland under a double taxation treaty between Ireland and another territory.

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

### ***Individual***

An individual will be regarded as being resident in Ireland for the purposes of Irish tax if for a particular tax year he or she:-

(a) is present in Ireland for 183 days or more in that tax year;

or

(b) has a combined presence of 280 days in Ireland, taking into account the number of days spent in Ireland in that tax year together with the number of days spent in Ireland in the preceding tax year. Presence in Ireland by an individual of less than 30 days in any tax year will not be reckoned for the purpose of applying this two-year test.

In determining the number of days present in Ireland, an individual is deemed to be present in Ireland if he/she is in the country at any time during the day.

### ***Trust***

A trust will be Resident in Ireland and Ordinarily Resident in Ireland for the purposes of Irish capital gains tax unless the general administration of the trust is ordinarily carried on outside Ireland and the trustees (being a single and continuing body of persons) or a majority of them for the time being are not Resident in Ireland or Ordinarily Resident in Ireland;

### **"Revenue Commissioners"**

means the Revenue Commissioners of Ireland; and

### **"Taxes Act"**

means the Taxes Consolidation Act 1997 (as amended) of Ireland.

### **Taxation of the Company**

The directors have been advised that for as long as the Company is Resident in Ireland for taxation purposes the taxation of the Company is as set out below.

### **Residence of Company**

The Company will be regarded as Resident in Ireland if its central and effective management and control is exercised in Ireland. The Directors of the Company will make every effort to ensure that the business of the Company will be conducted in such a manner as to ensure that it is Resident in Ireland.

## **Exemption from tax on income and gains**

As an Investment Undertaking, the Company is not chargeable to Irish tax on income or gains arising to the Company save as described below in connection with gains arising on chargeable events.

### **Tax on chargeable events**

Tax can arise on the happening of a "chargeable event" in relation to the Company.

A chargeable event includes:-

- (a) any distribution payment to Shareholders;
- (b) any encashment, redemption, repurchase, cancellation or transfer of Shares;
- (c) the appropriation or cancellation of Shares for the purposes of meeting the tax arising on certain chargeable events that do not involve the making of a payment to a Shareholder (including but not limited to the transfer by a Shareholder, by way of sale or otherwise of entitlement to a Share); and
- (d) the ending of a Relevant Period.

Not all chargeable events involve the making, by the Company, of a payment to a Shareholder (for example the ending of a Relevant Period).

A chargeable event does not include:-

- (a) an exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder, of Shares in the Company for other Shares in the Company;
- (b) an exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder, of Shares representing one Fund for another Fund;
- (c) any transactions in relation to Shares held in a Recognised Clearing System;
- (d) a transfer by a Shareholder of the entitlement to a Share where the transfer is between spouses or civil partners and former spouses or civil partners, subject to certain conditions;
- (e) a cancellation of shares arising on a "scheme of reconstruction or amalgamation" (within the meaning of section 739H(1) and 739(1A) of the Taxes Act) or a "scheme of amalgamation" (within the meaning of section 739HA(1) of the Taxes Act) of the Company or other Investment Undertaking(s), subject to certain conditions being fulfilled.

A chargeable event will not give rise to an obligation for the Company to account for the appropriate tax if:

- (a) the chargeable event occurs solely on account of an exchange of Shares arising on a scheme of amalgamation within the meaning of Section 739D (8C) of the Taxes Act, subject to certain conditions being fulfilled;
- (b) the chargeable event occurs solely on account of an exchange of Shares arising on a scheme of migration and amalgamation within the meaning of Section 739D (8D) of the Taxes Act, subject to certain conditions being fulfilled; and
- (c) the chargeable event occurs solely on account of a scheme of migration within the meaning of Section 739D (8E) of the Taxes Act, subject to certain conditions being fulfilled.

The ending of a Relevant Period will not give rise to an obligation for the Company to account for tax if:

- (i) immediately before the chargeable event the value of the number of Shares in the Company, in respect of which any gains arising are treated as arising to the Company, on the happening of a chargeable event, is less than 10 per cent of the value of the total number of Shares in the Company at that time; and
- (ii) the Company has made an election, in writing, to the Revenue Commissioners that it will make in respect of each year of assessment a statement (including where it is the case, a statement with a nil amount) to the Revenue Commissioners in electronic format approved by them, on or before 31 December in the year following the year of assessment, which specifies in respect of each Shareholder;
  - (1) the name and address of the Shareholder;
  - (2) the value at the end of the year of assessment of the Shares to which the Shareholder is entitled at that time; and
  - (3) such other information as the Revenue Commissioners may require.

The Company is obliged to notify the Shareholders concerned, in writing, if such an election has been made. Where a Shareholder receives a notification, that Shareholder is deemed to be a chargeable person for the purposes of sections 951 and 1084 of the Taxes Act and is required to prepare and deliver to the Revenue Commissioners a return of income on or before the specified return date for that chargeable period. The return of income shall include the following details:

- The name and address for the Company;
- The gains arising on the chargeable event.

A gain shall not be treated as arising on the happening of a chargeable event (and thus the Company will have no obligation to account for tax in relation to that event) where a Shareholder is an Exempt Irish Resident or an Exempt Non-Resident.

### **Tax payable**

Where none of the relieving provisions outlined above have application, the Company is liable to account for Irish tax on gains arising on chargeable events as follows:



- (a) where the chargeable event relates to a unit held by a Shareholder that is a company and that company has made a declaration to the Company that it is a company and that declaration contains the Irish corporation tax reference number with respect to the company, at a rate of 25%;
- (b) where (a) above does not apply, Irish tax is payable at the rate of 41%.

If the Company is liable to account for tax in respect of a chargeable event, the Company is entitled to deduct from a payment arising on a chargeable event an amount equal to the tax and/or where applicable (including in circumstances in which no payment is made by the Company to a Shareholder, for example the ending of a Relevant Period) to appropriate or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as are required to meet the amount of tax payable by that Shareholder. The relevant Shareholder shall indemnify and keep the Company indemnified against loss arising to the Company by reason of the Company becoming liable to account for tax on the happening of a chargeable event if no such deduction, appropriation or cancellation has been made.

To the extent that any tax is paid on a chargeable event that occurs solely as a consequence of the ending of a Relevant Period such tax will be allowed as a credit or paid by the Company to the Shareholder on the happening of a subsequent chargeable event in accordance with the provisions of section 739E of the Taxes Act.

### **Stamp Duty**

As an Investment Undertaking, no liability in respect of Irish stamp duty will arise in respect of the issue, redemption, sale, conversion, transfer or reissue of Shares in the Company. Where any subscription for Shares is satisfied by the in specie transfer of Irish securities or other Irish property, Irish stamp duty may arise on the transfer of such securities or property.

Generally, no Irish stamp duty will be payable by the Company on the conveyance or transfer of stocks or marketable securities provided that the stocks or marketable securities in question have not been issued by a company incorporated in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or to any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of section 739B of the Taxes Act or a Qualifying Company) which is incorporated in Ireland.

### **Dividend Withholding Tax**

Dividends received by the Company from companies that are resident in Ireland may be subject to Irish dividend withholding tax at the standard rate of income tax (currently 20%). However, where the Company makes an appropriate declaration pursuant to paragraph 6, Schedule 2A of the Taxes Act to the payer that it is a collective investment undertaking within the meaning of section 172A(1) of the Taxes Act, it will be entitled to receive such dividends without deduction of tax.

As an Investment Undertaking, the Company is not required to deduct dividend withholding tax from dividend payments made to Shareholders.

### **Taxation outside Ireland**

The income and gains of the Company from its investments may suffer withholding tax of the territory where such income and gains arise. The withholding tax may not be reclaimable in those territories. The Company, in certain circumstances, may also not be able to benefit from the applicable reduced rates of withholding tax provided in double

taxation agreements between Ireland and such territories. Consequently, the Company may not be able to reclaim withholding tax suffered by it in particular jurisdictions. If this position changes in the future and the application of a lower withholding tax rate results in a repayment to the Company, the Net Asset Value of the relevant Fund will not be restated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

## **Taxation of Shareholders**

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

Where the Company has accounted for tax, if any, in connection with a chargeable event, in respect of a Shareholder who is Resident in Ireland or Ordinarily Resident in Ireland that Shareholder is not subject to further Irish tax in connection with that chargeable event.

Where a Shareholder is notified by the Company that it is not required to account for tax on the ending of a Relevant Period (see above), that Shareholder is deemed to be a chargeable person for the purposes of sections 951 and 1084 of the Taxes Act and is required to prepare and deliver to the Revenue Commissioners a return of income on or before the specified return date for that chargeable period and pay tax on the gain, if any, arising on the ending of a Relevant Period, at a rate of 41 per cent.

The return of income shall include the following details:-

- (a) the name and address of the Company; and
- (b) the gain arising on the chargeable event.

Where the Company is not obliged to account for tax, if any, in connection with payments to a Shareholder who is Resident in Ireland, those payments are required to be correctly disclosed in the Shareholder's annual income tax return and tax paid on accordingly. An individual would pay tax at a rate of 41 per cent on the relevant income/gain. A corporate shareholder that is resident in Ireland would pay tax at a rate of 12.5 per cent if the payment is in connection with a trade, otherwise 25 per cent.

A currency gain made by a Shareholder on the disposal of Shares may be liable to capital gains tax.

