

Nomura Nikkei 225 EUR-Hedged UCITS ETF

Supplement to the Prospectus

This Supplement contains information in relation to the Nomura Nikkei 225 EUR-Hedged UCITS ETF (the "**Fund**"), a sub-fund of Nomura NEXT FUNDS Ireland plc (the "**Company**") an umbrella type open-ended investment company with variable capital, governed by the laws of Ireland and authorised by the Central Bank of Ireland (the "**Central Bank**") of Block D, Iveagh Court, Harcourt Road, Dublin 2, Ireland.

This Supplement forms part of, and must be read in conjunction with, the Prospectus of the Company dated 16 January 2017, as may be amended, supplemented or modified from time to time, (the "Prospectus") and may not be distributed unless accompanied by the Prospectus (other than to prior recipients of the Prospectus).

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY OF THE SHARES REPRESENTING INTERESTS IN THE FUND DESCRIBED IN THIS SUPPLEMENT YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS SUPPLEMENT YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

Capitalised terms used in this Supplement will have the meanings given to them in the Definitions section below or in the Prospectus.

In addition to investing in equities and equity related securities, transferable securities and other eligible assets, it is the intention of the Company to invest on behalf of the Fund in financial derivative instruments ("FDIs") for investment and efficient portfolio management purposes, where applicable.

Investors should note that the Sub-Fund may invest principally in FDI. This may expose the Fund to particular risks involving FDI. The risks attached to investments in FDIs are set out in the Prospectus under the section headed "Risk Factors".

You should inform yourself as to (a) the possible tax consequences, (b) the legal and regulatory requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which you might encounter under the laws of the country of your citizenship, residence or domicile and which might be relevant to your purchase, holding or disposal of the Shares.

Nomura NEXT FUNDS Ireland plc

An umbrella fund with segregated liability between the sub-funds

Dated 16 January 2017

IMPORTANT INFORMATION

Suitability of Investment

The Shares are not principal protected. The value of the Shares may go up or down and you may not get back the amount you have invested. See the section headed "Risk Factors" of the Prospectus for a discussion of certain risks that should be considered by you.

An investment in the Shares is only suitable for you if you (either alone or with the help of an appropriate financial or other advisor) are able to assess the merits and risks of such an investment and have sufficient resources to be able to bear any losses that may result from such an investment. The contents of this document are not intended to contain and should not be regarded as containing advice relating to legal, taxation, investment or any other matters.

Profile of a Typical Investor

The Fund is suitable for investors seeking capital appreciation and who are prepared to accept a high level of volatility. Investment in the Fund should be viewed as a medium to long term investment.

Responsibility

The Directors (whose names appear under the heading "**Directors of the Company**" of the Prospectus) accept responsibility for the information contained in the Prospectus and this Supplement. 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 Supplement when read together with the Prospectus (as complemented, modified or supplemented by this Supplement) is in accordance with the facts as at the date of this Supplement and does not omit anything likely to affect the import of such information.

General

This Supplement sets out information in relation to the Shares and the Fund. You must also refer to the Prospectus which is separate to this document and describes the Company and provides general information about offers of shares in the Company. You should not take any action in respect of the Shares unless you have received a copy of the Prospectus. Should there be any inconsistency between the contents of the Prospectus and this Supplement, the contents of this Supplement will, to the extent of any such inconsistency, prevail. This Supplement and the Prospectus should both be carefully read in their entirety before any investment decision with respect to Shares is made.

As of the date of this Supplement, the Company does not have any loan capital (including term loans) outstanding or created but unissued and no outstanding mortgages, charges or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantees or other contingent liabilities.

Application has been made to the Irish Stock Exchange for the EUR Shares of the Fund to be admitted to the Official List and to trading on the Main Securities Market of the Irish Stock Exchange. It is expected that admission will become effective on or about the date of this Supplement. The Prospectus of the Company and this Supplement, including all information required to be disclosed by the listing requirements of the Irish Stock Exchange, constitute listing particulars for the purpose of listing the EUR Shares of the Fund on the Irish Stock Exchange.

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

Distribution of this Supplement and Selling Restrictions

Distribution of this Supplement is not authorised unless accompanied by a copy of the Prospectus and the latest annual report and audited accounts of the Company and the Fund (other than to prior recipients of the Prospectus) and if published after such report, a copy of the then latest semi-annual report and unaudited accounts. The distribution of this Supplement and the offering or purchase of the Shares may be restricted in certain jurisdictions. If you receive a copy of this Supplement and/or the Prospectus you may not treat such document(s) as constituting an offer, invitation or solicitation to you to subscribe for any Shares unless, in the relevant jurisdiction, such an offer, invitation or solicitation could lawfully be made to you without compliance with any registration or other legal requirement other than those with which the Company has already complied. If you wish to apply for the opportunity to purchase any Shares it is your duty to inform yourself of, and to observe, all applicable laws and regulations of any relevant jurisdiction. In particular, you should inform yourself as to the legal requirements of so applying, and any applicable exchange control regulations and taxes in the countries of your respective citizenship, residence or domicile.

Definitions

Words and expressions defined in the Prospectus will, unless otherwise defined in this Supplement, have the same meaning when used in this Supplement.

Investment Manager

The Company has appointed Nomura Alternative Investment Management (Europe) Limited (the "**Investment Manager**") as Investment Manager to manage and invest the assets of the Fund in accordance with the investment objective, policies and restrictions described in this Supplement and the Prospectus.

TERMS OF THE SHARES REPRESENTING INTERESTS IN THE FUND

Exchange Traded Fund

The Fund is an Exchange Traded Fund (“**ETF**”). The Shares of this Fund (where they are listed on the Relevant Stock Exchanges) are fully transferable among investors. It is envisaged that Shares will be bought and sold by public and institutional investors in the secondary market in the same way as the ordinary shares of a listed trading company.

The Directors of the Company may create new Share Classes from time to time, provided that the creation of any such new Share Classes is notified in advance to and cleared by the Central Bank. A separate pool of assets will not be maintained for each of the Share Classes.

Investment Objective

The investment objective of the Fund is to replicate the performance, less the applicable Total Expense Ratio, of the Nikkei 225 Total Return EUR Hedged Index (the “**Benchmark**”), a EUR-hedged version of the Nikkei 225 Total Return Index (the “**Reference Index**”), which is designed to reflect the performance of the shares of certain companies in Japan.

General Description of the Reference Index and the Benchmark

The Reference Index is the total return version of the Nikkei Stock Average (the “**Nikkei Stock Average**”); the Tokyo stock market index calculated since 1950 and published by the Japanese newspaper Nihon Keizai Shimbun / Nikkei Inc. (the “**Index Provider**”).

The Nikkei Stock Average is a price-weighted index comprised of 225 highly liquid stocks selected from Japanese domestic securities which are traded on the Tokyo Stock Exchange First Section. The Tokyo Stock Exchange First Section is for the largest companies - often referred to as 'blue chip' companies. Constituents of the Reference Index are selected on the basis of two factors, the liquidity of the stock and the sector balance. The Reference Index only selects the most liquid of the equities included on the Tokyo Stock Exchange. The Nikkei Stock Average and the Reference Index are calculated daily in Japanese Yen.

The Benchmark is a version of the Reference Index, currency-hedged into the relevant currency (EUR) to reduce the impact of exchange rate fluctuations between the Benchmark's currency and the Reference Index currency.

The index value in respect of the Benchmark is determined in accordance with the relevant Benchmark calculation methodology.

There will be no active management of the Benchmark so as to enhance returns beyond those embedded in the rules of the Benchmark.

Index Provider

The Reference Index and the Benchmark are sponsored by Nikkei Inc. and/or Nikkei Digital Media Inc. and more details on the Reference Index can be found on the [Index Provider's website](#).

Further description of the Reference Index, the Benchmark, their detailed methodologies as well as their respective daily level can be found on the Index Provider's website: <http://indexes.nikkei.co.jp/en/nkave>.