### **Shareholders who are Exempt Irish Residents**

Exempt Irish Residents will not be subject to Irish tax on income from their Shares or gains made on the disposal of their Shares, provided each Exempt Irish Resident has made a Relevant Declaration to the Company prior to the chargeable event and the Company has no reason to believe that the Relevant Declaration is incorrect or no longer correct.

### **Shareholders who are not Resident in Ireland or Ordinarily Resident in Ireland**

Shareholders who are neither Resident in Ireland nor Ordinarily Resident in Ireland will not be subject to Irish tax on income from their Shares or gains made on the disposal of their Shares, provided either (i) each Shareholder has made a Relevant Declaration to the Company prior to the chargeable event and the Company has no reason to believe that the Relevant Declaration is incorrect or no longer correct; or (ii) the Company is in possession of a written notice of approval from the Revenue Commissioners to the effect that section 739D(7) of the Taxes Act is deemed to have been complied with in respect of the Shareholder and that approval has not been withdrawn.

### *Refunds of Tax withheld*

Where tax is withheld by the Company on the basis that no Relevant Declaration has been filed with the Company by the Non Irish Resident Shareholder, Irish legislation provides for a refund of tax in certain limited circumstances only.

### **Capital Acquisitions Tax**

A disposition of Shares may be subject to Irish capital acquisitions tax. However, on the basis that the Company falls within the definition of an Investment Undertaking, the disposition of Shares by a Shareholder is not liable to capital acquisitions tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor ordinarily resident in Ireland for capital acquisitions tax purposes; (b) at the date of the disposition, either the Shareholder disposing of the Shares is neither domiciled nor ordinarily resident in Ireland for capital acquisitions tax purposes or the disposition is not subject to Irish law; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or inheritance and at the valuation date.

For the purpose of capital acquisitions tax, a non-Irish domiciled done or disponent will not be treated as resident or ordinarily resident in Ireland at the relevant date unless that person has been Resident in Ireland for five consecutive years of assessment immediately preceding the year of assessment in which the date of the gift or inheritance falls and that person is either Resident or Ordinarily Resident in Ireland on that date.

### **Shareholder Reporting**

Pursuant to the provisions of section 891C of the Taxes Act and the Return of Values (Investment Undertakings) Regulations 2013, the Company is required to provide certain information to the Revenue Commissioners in relation to Shareholders other than "excepted unitholders" within the meaning of the relevant Regulations ("**Excepted Shareholders**").

The information to be provided to the Revenue Commissioners is in relation only to Shareholders other than Excepted Shareholders and includes:

- (a) the name, registered address, contact details and tax reference number of the Company;
- (b) the name, address, tax reference number and date of birth (if applicable) of each Shareholder that is not an Excepted Shareholder; and
- (c) the investment number and the value of the investment held by each Shareholder that is not an Excepted Shareholder.

Exempt Irish Residents and Exempt Non-Residents would be Excepted Shareholders for this purpose.

### **Automatic Exchange of Information for Tax Purposes**

Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU) ("**DAC2**") provides for the implementation among EU member states (and certain third countries that have entered into information exchange agreements) of the automatic exchange of information in respect of various categories of income and capital and broadly encompasses the regime known as the Common Reporting Standard ("**CRS**") proposed by the OECD as a new global standard for the automatic exchange of information between tax authorities in participating jurisdictions.

Under the CRS, governments of participating jurisdictions (currently more than 100 jurisdictions) are required to collect detailed information to be shared with other jurisdictions annually. A group of over 40 countries, including Ireland, have committed to the early adoption of the CRS from 1 January 2016 with the first data exchanges taking place in September 2017. All EU member states, except Austria, introduced the CRS from 1 January 2016. Austria introduced the CRS from 1 January 2017.

CRS is implemented in Ireland pursuant to the Returns of Certain Information by Reporting Financial Institutions Regulations 2015, S.I. 583 of 2015, made under Section 891F of the Taxes Act.

DAC2 is implemented in Ireland pursuant to the Mandatory Automatic Exchange of Information in the Field of Taxation Regulations of 2015, S.I. No. 609 of 2015 made under Section 891G of the Taxes Act.

Pursuant to these Regulations, the Company is required to obtain and report to the Revenue Commissioners annually certain financial account and other information for all non-Irish and non-US new and existing account holders in respect of their Shares. The first returns must be submitted on or before 18 August 2017 with respect to the year ended 31 December 2016 and annually on 30 June thereafter. The information will include amongst other things, details of the name, address, taxpayer identification number ("TIN"), place of residence and, in the case of account holders who are individuals, the date and place of birth, together with details relating to payments made to account holders and their holdings. This information may be shared with tax authorities in other EU member states (and in certain third countries subject to the terms of Information Exchange Agreements entered into with those countries) and jurisdictions which implement the CRS.

All Shareholders will be required to provide this information and documentation, if applicable, to the Company and each Shareholder will agree or will be deemed to agree by its subscription for Shares or, by its holding of Shares, to provide the requisite information and documentation, if applicable, to the Company, upon request by it or its service providers so that the Company can comply with its obligations under CRS.

### **FATCA Implementation in Ireland**

The FATCA provisions of the US Hiring Incentives to Restore Employment Act were enacted to identify US persons either directly investing outside the US or indirectly earning income inside or outside the US by using foreign entities.

The obligations of Irish financial institutions under FATCA will be covered by the provisions of the Ireland/US Intergovernmental Agreement ("**IGA**") with respect to FATCA and supporting Irish legislation/regulations, the Financial Accounts Reporting (United States of America) Regulations 2014 (the "**Regulations**"). Under the IGA, any Irish financial institutions as defined under the IGA are required to report annually to the Revenue Commissioners (commencing in 2015) details of its US account holders including the name, address and taxpayer identification number ("**TIN**") and certain other details. Such institutions are also required to amend their account on-boarding procedures (with effect from 1 July 2014) in order to easily identify US new account holders and report this information to the Revenue Commissioners. The Company, in conjunction with assistance from its service providers where necessary, will endeavour to ensure that it satisfies any obligations imposed on it under the IGA and the Regulations.

The Company's ability to satisfy its obligations under the IGA and the Regulations will depend on each Shareholder in the Company, providing the Company with any information, including information concerning the direct or indirect owners of such Shareholders, that the Company determines is necessary to satisfy such obligations. Each Shareholder will agree in its application form to provide such information upon

request from the Company. If the Company fails to satisfy its obligations under the IGA and the Regulations, it may, in certain circumstances, be treated as a Non-participating Financial Institution by the US Tax Authorities and therefore subject to a 30% withholding on its US source income and any proceeds from the sale of property that could give rise to US source income. Shareholders are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their interest in the Company.

**Investors in each jurisdiction should consult their professional advisers on the potential tax, exchange control and other consequences of subscribing for, purchasing, holding, redeeming, exchanging or selling Shares in the Company under the laws of their country of citizenship, domicile or residence.**

## **United Kingdom**

### *The Company*

The Directors intend to conduct the affairs of the Company in a manner such that it does not become resident in the UK for tax purposes. It is also the Directors' intention to run the Company as an investment company and not to carry out any trading activities (e.g. trading in securities), though it cannot be guaranteed that HM Revenue & Customs ("HMRC") will accept this treatment at all times. Accordingly, and provided that the Company is not held to carry on a trade in the UK through a fixed place of business or agent situated therein that constitutes a permanent establishment and that any trading transactions in the UK are carried out through a broker or investment manager acting as an agent of independent status in the ordinary course of its business, the Company will not be subject to UK corporation tax or income tax on income and gains arising from its activities. However, it cannot be guaranteed that these conditions will be met at all times.

Interest and other amounts received by the Company which have a UK source may be subject to withholding or other taxes in the UK.

### *Shareholders (other than those holding Shares through an ISA)*

Each class of Shares within a Fund will constitute an "offshore fund" for the purposes of the UK Taxation (International and Other Provisions) Act 2010 ("**TIOPA 2010**") and the Offshore Funds (Tax) Regulations 2009 (the "**Regulations**"). Under this legislation, any gain arising on the sale, disposal or redemption of shares in an offshore fund (or on conversion from one fund to another within an umbrella fund) held by persons who are resident or ordinarily resident in the UK for tax purposes will be taxed at the time of such sale, disposal, redemption or conversion as income ("**offshore income gains**") and not as a capital gain. This does not apply, however, where a class of Shares is recognised as a "reporting fund" throughout the period during which the shares have been held.

The Directors intend to apply to HM Revenue and Customs for each class of Shares in the Initial Fund to be recognised as for the purposes of the Regulations with effect from 2 June 2010. Once recognised as reporting fund, each relevant class of Share will remain a reporting fund provided it complies with the ongoing requirements of the regime, including reporting 100 per cent of reportable income on an annual basis to investors. A class of Shares will only leave the reporting fund regime if either the Directors notify HMRC prospectively that that class of Shares is withdrawing from the reporting fund regime, or through serious or persistent breaches of the Regulations. Provided a class of Shares remains a reporting fund throughout an investor's period of holding an interest in that class of Shares, any gain realised upon disposal of these Shares will be treated as a capital gain which will be subject to capital gains tax for individuals and corporation tax on chargeable gains for corporate investors. Shareholders who are individuals will therefore be able to benefit from the lower capital gains tax rate and the capital gains

tax annual exempt amount. Indexation allowance will be available for corporate investors. In the case of individuals who are UK resident but domiciled for UK tax purposes outside the UK and who have successfully claimed to be, or automatically qualified to be, taxed on a remittance basis, any capital gain or offshore income gain will be subject to UK tax only to the extent that the gain is or is deemed to be, remitted to the UK.

Subject to their personal circumstances, individual Shareholders resident in the United Kingdom for taxation purposes will be liable to UK income tax under Chapter 4 Part 4 of the Income Tax (Trading and Other Income) Act 2005 in respect of dividends or other distributions of income by the Company, whether or not such distributions are reinvested in further Shares of the Company. For corporate investors, any distributions received from the Company should be exempt from corporation tax under Part 9A of the Corporation Tax Act 2009 ("**CTA**"), subject to the various conditions of Chapter 2 of Part 9A CTA being met. For share classes which are reporting funds under the Regulations, any excess of reportable income over distributions reported to investors under the Regulations will be taxed in the same way as a distribution. The nature of the charge to tax and any entitlement to a tax credit in respect of such dividends or distributions will depend on a number of factors which may include the composition of the relevant assets of the Fund and the extent of a Shareholder's interest in the Fund.

Persons within the charge to United Kingdom corporation tax should note that the regime for the taxation of most corporate debt contained in the CTA (the "**loan relationships regime**") provides that, if at any time in an accounting period of such a person, that person holds an interest in an offshore fund within the meaning of the relevant provisions of the Regulations and TIOPA 2010, and there is a time in that period when that fund fails to satisfy the "qualifying investments" test, the interest held by such a person will be treated for that accounting period as if it were rights under a creditor relationship for the purposes of the loan relationships regime. An offshore fund fails to satisfy the qualifying investments test at any time when more than 60 per cent. of its assets by market value (excluding cash awaiting investment) comprise "qualifying investments". Qualifying investments include government and corporate debt securities, cash on deposit, certain derivative contracts and holdings in other collective investment schemes which at any time in the accounting period of the person holding the interest in the offshore fund do not themselves satisfy the qualifying investments test. The Shares will constitute such interests in an offshore fund and on the basis of the investment policies of certain Funds, such a Fund could fail to satisfy the qualifying investments test. In that eventuality, the Shares in that Fund will be treated for corporation tax purposes as within the loan relationships regime with the result that all returns on the Shares in that Fund in respect of such a person's accounting period (including gains, profits and losses) will be taxed or relieved as an income receipt or expense on a "fair value accounting" basis. Accordingly, such a person who acquires Shares in the Company may, depending on its own circumstances, incur a charge to corporation tax on an unrealised increase in the value of its holding of Shares (and, likewise, obtain relief against corporation tax for an unrealised reduction in the value of its holding of Shares).

Shareholders should be aware that if persons who are resident in the United Kingdom (or certain persons connected with residents of the United Kingdom) have the power to secure that the affairs of the Company are conducted in accordance with their wishes, a Fund the Company may be a "controlled foreign company" for the purposes of Chapter IV Part XVII of 1CTAIncome and Corporate Taxes Act 1988 ("**ICTA**"). It may also be a controlled foreign company where the Company is at least 40 per cent. controlled by a UK resident person and at least 40 per cent. (but no more than 55 per cent.) controlled by a non-UK resident person. This would mean that any company which, either alone or together with connected or associated persons, is entitled to 25 per cent or more of the Company's profits apportioned in accordance with Chapter IV could be taxed on its share of the Company's profits unless, as is currently intended, one of the exemptions is met under section 748 of Income and Corporate Taxes Act 1988.ICTA. UK resident companies

entitled to 25 per cent, or more of the chargeable profits of the Company should take their own specific professional advice.

The attention of Shareholders is drawn to the provisions of Section 13 of the UK Taxation of Chargeable Gains Act 1992. Under this section, if the Company would have been a close company were it resident in the UK, holders of more than a ten per cent interest in the Company could be assessed to UK tax on their share of the Company's capital gains.

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

*Shareholders (other than those holding Shares through an ISA)*

Each Fund will constitute an "offshore fund" for the purposes of the UK Offshore Funds Tax Regulations 2009 (the "**Regulations**"). Under this legislation, any gain arising on the sale, disposal or redemption of shares in an offshore fund (or on conversion from one fund to another within an umbrella fund) held by persons who are resident or ordinarily resident in the UK for tax purposes will be taxed at the time of such sale, disposal, redemption or conversion as income and not as a capital gain. This does not apply, however, where a Fund is a "reporting fund" throughout the period during which the shares have been held.

The Directors will apply on behalf of the Fund to HM Revenue and Customs to be a reporting fund for the purposes of the Regulations with effect from 2 June 2010. Upon acceptance of the application, the Fund will remain a reporting fund provided it complies with the ongoing requirements of the regime, including reporting 100 per cent of reportable income on an annual basis to investors. The Fund will only leave the reporting fund regime if either the Fund notifies HMRC prospectively that it no longer wishes to remain a reporting fund, or through serious or persistent breaches of the Regulations. Provided a Fund remains a reporting fund throughout an investor's period of holding an interest in a Fund, any gain realised upon disposal of the shares will be treated as a capital gain which will be subject to capital gains tax for individuals and corporation tax for corporate investors. Shareholders who are individuals will therefore be able to benefit from the lower capital gains tax rate and the capital gains tax annual exempt amount. Indexation allowance will be available for corporate investors, in the case of individuals who are UK resident but domiciled for UK tax purposes outside the UK and who have successfully claimed to be, or automatically qualified to be, taxed on a remittance basis, any capital gain or offshore income gain will be subject to UK tax only to the extent that the gain is or is deemed to be, remitted to the UK.

Subject to their personal circumstances, individual Shareholders resident in the United Kingdom for taxation purposes will be liable to UK income tax under Chapter 4 Part 4 of the Income Tax (Trading and Other Income) Act 2005 in respect of dividends or other distributions of income by the Company, whether or not such distributions are reinvested in further Shares of the Company. For corporate investors, any distributions received from the Company should be exempt from corporation tax under Part 9A of the Corporation Tax Act 2009 ("**CTA**"), subject to the various conditions of Chapter 2 of Part 9A CTA being met. For share classes which are reporting funds under the Regulations, any excess of reportable income over distributions reported to investors under these Regulations will be taxed in the same way as a distribution.

Shareholders should be aware that if persons who are resident in the United Kingdom (or certain persons connected with residents of the United Kingdom) have the power to secure that the affairs of a Fund are conducted in accordance with their wishes, a Fund

may be a "controlled foreign company" for the purposes of Chapter IV Part XVII of 1CTA. It may also be a controlled foreign company where a Fund is at least 40 per cent. controlled by a UK resident person and at least 40 per cent (but no more than 55 per cent.) controlled by a non-UK resident person. This would mean that any company which, either alone or together with connected or associated persons, is entitled to 25 per cent or more of the Fund's profits apportioned in accordance with Chapter IV could be taxed on its share of the Fund's profits unless, as is currently intended, one of the exemptions is met under section 748 of Income and Corporate Taxes Act 1988. UK resident companies entitled to 25 per cent, or more of the chargeable profits of the Fund should take their own specific professional advice.

The attention of Shareholders is drawn to the provisions of Section 13 of the UK Taxation of Chargeable Gains Act 1992. Under this section, if the Fund would have been a close company were it resident in the UK, holders of more than a ten per cent interest in the Fund could be assessed to UK tax on their share of the Fund's capital gains.

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

#### *Shareholders (holding Shares through an ISA)*

The Directors intend that Shares of each Fund will qualify for inclusion within a stocks and shares component of an ISA provided that the ISA manager has acquired the Shares by purchase in the market or by application for Shares publicly offered for sale or subscription as the Company is authorised as a UCITS and has received recognition pursuant to Section 264 of the Financial Services and Markets Act 2000 as a recognised scheme for the purposes of Section 264 of the Financial Services and Markets Act 2000.

Dividends on Shares held within an ISA are exempt from income tax. Capital gains on the disposal of Shares held within an ISA are exempt from capital gains tax.

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

The Shares should not be regarded as "chargeable securities" for the purposes of UK stamp duty reserve tax and, accordingly, no stamp duty reserve tax should be chargeable in respect of agreements for their transfer.

Technically, a charge to UK stamp duty could arise on an instrument of transfer in respect of the Shares (or a document evidencing a transfer) if it were executed in the UK or there is a matter or thing to be done in the UK. The term matter or thing is wide and may include paying or receiving cash in a UK bank account.

Where a charge to UK stamp duty arises this will generally be at the rate of 0.5 per cent of the consideration for the transfer, rounded up to the nearest £5. Notwithstanding this, provided there is a separate instrument of transfer (or document evidencing the transfer) not executed in the UK, there should be no mechanism for enforcing the stamp duty and, in practice therefore, it is unlikely any charge would need to be paid.

THE ABOVE SUMMARIES ARE NOT INTENDED AS TAX ADVICE NOR AS A COMPREHENSIVE DESCRIPTION OF ALL UK TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO ACQUIRE, TO HOLD, OR TO DISPOSE OF THE SHARES. THIS SUMMARY DOES NOT PURPORT TO DEAL WITH THE TAX CONSEQUENCES APPLICABLE TO ALL CATEGORIES OF INVESTORS, SOME OF WHICH (SUCH AS DEALERS IN SECURITIES) MAY BE SUBJECT TO SPECIAL RULES. PROSPECTIVE INVESTORS



SHOULD CONSULT THEIR OWN TAX ADVISERS CONCERNING THE CONSEQUENCES OF THEIR PARTICULAR SITUATION.