The Reference Index is rebalanced on an annual basis.

The Reference Index and the Benchmark are calculated in Japanese Yen and Euro respectively.

Primary Investment Strategy of the Fund (Physical Replication)

In order to seek to achieve the investment objective, the Investment Manager, on behalf of the Fund, will invest, using a replication strategy:

- (i) in the 225 components of the Reference Index (in accordance with the index guidelines of the Nikkei Stock Average being the rules that govern the selection of and weightings of the components of the Reference Index);
- (ii) marginally, in Derivative Contracts (the "**Nikkei 225 Futures**") relative to the Reference Index subject to the Investment Restrictions set forth in the Prospectus; and
- (iii) in currency forwards and other currency instruments (such as currency swaps) in order to deliver the performance due to the FX component of the Benchmark.

In order to replicate the performance of the Reference Index, the Investment Manager will invest in line with (i) and (ii) above, however in certain circumstances, there might be size, liquidity, market constraints that would not allow the Fund to invest through (i) and thus to obtain the exposure to the Reference Index, the Fund investment would happen through (ii). The Fund will utilise (iii) to replicate the FX component of the Benchmark.

The Fund may gain exposure to the Reference Index through the use of Nikkei 225 Futures as set out above. Futures are financial contract obligating the Fund as the buyer to purchase an asset (or the Fund as the seller to sell an asset), such as a security, components of the Reference Index or the Reference Index, at a predetermined future date and price. The purpose of the Nikkei 225 Futures shall be to gain indirect exposure to the Reference Index or the Benchmark.

The Fund may as part of its Primary Investment Strategy utilize currency forwards. A currency forward is an agreement between two counterparties in which the Fund agrees to delivery one currency in exchange for another currency at a pre-agreed exchange rate (i.e. the forward rate). The Fund may also utilise currency swaps. Currency swaps are agreements between two parties to exchange future payments in one currency for payments in another currency

In addition, in seeking to implement its investment objective of replicating the performance of the Benchmark, the Fund may also in exceptional circumstances where components of the Reference Index are unavailable hold similar type securities to the components of the Reference Index which are not comprised in the Reference Index. Such similar type securities include, for example, securities for which there has been an announcement that they will shortly be included in the Reference Index and securities with similar characteristics to the components of the Nikkei Stock Average (as further detailed above) that will allow the Fund to deliver the performance of the Reference Index. Consequently, the prime criterion for selecting the similar type securities is not their perceived attractiveness or potential growth or value but rather their suitability in terms of attaining the investment objective of replicating the performance of the Reference Index. In addition, in certain exceptional circumstances as set out above, the Fund may invest in other exchange traded funds ("**ETFs**") which gain exposure to the Reference Index allowing the Fund to deliver the performance of the Reference Index. Where the Fund does invest in ETFs will be in accordance with the requirements of the Central Bank Rules.

Further information relevant to the Fund's investment policy is contained in the main part of the Prospectus under "**Investment Objectives and Policies**" and under "**Investment Restrictions**".

Secondary Investment Strategy of the Fund (Synthetic Replication)

The current intention of the Fund is to gain exposure to the Reference Index through the Primary Investment Strategy as detailed above, however the Fund may also invest in Swaps (each swap being an agreement between the Company on behalf of the Fund and an Approved Counterparty pursuant to a master agreement in accordance with the requirements of the International Swaps and Derivatives Association), and such swaps may include unfunded or total return (as further described in the Prospectus under "**Use of Derivative Contracts – Swaps**") (the "**Swaps**"). For the avoidance of doubt, the Fund may not invest in funded swaps. The purpose of the Swaps shall be to gain indirect exposure to the Reference Index or the Benchmark. The Fund may enter into Swaps with an Approved Counterparty pursuant to which a Fund will be entitled to receive from the Approved Counterparty the performance of the components of the Reference

Index in exchange for the payment to the Approved Counterparty of payments linked to the return on some or all of the components of the Reference Index held by a Fund.