## **United States**

### **Investors' Reliance on U.S. Federal Tax Advice in this Prospectus**

**The discussion contained in this Prospectus as to U.S. 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 herein. Each taxpayer should seek U.S. federal tax advice based on the taxpayer's particular circumstances from an independent tax advisor.**

The following discussion is a general summary of certain U.S. federal tax consequences that may result to the Company and its Shareholders in connection with their investment in a Fund. The discussion does not purport to deal with all of the U.S. federal income tax consequences applicable to the Company or to all categories of investors, some of whom may be subject to special rules.

The following discussion is based on laws and regulations currently in effect, which may change retroactively or prospectively. The discussion assumes that the Company (including each Fund) will not hold any interests (other than as a creditor) in any "United States real property holding corporations" as defined in the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"). Investors should consult their own tax advisors regarding the tax consequences to them of an investment in a Fund under applicable U.S. federal, state, local and foreign income tax laws as well as with respect to any specific gift, estate and inheritance tax issues.

As used herein, the term "U.S. Taxpayer" means: a U.S. citizen or resident alien of the United States (as defined for U.S. federal income tax purposes); any entity treated as a partnership or corporation for U.S. tax purposes that is created or organized in, or under the laws of, the United States or any State thereof (including the District of Columbia); any other partnership that is treated as a U.S. Taxpayer under U.S. Treasury Department regulations; any estate, the income of which is subject to U.S. income taxation regardless of source; and any trust over whose administration a court within the United States has primary supervision and all substantial decisions of which are under the control of one or more U.S. fiduciaries. Persons who have lost their U.S. citizenship and who live outside the United States may nonetheless, in some circumstances, be treated as U.S. Taxpayers.

### *Taxation of the Company*

The Company (including each Fund) generally intends to conduct its affairs so that it will not be deemed to be engaged in trade or business in the United States and, therefore, none of its income will be treated as "effectively connected" with a U.S. trade or business. If not treated as effectively connected with a U.S. trade or business, certain categories of income, including dividends (and certain substitute dividends and other dividend equivalent payments) and certain types of interest income, derived by the Company (or a Sub Fund) from U.S. sources will be subject to a U.S. tax of 30 per cent., which tax is generally withheld from such income. Certain other categories of income, generally including capital gains (including those derived from the use of derivative instruments) and interest on certain portfolio debt obligations (which may include U.S. Government securities), original issue discount obligations having an original maturity of one hundred and eighty three days or less, and certificates of deposit will not be subject to this 30 per cent. tax. If, on the other hand, the Company (or a Fund) derives income which is effectively connected with a U.S. trade or business, such income will be subject

to U.S. federal income tax at the graduated rates applicable to U.S. domestic corporations, and the Company (or Fund) will also be subject to a branch profits tax.

The Company (or each Fund) will be subject to U.S. federal withholding taxes (at a 30 per cent. rate) on payments of certain amounts made to such entity beginning 1 July 2014 ("**withholdable payments**"), unless it complies (or is deemed compliant) with extensive reporting and withholding requirements. Withholdable payments generally will include interest (including original issue discount), dividends, rents, annuities, and other fixed or determinable annual or periodical gains, profits or income, if such payments are derived from U.S. sources, as well as gross proceeds from dispositions of securities that could produce U.S. source interest or dividends. Income which is effectively connected with the conduct of a U.S. trade or business is not, however, included in this definition. To avoid the withholding tax, unless deemed compliant, the Company (or each Fund) will be required to enter into an agreement with the United States to identify and disclose identifying and financial information about each U.S. Taxpayer (or foreign entity with substantial U.S. ownership) which invests in such entity, and to withhold tax (at a 30 per cent. rate) on withholdable payments and related payments made to any Shareholder which fails to furnish information requested by such entity to satisfy its obligations under the agreement. Alternatively, pursuant to an intergovernmental agreement that may be concluded between the United States and Luxembourg, the Company (or each Fund) may be deemed compliant, and therefore not subject to the withholding tax, if it identifies and reports U.S. ownership information directly to the government of Luxembourg.

Certain categories of Shareholders, generally including, but not limited to, tax-exempt Shareholders, publicly traded corporations, banks, regulated investment companies, real estate investment trusts, common trust funds, brokers, dealers and middlemen, and state and federal governmental entities, will be exempt from such reporting. 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 Company (or Fund) operations.

Shareholders will be required to furnish appropriate documentation certifying as to their U.S. or non-U.S. tax status, together with such additional tax information as the Company (or a Fund) may from time to time request. Failure to provide requested information may subject a Shareholder to liability for any resulting U.S. withholding taxes, U.S. tax information reporting and/or mandatory redemption, transfer or other termination of the Shareholder's interest in Shares.

#### *Taxation of Shareholders*

The U.S. tax consequences to Shareholders of distributions from a Fund and of dispositions of Shares generally depends on the Shareholder's particular circumstances, including whether the Shareholder conducts a trade or business within the United States or is otherwise taxable as a U.S. Taxpayer.

U.S. Taxpayers seeking to invest in a Fund should refer to the applicable Supplement for a discussion of the U.S. federal income tax consequences to such persons of an investment in Shares. All prospective investors should, however, consult, and must depend upon, their own tax advisors with specific reference to their own tax situations and potential changes in applicable law, including the application of state and local, non-U.S. and other tax considerations.

## **MATERIAL CONTRACTS**

---

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

### **The Investment Management Agreement**

The Company has appointed the Investment Manager under the terms of the Investment Management Agreement to provide investment management services to the Company.

The Investment Management Agreement provides, inter alia, that:-

- (ii) The Investment Manager shall not be liable to the Company or any other party or otherwise for any loss caused to the Company or any other party by any error of judgement, by any reduction in the value of the Company or by any failure to increase that value or to secure any particular level of income therefrom unless such loss or losses arose directly from fraud, negligence, bad faith, recklessness or wilful default in the performance or non-performance of the Investment Manager's duties under the Investment Management Agreement. The Investment Manager undertakes to indemnify and keep indemnified and hold harmless the Company and each Fund (and each of its directors, officers, employees and agents) from and against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including legal fees and expenses) directly suffered or incurred by the Company or the Fund resulting from the fraud, negligence, bad faith, recklessness or wilful default on the part of the Investment Manager in the performance or non-performance of its duties under the Investment Management Agreement.
- (iii) The Company undertakes to indemnify and keep indemnified and hold harmless the Investment Manager (and each of its directors, officers, employees and agents) from and against any and all claims, actions, proceedings, damages, losses, liabilities, costs and expenses (including legal fees and expenses) directly 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 Agreement in the absence of fraud, negligence, bad faith, recklessness or wilful default in the performance or non-performance by the Investment Manager of its duties under the Investment Management Agreement.
- (iii) The Investment Management Agreement may be terminated by 180 days' notice given by either party; and
- (iv) the Investment Manager is entitled to payment of fees for its services and reimbursement of expenses, as more fully described in the sections headed "Fees and Expenses" on page 53.

### **The Administration Agreement**

The Company has appointed the Administrator under the terms of the Administration Agreement to carry on the general administration and accounting of the Company and to act as registrar and transfer agent to the Company.

The Administration Agreement provides, inter alia, that:-

- (i) the Administrator shall undertake the general administration and accounting of the Company.

- (ii) In the absence of negligence, recklessness, bad faith, fraud or wilful default by the Administrator, the Administrator shall not be under any liability to the Shareholders, the Company, the Investment Manager, the Directors or any other person on account of anything done, omitted or suffered by the Administrator pursuant to the Administration Agreement on behalf of the Company, the Directors, the Investment Manager or their duly authorized agents or such other delegates of any of them, or in accordance with or in pursuance of any request or advice of the Company, the Directors, the Investment Manager or any party nominated by the Company or the Investment Manager to give instructions to the Administrator hereunder. The Administrator shall not in any circumstances be liable for indirect, special or consequential damages of any nature whatsoever.
- (iii) Subject to certain conditions being met, the Company undertakes to indemnify the Administrator out of the assets of the Company against all actions, proceedings and claims and against all liabilities, damages, costs, demands and expenses arising therefrom which may be brought against, directly suffered or incurred by the Administrator in the performance of its obligations and duties and from and against all taxes on profits or gains of the Company which may be assessed upon or become payable by the Administrator. The Company shall not be liable to, nor shall it indemnify the Administrator for, any indirect (including, without limitation, lost profits), special or consequential liabilities, damages, costs, demands and expenses.
- (iv) The Administrator undertakes to hold harmless and indemnify the Company and the Directors against all actions, proceedings and claims and against all costs, demands, liabilities and expenses which may be brought against, suffered or incurred by the Company or the Directors arising from the negligence, recklessness bad faith, fraud or wilful default of the Administrator in performing its obligations.
- (v) The Administration Agreement may be terminated by 90 days' notice given by either party; and
- (ii) the Administrator is entitled to payment of fees for its services and reimbursement of expenses, as more fully described in the section headed "Fees and Expenses - Administration Fee" on page 53.

## **The Depositary Agreement**

The Company has appointed the Depositary under the terms of the Depositary Agreement to act as Depositary of the Company's assets.

The Depositary Agreement provides, inter alia, that:-

- I. The appointment of the Depositary under the Depositary Agreement may be terminated without cause by not less than 90 days written notice provided that the Depositary Agreement does not terminate until a replacement Depositary has been appointed.
- II. Pursuant to the Depositary Agreement, the Depositary will be liable to the Company and its Shareholders for the loss of a financial instrument of the Company which is entrusted to the Depositary for safekeeping. The Depositary shall also be liable for all other losses suffered by the Company as a result of its negligence or intentional failure to properly fulfil its obligations under the UCITS Regulations.
- III. The liability of the Depositary will not be affected by the fact that it has delegated safekeeping to a third party.
- IV. The Depositary shall not be liable for the loss of a financial instrument held in custody by the Depositary where the loss of the financial instrument arises as a result of an external event beyond the reasonable control of the Depositary, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary. The Depositary shall not be liable for any indirect, special or consequential loss.
- V. The Company shall indemnify the Depositary and every delegate (together with its officers, agents and employees) ("Indemnified Persons") on an after-tax basis in respect of any and all Liabilities (as defined in the Depositary Agreement) brought against, suffered or incurred by that Indemnified Person as a result of or in connection with:
  - a. the appointment of the Depositary under the Depositary Agreement or the performance by the Depositary of the services set out in the Depositary Agreement;
  - b. any breach by the Company and/ or a Fund of Applicable Law (as defined in the Depositary Agreement), the Constitutional Documents, the Depositary Agreement, this Prospectus or fraud, negligence or wilful default of the Company or the relevant Fund to disclose to the Shareholders any information required by the Depositary Agreement or the UCITS Regulations, or to provide to the Depositary with any information required by the Depositary in order to provide the services listed in the Depositary Agreement;
  - c. any Identified Custody Risk or any Identified Segregation Risk (as defined in the Depositary Agreement);
  - d. the registration of Financial Instruments and Other Assets in the name of the Depositary or any delegate or Settlement System (as defined in the Depositary Agreement);
  - e. any breach of or default under any of the representations, warranties, covenants, undertakings or agreements made by the Depositary, a delegate or sub-delegate of a delegate (or a nominee of the

Depository, a delegate or sub-delegate of a delegate) on behalf of the Company in connection with any subscription agreements, application forms, shareholder questionnaires, purchase agreements, related documentation or similar materials relating to the Company's investment in any collective investment scheme, managed account, investment company or similar pooled investment vehicle on behalf of the Company,

provided that such indemnity is subject to clauses 20.1.1 and 20.1.2 of the Depository Agreement and in particular shall not apply to any Liabilities (as defined in the Depository Agreement) arising out of the negligence, fraud or wilful default of the Indemnified Person or to the extent that such indemnity would require the Company to indemnify the Depository for any loss for which the Depository is liable to the Company under the UCITS Regulations.

- VI. The Depository's liability to the Shareholders of the Company may be invoked directly or indirectly though the Company provided this does not lead to duplication of redress or to unequal treatment of Shareholders.

### **The Distribution Agreement**

The Company has appointed the Investment Manager as distributor of the Shares of the Company under the terms of the Distribution Agreement dated on 1 June 2010.

The Distribution Agreement provides, inter alia, that:-

- (i) the Distributor shall be responsible for the overall distribution and marketing of the company's Funds. The Distribution Agreement may be terminated by 90 days' notice given by either party;
- (ii) In the absence of negligence, fraud, bad faith, wilful default or recklessness on the part of the Distributor, the Distributor shall not be liable to the Company for any of its acts or omissions in the course of, or connected in any way with rendering the services in this Agreement, provided always that the Distributor shall be liable for all actions, proceedings, losses, claims, damages, liabilities, fees and expenses incurred by the parties to the extent that they are have directly or indirectly resulted from any breach by the Distributor of its duties or obligations to the parties aforesaid and under any other applicable and appropriate regulations within the country in which the Distributor is carrying out its duties,
- (iii) The Company undertakes to hold harmless and indemnify the Distributor out of the assets of the Company against all actions, proceedings and claims and against all actions, proceedings, losses, claims, damages, liabilities, fees and expenses arising therefrom which may be brought against, suffered or incurred by the Distributor by reason of the performance or non-performance of its duties (otherwise than due to the wilful misconduct, fraud, bad faith or negligence on the part of the Distributor, its employees or agents of their obligations or functions) and
- (iv) the Distributor will not receive any additional fees from the Company in respect of its appointment as Distributor under the Distribution Agreement.

## **Paying Agency Agreements**

One or more paying agency agreements may be entered into pursuant to which one or more Paying Agents may be appointed to provide paying agency facilities for the Company in one or more countries.

## **Share Class Hedging Agreement**

The Company has appointed the Passive Hedging Calculation Agent under the terms of the Share Class Hedging Agreement to provide the following services:

- (i) calculation of foreign exchange requirements for incorporation into instructions for the sale and purchase of currencies for execution by the broker appointed by the Company to undertake execution services (the "**Execution Broker**") in accordance with instructions received from the Company ("**FX Calculation**");
- (ii) issuing instructions for execution of the FX Calculation to the Execution Broker;
- (iii) the Passive Hedging Calculation Agent is entitled to payment of fees for its services and reimbursement of expenses, as more fully described in the section headed "Fees and Expenses – Passive Hedging Calculation Agent Fee" on page 53.

## **GENERAL INFORMATION**

### **Share Capital**

The Company was incorporated in Ireland as a public limited company on 17 May 2010 with registered number 484509 under the Acts. It has an authorised capital of 100,000,000,000 Participating Shares of no par value and 2 Subscriber Shares of €1 each. As only Participating Shares can represent an interest in a Fund, the Subscriber Shares have no entitlement or interest in such a Fund. At the date of this Prospectus, the issued share capital of the Company is 2 Subscriber Shares issued for the purpose of the incorporation and authorisation of the Company.

### **Constitution**

Clause (3) of the Constitution provides, inter alia, that Company's sole object is the collective investment in either or both transferable securities and other liquid financial assets, as permitted by Regulation 68 of the UCITS Regulations, of capital raised from the public and which operates on the principle of risk spreading.

The Constitution contains provisions to the following effect:-

(a) *Issue of Shares*

The Directors are authorised to exercise all the powers of the Company to offer, allot or otherwise deal with or dispose of "relevant securities" within the meaning of Section 1021 of the Acts up to an amount equal to the authorised but as yet unissued share capital of the Company.

The price at which Shares shall be issued shall be determined by reference to the Net Asset Value of the relevant Fund calculated as at the relevant Valuation Point.

The Directors may, with the prior approval of the Central Bank, establish new Funds. The Directors have the power to issue different classes of Shares in each Fund.

(b) *Rights of Subscriber Shares*

As the Subscriber Shares are not Participating Shares (and as such do not represent any interest in a Fund) they do not entitle the holders thereof to participate in the dividends of a Fund.

Each holder of Subscriber Shares is entitled to attend and vote at any general meeting provided that any holder of Subscriber Shares shall not be entitled to vote at any such general meeting at any time that Shares in issue are held by two or more Shareholders. In the event of a winding-up or dissolution of the Company, the Subscriber Shares have the entitlements referred to under "Winding Up" below.

(c) *Variation of Rights*

The rights attached to any class of Participating Share may, whether or not the Company is being wound up, be varied or abrogated with the consent in writing of the holders of three-fourths of the issued Participating Shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of the issued Participating Shares of that class or with the sanction of a resolution passed at a separate meeting of the holders of Participating Shares of the class by a majority of three-fourths of the voting class at said meeting, but not otherwise. The provisions of the Acts and the Constitution relating to general



meetings shall apply to every such separate general meeting but the necessary quorum at any such meeting shall be two persons holding or representing by proxy at least one third of the issued Shares of the class in question. Any holder of Shares of the class in question present in person or by proxy may demand a poll.

(d) *Voting Rights of Shares*

Subject to disenfranchisement in the event of non-compliance with any notice requiring disclosure of the beneficial ownership of Shares, the Constitution provides that on a show of hands at a general meeting of the Company, at a meeting of holders of Shares in a particular Fund or at a meeting of holders of Shares of a particular class, every holder of Shares present in person or by proxy shall have one vote and on a poll every holder of Shares who is present in person or by proxy shall have one vote in respect of each whole Share held by him.

(e) *Change in Share Capital*

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

(f) *Directors' Interests*

A Director may hold any other office or place of profit under the Company in conjunction with his office of Director on such terms as to tenure of office, and otherwise as the Directors may determine.

No Director or intending Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company or in which the Company is interested, in which any Director is in any way interested be liable to be avoided, nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established. A Director who is in any way, whether directly or indirectly, interested in such a contract or arrangement or proposed contract or arrangement with the Company shall declare the nature of his interest if his interest then exists, or in any other case at the first meeting of the Directors after he becomes so interested. A general notice given by a Director to the effect that he is a member of a specified company, society or firm and is to be regarded as interested in all transactions with such company, society or firm shall be a sufficient declaration of interest, and after such general notice it shall not be necessary to give any special notice relating to any subsequent transaction with such company or firm, provided that either the notice is given at a meeting of the Directors or the Director giving the notice takes reasonable steps to secure that it is brought up and read at the next meeting of the Directors after it is given.

Any Director may act by himself or through his firm or corporate entity in a professional capacity for the Company, and he or his firm or corporate entity shall be entitled to remuneration for professional services as if he were not a Director.