The current intention of the Fund is to gain exposure to the Reference Index via the Primary Investment Strategy. However, the Fund may, having due regard to the best interests of Shareholders, decide from time to time to switch partially or totally between the Primary Investment Strategy and the Secondary Investment Strategy where, for example, it is no longer possible to purchase securities of the Reference Index. The Company shall inform Shareholders in advance of any such switch and the Supplement shall be updated accordingly.

Each Approved Counterparty to the Swaps and the Company on behalf of the Fund have entered into a master agreement (including any supporting agreements) and will enter into confirmations for each Swap transaction. Such confirmations may be entered into before or after the relevant transaction and may be in electronic form.

Further information relevant to the Fund's investment policy is contained in the main part of the Prospectus under "**Investment Objectives and Policies**" and under "**Investment Restrictions**".

Tracking Error

The performance of each Share Class on each Dealing Day is expected to reflect the performance of the Benchmark for that day after expenses.

As of the date of this Supplement, the anticipated level of tracking error in normal market conditions after fees is 0.2 % per annum. Investors should note that this level of tracking error is an objective and it may not be achieved over a significant period of time, including in normal market conditions. The annual report of the Company will provide an explanation of any divergence between the anticipated and realised tracking error for the relevant period.

One of the primary drivers of tracking error is the difference between a Fund's holdings and Reference Index constituents. The difference may be higher than expected. Cash management and trading costs from rebalancing can also have a material impact on tracking error. The Fund may also have a tracking error due to withholding tax suffered by the Company and/or the Fund on any income received from its Investments. The foregoing is not an exhaustive list of factors that may affect the anticipated level of tracking error.

Further information on the index replication strategy is contained in the main body of the Prospectus under the heading 'Tracking Error'.

Use of Derivative Contracts

Information is provided in the Prospectus of the Company under the heading "Use of Financial Derivative Instruments and Efficient Portfolio Management"

Securities Lending and Repurchase Transactions

Investors should note that the Fund may also engage in securities lending and repurchase transactions (for the purposes of efficient portfolio and cash management and not for investment purposes) as further described under "Securities Lending and Repurchase Transactions" and "Collateral Policy" sections in the main body of the Prospectus.

Efficient Portfolio Management

The Company may also (for the purposes of efficient portfolio and cash management and not for investment purposes), invest in cash deposits, money market instruments and units of UCITS regulated money market collective investment schemes.

Further information on efficient portfolio management is contained in the main body of the Prospectus under the heading "Use of Financial Derivative Instruments and Efficient Portfolio Management".

Borrowings and Lending Powers

In accordance with the general provisions set out in the Prospectus under the heading "**Borrowing and Lending Powers**", the Company on behalf of the Fund may borrow up to 10% of the Net Asset Value of the Fund on a temporary basis. Such borrowings may only be used for short term liquidity purposes.

Leverage

The global exposure which the Fund gains from the use of financial derivative instruments will be measured using the commitment approach in accordance with the requirements of the Central Bank.

The expected level of leverage implemented by the Fund is 0% of its Net Asset Value. However the Benchmark that the Fund seeks to replicate incorporates a foreign currency hedging methodology which may result in leverage being generated from time to time on an intra-month basis. The maximum global exposure and resulting maximum leverage of the Fund is 50% of its Net Asset Value. Any leverage within the Benchmark will be removed when the FX component of the Benchmark is rebalanced each month.

Dividend Policy

Investors should refer to the information contained in the "Dividend Policy" section in the main body of the Prospectus.

The Fund does not intend to issue dividends.

Investment Restrictions

Investors in particular must note that the general investment restrictions set out under "**Investment Restrictions**" in the Prospectus apply to the Fund. In addition the following investment restrictions shall apply to the Fund:

The Fund may avail of the higher investment limits allowed to certain index replicating funds, as described at paragraph 6.6 of the section of the Prospectus headed "Investment Restrictions".

No Share Class of the Fund will invest more than 10% of its assets in units or shares of other UCITS or other CIS in order to be eligible for investments by UCITS governed by the UCITS Directive.

If the investment limits of the Fund are exceeded for reasons beyond the control of the Directors, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of the Shareholders.