Any Director may continue to be or become a director, managing director, manager or other officer or member of any company promoted by the Company or in which the Company may be interested, and no such Director shall be

accountable for any remuneration or other benefits received by him as a director, managing director, manager, or other officer or member of any such other company. The Directors may exercise the voting power conferred by the shares in any other company held or owned by the Company or exercisable by them as directors of such other company, in such manner in all respects as they think fit (including the exercise thereof in favour of any resolution appointing themselves or any of the directors, managing directors, managers or other officers of such company, or voting or providing for the payment of remuneration to directors, managing directors, managers or other officers of such company).

(g) *Borrowing Powers*

Subject to the UCITS Regulations, the Directors may exercise all of the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and assets from time to time, provided that the Company may not borrow more than 10% of its Net Asset Value and provided further that such borrowings are on a temporary basis.

(h) *Retirement of Directors*

The Directors shall not be required to retire in rotation.

(i) *Transfer of Shares*

All transfers of Shares shall be effected by transfer in writing in any usual or common form or in any other form approved by the Directors but need not be under seal.

The Directors may decline to register any transfer of Participating Shares in respect of which the Company has a lien or where the transfer would be in breach of the law or requirements mentioned in the Prospectus. The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine provided always that such registration shall not be suspended for more than 30 days in any year.

The Directors may decline to recognise any transfer of Participating Shares unless the instrument of transfer is deposited at the Company's registered office or such other place as the Directors may reasonably require and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, and the instrument of transfer relates to Shares of one class only.

(j) *Dividends*

The Constitution permits the Directors to declare on the Shares or on any class of Shares such dividends, including interim dividends, as appear to the Directors to be justified. The Directors may, with the sanction of the Company in a general meeting, satisfy any dividend due to holders of the Shares, in whole or in part, by distributing to them in specie any of the assets of the Company and, in particular, any investments to which the Company is entitled provided that, where the share capital is divided into different classes of Shares, any such distributions to the holders of one class of Shares shall not materially prejudice the interests of the holders of the other classes of Shares. Alternatively, if a holder does not wish to receive a dividend by way of in specie distribution, it may require the Directors to realise such investments necessary in order to effect the relevant distribution.

Any dividend unclaimed after a period of twelve years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund

automatically, without the necessity for any declaration of other actions by the Company.

(k) *Qualified Holders*

If it shall come to the notice of the Directors that any Shares are owned directly or beneficially by any person in breach of any law or requirement of any country or governmental authority or by virtue of which such person is not qualified to hold such Shares or who belongs, or may belong to, or is comprised in, or may be comprised in, a class of persons designated by the Directors and the Depository, the Directors may give notice to such person requiring him to transfer such Shares to a person who is qualified or entitled to own the same or to give a request in writing for the redemption of such Shares in accordance with paragraph (i) above. If any person upon whom such a notice is served does not within 30 days after such notice transfer his Shares to a person qualified to own the same or establish to the satisfaction of the Directors (whose judgement shall be final and binding) that he is qualified, entitled and permitted to own the Shares, he shall be deemed upon the expiration of 30 days to have given a request in writing for the redemption of all his Shares.

(l) *Winding Up*

The Constitution contains provisions to the following effect:-

- (i) If the Company shall be wound up, the liquidator shall apply the assets of the Company in such manner and order as he thinks fit in satisfaction of creditors' claims. The liquidator shall in relation to the assets available for distribution among the members make in the books of the Company such transfers thereof to and from Funds as may be necessary in order that the effective burden of such creditors' claims may be shared between the holders of Shares of different classes in such proportions as the liquidator in his absolute discretion may think equitable, provided always that in doing so, the liquidation shall comply with and be bound by the segregated liability provisions contained in the Constitution and the Acts.
- (ii) The assets available for distribution among the Shareholders shall then be applied in the following priority:-
  - (a) first, in the payment to the holders of the Shares of each class of a sum in the currency in which that class is designated (or in any other currency selected by the liquidator) as nearly as possible equal (at a rate of exchange determined by the liquidator) to the Net Asset Value of the Shares of such class held by such holders respectively as at the date of commencement to wind up, provided that there are sufficient assets available in the relevant Fund to enable such payments to be made. In the event that, as regards any class of Shares, there are insufficient assets available in the relevant Fund to enable such payment to be made, recourse shall be had:-
    - first, to the assets of the Company not comprised within any of the Funds; and
    - secondly, to the assets remaining in the Funds for the other classes of Shares (after payment to the holders of the Shares of the classes to which they relate of the amounts to which they are respectively entitled under this paragraph

- (a)) pro rata to the total value of such assets remaining within each such Fund;
  - (b) secondly, in the payment to the holders of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not comprised within any of the Funds remaining after any recourse thereto under paragraph (ii)(a) above. In the event that there are insufficient assets as aforesaid to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
  - (c) thirdly, in the payment to the holders of each class of Shares of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares of that class held; and
  - (d) fourthly, in the payment to the holders of the Shares of any balance then remaining and not comprised within any of the Funds, such payment being made in proportion to the number of Shares held.
- (iii) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court), then the liquidator may, with the authority of a special resolution and any other sanction required by the Acts, divide among the members in specie the whole or any part of the assets of the Company, and whether or not the assets shall consist of property of a single kind and may for such purposes set such value as he deems fair upon any one or more class or classes of property, and may determine how such division shall be carried out as between the holders of different classes of Shares. The value of such assets will be the same amount that would be received by a member for settlement in cash. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of Shareholders as the liquidator, with the like authority, shall think fit, and the liquidation of the Company may be closed and the Company dissolved, but so that no holder shall be compelled to accept any assets in respect of which there is liability. For the avoidance of doubt, if the special resolution above is passed, each member is entitled to elect on a winding-up whether or not he wishes to receive a distribution in specie or a cash distribution made in accordance with the provisions of paragraph (ii) above. However, in the absence of a member electing to receive a distribution in specie on winding-up, such member shall receive a cash distribution payment in accordance with the provisions of paragraph (ii) above. Furthermore, where the Company agrees to sell the assets, if requested by a Shareholder, the cost of such sale can be charged to the redeeming Shareholder.

## **Reports**

The financial year-end of the Company is 31 December in each year. The annual report of the Company, incorporating audited financial statements in respect of each Fund, will be published within four months of the financial year end to which it relates. The first such annual report of the Company was published in respect of the period ending 30 June 2011. The financial statements of the Company will be maintained in Euros.

Unaudited interim financial reports for the Company will be made up to 30 June each year and will be published within two months of the date on which such report is made up.

The audited annual and interim financial statements will be made available by the Company to the Shareholders either at the following website address,

[www.signetmanagement.com](http://www.signetmanagement.com), or may be sent to Shareholders by electronic mail or other electronic means of communication, within four and two months respectively after the end of the period to which they relate. Shareholders and prospective investors may also, on request, receive hard copy reports from the Administrator.

The annual and interim financial reports will be sent to the Central Bank upon publication. Where Shares of a Fund are admitted to the Official List and trading on the Main Securities Market of Euronext Dublin, the annual and interim financial reports will also be sent to Euronext Dublin upon publication.

### **Inspection of Documents**

Copies of the following documents are available for inspection and may be obtained, during normal business hours at the registered office of the Company:-

- (i) this Prospectus;
- (ii) the Constitution of the Company and any instrument amending the aforesaid document;
- (iii) the Key Investor Information Documents;
- (iv) the most recently published annual or interim report;
- (v) the material contracts of the Company;
- (vi) the UCITS Regulations; and
- (vii) the Central Bank UCITS Regulations;

Copies of the documents listed in (i) to (iv) above are available free of charge at the registered office of the Company.

### **UK Facilities**

#### *Supply and Inspection of Documents*

Copies of the following documents may be inspected (free of charge) in the United Kingdom at the offices of the Distributor at 11-12 Pall Mall, 1st Floor, London SW1Y 5LU, United Kingdom (Tel: +44 203 915 5536):

- (i) the Constitution of the Company and any instrument amending the aforesaid document;
- (ii) this Prospectus;
- (iii) the Key Investor Information Documents; and
- (iv) the most recently published annual or interim report.

Copies of the documents at (ii) and (iii) may be obtained free of charge from the above UK address. Copies of the other documents listed above may be obtained at a reasonable charge.

### *Price and Redemption*

Information relating to the price of Shares may be obtained from the above UK address and any Shareholder wishing to redeem or arrange for the redemption of Shares (and obtain payment for such Shares) may contact the Distributor at the above address.

### *Complaints*

Any complaints relating to the Company can be submitted to the Distributor at the above UK address.

### APPENDIX I

#### Investment and Borrowing Restrictions

Each Fund of the Company will be subject to the investment and borrowing restrictions that are set out in the UCITS Regulations and Central Bank UCITS Regulations. Additional restrictions (if any) relevant to a Fund will be set out in the applicable Supplement.

**1. Investments of the Company are confined to:-**

- (a) Transferable securities and money market instruments which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
- (b) Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
- (c) Money market instruments other than those dealt on a regulated market.
- (d) Units of UCITS.
- (e) Units of AIFs
- (f) Deposits with credit institutions
- (g) Financial derivative instruments

**2. Investment Restrictions**

- (a) A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
- (b) A UCITS may invest no more than 10% of net assets in recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described in paragraph 1.(a) within a year. This restriction will not apply in relation to investment by the UCITS in certain US securities known as Rule 144A securities provided that:
  - the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
  - the securities are not illiquid securities i.e. they may be realised by the UCITS within seven days at the price, or approximately at the price, at which they are valued by the UCITS.
- (c) A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.

- (d) The limit of 10% (in 2.(c)) is raised to 25% in the case of bonds that are issued by a credit institution which has its registered office in a Member State and is subject by law to special public supervision designed to protect bond-holders. If a UCITS invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS. (This restriction need not be included unless it is intended to avail of this provision and reference must be made to the fact that this requires the prior approval of the Central Bank).
- (e) The limit of 10% (in 2.(c)) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- (f) The transferable securities and money market instruments referred to in 2.(d) and 2.(e) shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.(c).
- (g) A UCITS may not invest more than 20% of net assets in deposits made with the same credit institution.
- (h) Deposits with any one credit institution, other than:
- a credit institution authorised in the EEA (European Union Member States, Norway, Iceland, Liechtenstein);
  - a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or
  - 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.
- (i) This limit may be raised to 20% in the case of deposits made with the depositary.
- (j) The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.
- (k) 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
- (l) The limits referred to in 2.(c), 2.(d), 2.(e), 2.(g), 2.(h) and 2.(i) above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- (m) Group companies are regarded as a single issuer for the purposes of 2.(c), 2.(d), 2.(e), 2.(g), 2.(h) and 2.(i). However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.



- (n) A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members.

Such individual issuers may be drawn from the following list: OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC.

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

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

- (a) A UCITS may not invest more than 20% of net assets in any one CIS.
- (b) Investment in AIFs may not, in aggregate, exceed 30% of net assets.
- (c) The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
- (d) When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.
- (e) Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment adviser receives a commission on behalf of the UCITS (including a rebated commission), the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.

### 4. **Index Tracking Funds**

- (a) A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the UCITS Regulations and is recognised by the Central Bank.
- (b) The limit in 4.(a) may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.

## 5. General Provisions

- (a) An investment company, ICAV or management company acting in connection with all of the CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- (b) A UCITS may acquire no more than:
  - (i) 10% of the non-voting shares of any single issuing body;
  - (ii) 10% of the debt securities of any single issuing body;
  - (iii) 25% of the units of any single CIS;
  - (iv) 10% of the money market instruments of any single issuing body.

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

- (c) 5. (a) and 5. (b) shall not be applicable to:
  - (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
  - (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
  - (iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.(c) to 2.(k), 3.(a), 3.(b), 5.(a), 5.(b), 5.(d), 5.(e) and 5.(f), and provided that where these limits are exceeded, paragraphs 5.(e) and 5.(f) below are observed.
  - (v) Shares held by an investment company or investment companies or ICAV or ICAVs 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.
- (d) UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- (e) The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.(c) to 2.(k), 3.(a), 3.(b), 4.(a) and 4.(b) for six months

following the date of their authorisation, provided they observe the principle of risk spreading.

- (f) If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
- (g) Neither an investment company, ICAV nor a management company or a trustee acting on behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:  
  
transferable securities;  
  
money market instruments\*;  
  
units of investment funds; or  
  
financial derivative instruments.
- (h) A UCITS may hold ancillary liquid assets.

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

- (a) The UCITS global exposure relating to FDI must not exceed its total net asset value.
- (b) Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the Central Bank UCITS Regulations. (This provision does not apply in the case of index based FDI provided the underlying index is one which meets with the criteria set out in the Central Bank UCITS Regulations.)
- (c) UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that:
- (d) The counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
- (e) Investment in FDIs are subject to the conditions and limits laid down by the Central Bank.

## APPENDIX II

### Recognised Markets

#### List of Recognised Markets

With the exception of permitted investments in unlisted securities, the Company's investments will be restricted to securities listed or traded on exchanges and markets listed below. This list of Recognised Markets is in accordance with the regulatory criteria in the Central Bank UCITS Regulations. The Central Bank does not issue a list of approved markets:

1. **All stock exchanges:-**

• In a Member State:-

Austria	Denmark	Hungary	Luxembourg	Slovakia
Belgium	Estonia	Ireland	Malta	Slovenia
Bulgaria	Finland	Italy	Netherlands	Spain
Cyprus	France	Latvia	Poland	Sweden
Czech Republic	Germany	Lithuania	Portugal	Romania
	Greece			UK

• In a Member State of the European Economic Area (EEA) (excluding Iceland and Liechtenstein)

• In any of the following countries:-

US	Australia
Canada	New Zealand
Japan	Hong Kong
Switzerland	

2. **Any stock exchange included on the following list:-**

Argentina	Buenos Aires Stock Exchange; Mercado Abierto Electronico S.A.; Mercado De Valores de Buenas Aires S.A.; Mercado a Termino de Buenas Aires S.A.; Bolsa de Comercio de Cordoba, Mendoza, Rosario and La Plaxa Stock Exchange.
Bangladesh	Dhaka Stock Exchange.
Brazil	Bolsa de Valores de Sao Paulo.
Chile	Santiago Stock Exchange; La Bolsa Electronica de Chile.

China	The stock exchanges in Shanghai and Shenzhen.
Columbia	Bogota Stock Exchange; Medellin Stock Exchange.
Croatia	The stock exchange in Zagreb.
Egypt	The stock exchanges in Cairo and Alexandria.
India	National Stock Exchange; Mumbai Stock Exchange; Bangalore Stock Exchange; Calcutta Stock Exchange; Delhi Stock Exchange; Gauhati Stock Exchange; Hyderabad Stock Exchange; Ludhiana Stock Exchange; Madras Stock Exchange; Pune Stock Exchange; Uttar Pradesh Stock Exchange Association; Bombay Stock Exchange; Ahmedabad Stock Exchange; Cochin Stock Exchange; Magadh Stock Exchange.
Indonesia	Jakarta Stock Exchange and Surabaya Stock Exchange.
Israel	Tel Aviv Stock Exchange.
Jordan	The stock exchange in Amman.
Malaysia	Bursa Malaysia Stock Exchange; Kuala Lumpur Stock Exchange.
Mauritius	Stock Exchange of Mauritius Ltd.
Mexico	Bolsa Mexicana de Valores, SA.de.cv; Bursa Malaysia Stock Exchange.
Morocco	Casablanca Stock Exchange.
Pakistan	Karachi Stock Exchange; Lahore Stock Exchange.
Peru	Bolsa de Valores de Lima.
Philippines	Philippines Stock Exchange.
Russia	Moscow Exchange
Singapore	Stock Exchange of Singapore and Singapore International Monetary Exchange (SIMEX).
South Africa	JSE Securities Exchange.
South Korea	Korea Stock Exchange.
Taiwan	Taiwan Stock Exchange.
Thailand	Stock Exchange of Thailand.
Turkey	Istanbul Stock Exchange.

3. The derivative markets approved in an EEA Member State (excluding Liechtenstein);

4. The following regulated derivatives markets:
- American Stock Exchange;
  - Montreal Stock Exchange;
  - Australian Stock Exchange;
  - New York Futures Exchange;
  - Bolsa Mexicana de Valores;
  - New York Mercantile Exchange;
  - Chicago Board of Trade;
  - New York Stock Exchange;
  - Chicago Board Options Exchange;
  - New Zealand Futures Exchange;
  - Chicago Mercantile Exchange;
  - OMLX The London Securities and Derivatives Exchange Ltd;
  - Copenhagen Stock Exchange (including FUTOP);
  - European Options Exchange;
  - OM Stockholm AB;
  - Eurex Deutschland;
  - Osaka Securities Exchange;
  - Financiële Termijnmarkt Amsterdam;
  - Pacific Stock Exchange;
  - Finnish Options Market;
  - Philadelphia Board of Trade;
  - Hong Kong Futures Exchange;
  - Philadelphia Stock Exchange;
  - International Securities Market Association;
  - Singapore International Monetary Exchange;
  - Irish Futures and Option Exchange (IFOX);
  - South Africa Futures Exchange (SAFEX);
  - Kansas City Board of Trade;

Sydney Futures Exchange, Financial Futures and Options Exchange;

The National Association of Securities Dealers Automated Quotations System (NASDAQ);

Marche a Terme des International de France;

Marche des options Negociables de Paris (MONEP);

MEFF Renta Fija, Tokyo Stock Exchange;

MEFF Renta Variable;

Toronto Futures Exchange;

Midwest Stock Exchange;

Mexican Derivatives Exchange(MexDer).

5. The market organised by the members of the International Capital Market Association;
6. The market conducted by the 'listed money market institutions' as described in the Financial Services Authority publication 'The Regulation of Wholesale Cash and OTC Derivatives Markets' (The Grey Paper);
7. AIM – the Alternative Investment Market in the UK, currently regulated and operated by the London Stock Exchange;
8. The over-the-counter market in Japan regulated by the Securities Dealers Association of Japan;
9. NASDAQ in the US;
10. The market in US government securities conducted by primary dealers regulated by the Federal Reserve Bank of New York;
11. The over-the-counter market in the US regulated by the National Association of Securities Dealers Inc;
12. The French market for 'Titres de Creance Negotiable' (over-the-counter market in negotiable debt instruments);
13. NASDAQ Europe is a recently formed market and the general level of liquidity may not compare favourable to that found on more established exchanges;
14. The over-the-counter market in Canadian Government Bonds, regulated by the Investment Dealers Association of Canada. These exchanges and markets are listed in the Articles and in accordance with the requirements of the Central Bank, which does not issue a list of approved markets;
15. The exchanges and markets are listed in accordance with the requirements of the Central Bank;
16. The Central Bank does not issue a list of approved markets; and

17. With the exception of permitted investment in unlisted securities investment in securities will be restricted to those traded on stock exchanges and markets listed in the prospectus.