The Fund as set above utilises the replication strategy accordingly, investment in any Share Class should be considered to provide a direct exposure to the Benchmark.

Details of the Fund's tracking error and trading difference is set out in the section of the Prospectus entitled "Tracking Error".

Fund Details

Investment Manager	Nomura Alternative Investment Management (Europe) Limited
Sub-Investment Manager	Nomura Asset Management Co., Limited
Distributors	Nomura Asset Management U.K. Limited Nomura International plc
Fund Type	Open-ended
Base Currency	EUR
Business Day	Any day (except Saturday or Sunday) on which commercial banks and markets are open for business in London and Tokyo (or such other day as the Directors may from time to time determine and notify in advance to Shareholders)
Dealing Day	Any Business Day

Investor Trade Remittance Cut-off	3.00 p.m. (Dublin time) on the Investor Trade Remittance Day immediately preceding the relevant Dealing Day.
Valuation Point	4.00 p.m. (Dublin time) on each Dealing Day
Launch Date	15 January 2015
Minimum Fund Size	10,000,000 EUR or any such amount as maybe decided by the Directors from time to time in their full discretion
Settlement Date	Up to 4 Target and Tokyo Business Days after the relevant Dealing Day.
Publication of Share Prices	Up to one Business Day after the relevant Dealing Day - information on Fund Assets and the Fund's iNAV is set out on the Website.

Target and Tokyo Business Day is any day (except Saturday or Sunday) on which commercial banks and markets are open for settlement in Target and Tokyo.

The Fund will only accept cash subscriptions, unless the Directors determine otherwise.

Description of Share Classes

Classes of Share	Launch date	Minimum Subscription Amount	Minimum Redemption Amount	Minimum Holdings	ISIN	Accumulation or Income
EUR	15 January 2015	30,000 Share (or equivalent cash amount)	30,000 Share (or equivalent cash amount)	The equivalent cash amount of 1 Share	IE00BSKS1J57	Accumulation

Intra-Day Portfolio Value ("iNAV")

Further information on intra-day portfolio value is contained in the main body of the Prospectus under the heading "Intra-Day Portfolio Value".

Fees and Expenses

The following table describes the fees and expenses you may pay if you buy and hold Shares and will not be incurred by the Company on behalf the Fund, and accordingly will not affect the Net Asset Value of the relevant Share Class of the Fund.

Shareholder Fees (fees paid directly from your investment)	Fees / Percentage
TER per Share Class	Up to 0.60% per annum
Subscription Charge	Up to 5% of the Net Asset Value
Redemption Charge	Up to 3% of the Net Asset Value per share
Switching Charge	Up to 3% of the net asset value of Shares exchanged

The TER is payable to the Investment Manager, and the Investment Manager is then responsible for the payment of all other operational expenses of the Fund.

The Promoter shall discharge the fees associated with the establishment and approval of the Fund.

This section headed "**Fees and Expenses**" should be read in conjunction with the sections headed "**Fees and Expenses**" and "**Issue and Repurchase Price/Calculation of Net Asset Value/Valuation of Assets**" in the Prospectus.

Risk Factors

Investors should refer to the Prospectus under the heading "Risk Factors" for disclosure of risks.

Disruption Events

Investors should refer to the information contained in the "Disruption Events" section in the main body of the Prospectus.

Miscellaneous

The Company has one additional sub-fund.

- 1 Nomura Nikkei 225 USD-Hedged UCITS ETF;
- 2 Nomura JPX-Nikkei 400 Net Total Return Daily EUR Hedged Index UCITS ETF; and
- 3 Nomura JPX-Nikkei 400 Net Total Return Daily USD Hedged Index UCITS ETF.

Disclaimers

THE NIKKEI 225 IS A COPYRIGHTED MATERIAL CALCULATED IN A METHODOLOGY INDEPENDENTLY DEVELOPED AND CREATED BY NIKKEI INC., AND NIKKEI INC. IS THE SOLE EXCLUSIVE OWNER OF THE COPYRIGHT AND OTHER INTELLECTUAL PROPERTY RIGHTS IN THE NIKKEI 225 ITSELF AND THE METHODOLOGY TO CALCULATE THE NIKKEI 225.