## APPENDIX III

### U.S. Definitions

#### "U.S. Person"

A "U.S. 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 "U.S. 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 U.S. Person only if he or it does not satisfy any of the definitions of "U.S. person" in Rule 902 *and* qualifies as a "Non-United States person" under CFTC Rule 4.7.

"U.S. 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 U.S. person;
- (d) any trust of which any trustee is a U.S. person;
- (e) any agency or branch of a non-U.S. entity located in the United States;
- (f) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person;
- (g) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary 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-U.S. jurisdiction; and
  - (ii) formed by a U.S. person principally for the purpose of investing in securities not registered under the 1933 Act, unless it is 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, "U.S. 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-U.S. 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 U.S. person, if (A) an executor or administrator of the estate who is not a U.S. person has sole or shared investment discretion with respect to the assets of the estate, and (B) the estate is governed by non-U.S. law; (iii) any trust of which any professional fiduciary acting as trustee is a U.S. person, if a trustee who is not a U.S. person has sole or shared investment discretion with respect to the trust assets, and no beneficiary of the trust (and no settlor if the trust is revocable) is a U.S. person; (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 U.S. 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 U.S. 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-U.S. jurisdiction and which has its principal place of business in a non-U.S. jurisdiction;
- (c) an estate or trust, the income of which is not subject to U.S. 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.

#### "Benefit Plan Investor"

"Benefit Plan Investor" is used as defined in U.S. Department of Labor ("DOL") Regulation 29 C.F.R. §2510.3-101 and Section 3(42) of ERISA (collectively, the "Plan Asset Rule") and includes (i) any employee benefit plan subject to Part 4, Subtitle B of Title I of ERISA; (ii) any plan to which Code Section 4975 applies (which includes a trust described in Code Section 401(a) that is exempt from tax under Code Section 501(a), a plan described in Code Section 403(a), an individual retirement account or annuity described in Code Section 408 or 408A, a medical savings account described in Code Section 220(d), a health savings account described in Code Section 223(d) and an education savings account described in Code Section 530); and (iii) any entity whose underlying assets include plan assets by reason of a plan's investment in the entity (generally because 25 per cent. or more of a class of equity interests in the entity is owned by plans). An entity described in (iii) immediately above will be considered to hold plan assets only to the extent of the percentage of the equity interests in the entity held by Benefit Plan Investors. Benefit Plan Investors also include that portion of any insurance company's general account assets that are considered "plan assets" and (except if the entity is an investment company registered under the 1940 Act) also include assets of any insurance company separate account or bank common or collective trust in which plans invest.

## APPENDIX IV

### List of Delegates of the Depositary

<b>Argentina</b>	HSBC Bank Argentina S.A.
<b>Australia</b>	HSBC Bank Australia Ltd
<b>Austria</b>	UniCredit Bank Austria AG
<b>Bahrain</b>	HSBC Bank Middle East Ltd (Bahrain)
<b>Bangladesh</b>	The Hongkong and Shanghai Banking Corporation Ltd (Bangladesh)
<b>Belgium</b>	BNP Paribas Securities Services (Belgium)
<b>Belgium</b>	Euroclear Bank S.A./N.V.
<b>Bermuda</b>	HSBC Bank Bermuda Ltd
<b>Bosnia-Herzegovina</b>	Unicredit Bank DD (Bosnia)
<b>Botswana</b>	Standard Chartered (Botswana)
<b>Brazil</b>	Bradesco-Kirton Corretora de Títulos e Valores Mobiliários S.A.
<b>Bulgaria</b>	UniCredit Bulbank AD
<b>Canada</b>	Royal Bank of Canada
<b>Chile</b>	Banco Santander Chile
<b>China</b>	HSBC Bank (China) Ltd
<b>Colombia</b>	Itau Securities Services Colombia S.A. Sociedad Fuduciaria
<b>Croatia</b>	Privredna Banka Zagreb
<b>Cyprus</b>	HSBC Bank Plc, Athens
<b>Czech Republic</b>	Ceskoslovenska obchodni banka, a. s
<b>Denmark</b>	"Skandinaviska Enskilda Banken AB (publ),Copenhagen Branch"
<b>Egypt</b>	HSBC Bank Egypt SAE
<b>Estonia</b>	AS SEB Pank
<b>Finland</b>	Skandinaviska Enskilda Banken AB (publ.), Helsinki Branch
<b>France</b>	BNP Paribas Securities Services (France)
<b>France</b>	CACEIS Bank
<b>Germany</b>	HSBC Trinkaus & Burkhardt
<b>Ghana</b>	Standard Chartered Bank Ghana Ltd

<b>Greece</b>	HSBC France, Athens Branch (Greece)
<b>Hong Kong</b>	The Hongkong & Shanghai Banking Corporation Ltd (CNC) (HK)
<b>Hungary</b>	Unicredit Bank Hungary Zrt
<b>India</b>	The Hongkong and Shanghai Banking Corporation Ltd (India)
<b>Indonesia</b>	PT Bank HSBC Indonesia
<b>Ireland</b>	HSBC Bank Plc (Ireland)
<b>Israel</b>	Bank Leumi Le-Israel BM
<b>Italy</b>	BNP Paribas Securities Services, Milan Branch
<b>Japan</b>	The Hongkong and Shanghai Banking Corporation Ltd (Japan)
<b>Jordan</b>	Bank of Jordan Plc (Jordan)
<b>Kazakhstan</b>	JSC Citibank Kazakhstan
<b>Kenya</b>	Standard Chartered Bank Kenya Ltd
<b>Kuwait</b>	HSBC Bank Middle East Ltd (Kuwait)
<b>Latvia</b>	AS SEB Banka
<b>Lebanon</b>	Bank Audi s.a.l
<b>Lithuania</b>	AS SEB Bankas
<b>Luxembourg</b>	Clearstream Banking SA
<b>Malaysia</b>	HSBC Bank Malaysia Berhad
<b>Mauritius</b>	The Hongkong and Shanghai Banking Corporation Ltd (Mauritius)
<b>Mexico</b>	HSBC Mexico, SA
<b>Morocco</b>	Citibank Maghreb
<b>Netherlands</b>	BNP Paribas Securities Services (Netherlands)
<b>New Zealand</b>	The Hongkong and Shanghai Banking Corporation Ltd (New Zealand)
<b>Nigeria</b>	Stanbic IBTC Bank plc
<b>Norway</b>	"Skandinaviska Enskilda Banken AB (publ) Oslo Branch"
<b>Oman</b>	HSBC Bank Oman S.A.O.G.
<b>Pakistan</b>	Citibank NA (Pakistan)
<b>Palestine</b>	Bank of Jordan plc (Palestine)
<b>Peru</b>	Citibank del Peru

<b>Philippines</b>	The Hongkong and Shanghai Banking Corporation Ltd (Philippines)
<b>Poland</b>	Bank Polska Kasa Opieki SA
<b>Portugal</b>	BNP Paribas Securities Services (Portugal)
<b>Qatar</b>	HSBC Bank Middle East Ltd, Qatar
<b>Romania</b>	Citibank Europe plc, Romania branch
<b>Russia</b>	AO Citibank
<b>Saudi Arabia</b>	HSBC Saudi Arabia Ltd
<b>Serbia</b>	Unicredit Bank Serbia JSC
<b>Singapore</b>	The Hongkong and Shanghai Banking Corporation Ltd (Singapore)
<b>Slovakia</b>	Ceskoslovenska Obchodna Banka AS
<b>Slovenia</b>	Unicredit Banka Slovenija DD
<b>South Africa</b>	Standard Bank of South Africa Ltd
<b>South Korea</b>	The Hongkong and Shanghai Banking Corporation Ltd (South Korea)
<b>Spain</b>	BNP Paribas Securities Services (Spain)
<b>Sri Lanka</b>	The Hongkong and Shanghai Banking Corporation Ltd (Sri Lanka)
<b>Sweden</b>	Skandinaviska Enskilda Banken AB (publ.)
<b>Switzerland</b>	Credit Suisse (Switzerland) Ltd
<b>Taiwan</b>	HSBC Bank (Taiwan) Ltd
<b>Tanzania</b>	Standard Chartered Bank (Mauritius) Ltd, Tanzania
<b>Thailand</b>	The Hongkong and Shanghai Banking Corporation Ltd (Thailand)
<b>Turkey</b>	HSBC Bank AS
<b>Uganda</b>	Standard Chartered (Uganda)
<b>United Arab Emirates</b>	HSBC Bank Middle East Ltd (UAE)
<b>United Kingdom</b>	HSBC Bank Plc (UK)
<b>United States</b>	Brown Brothers Harriman & Co
<b>United States</b>	Citibank, N.A. (USA)
<b>United States</b>	HSBC Bank (USA) NA
<b>Vietnam</b>	HSBC (Vietnam) Ltd
<b>Zambia</b>	Standard Chartered Bank (Zambia) Plc