NIKKEI DIGITAL MEDIA INC. AS AUTHORIZED BY NIKKEI INC. GRANTED A LICENSE TO THE LICENSEE TO USE THE NIKKEI 225 AS BASIS FOR THE FUND.

THE INTELLECTUAL PROPERTY AND ANY OTHER RIGHTS IN THE MARKS TO INDICATE NIKKEI AND THE NIKKEI 225 SHALL BE VESTED IN NIKKEI INC.

NIKKEI INC. AND/OR NIKKEI DIGITAL MEDIA, INC. DOES NOT SPONSOR, SUPPORT, SELL OR MARKET THE FUND. NIKKEI INC. AND/OR NIKKEI DIGITAL MEDIA, INC. HAS - BESIDES GRANTING THE LICENSE TO THE LICENSEE TO USE CERTAIN TRADEMARKS AND TO USE THE NIKKEI 225 FOR THE FUND – NO CONNECTION WITH THE FUND. THE LICENSE AGREEMENT BETWEEN NIKKEI DIGITAL MEDIA, INC. AND THE LICENSEE DOES NOT PROVIDE ANY RIGHTS TO ANY THIRD PARTIES.

THE FUND IS MANAGED EXCLUSIVELY AT THE RISK OF THE LICENSEE AND NIKKEI INC. AND/OR NIKKEI DIGITAL MEDIA, INC. SHALL ASSUME NO OBLIGATION OR RESPONSIBILITY FOR ITS MANAGEMENT AND TRANSACTIONS OF THE FUND. NIKKEI INC. AND/OR NIKKEI DIGITAL MEDIA, INC. IS NOT RESPONSIBLE FOR THE ACCURACY AND THE CALCULATION OF THE FUND OR THE DATA CONTAINED THEREIN.

NIKKEI INC. AND/OR NIKKEI DIGITAL MEDIA, INC. SHALL NOT HAVE THE OBLIGATION TO CONTINUOUSLY ANNOUNCE THE NIKKEI 225 AND SHALL NOT BE LIABLE FOR ANY ERROR, DELAY, INTERRUPTION, SUSPENSION OR CESSATION OF ANNOUNCEMENT THEREOF; AND NIKKEI INC. AND NIKKEI DIGITAL MEDIA, INC. SHALL HAVE THE RIGHT TO CHANGE THE DESCRIPTION OF THE STOCKS INCLUDED IN THE NIKKEI 225, THE CALCULATION METHODOLOGY OF THE NIKKEI 225 OR ANY OTHER DETAILS OF THE NIKKEI 225 AND SHALL HAVE THE RIGHT TO SUSPEND OR CEASE THE ANNOUNCEMENT OF THE NIKKEI 225 WITHOUT OWNING ANY LIABILITY TO THE LICENSOR OR ANY OTHER THIRD PARTY.

THE DIRECTORS OF THE COMPANY AND THE INVESTMENT MANAGER TOGETHER THE “RESPONSIBLE PARTIES” DO NOT GUARANTEE THE ACCURACY AND/OR THE COMPLETENESS OF ANY DESCRIPTION RELATING TO THE REFERENCE INDEX OR ANY DATA INCLUDED THEREIN AND THE RESPONSIBLE PARTIES SHALL HAVE NO LIABILITY FOR ANY ERRORS, OMISSIONS, OR INTERRUPTIONS HEREIN. THE APPROVED RESPONSIBLE PARTIES MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE FUND, ANY SHAREHOLDER IN THE FUND, OR TO ANY OTHER PERSON OR ENTITY IN RESPECT OF THE INDEX DESCRIBED HEREIN.

THE INDEX PROVIDER MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE REFERENCE INDEX OR STRATEGY OR ANY DATA INCLUDED HEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL THE INDEX PROVIDER HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES OR FOR ANY LOST PROFITS, EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

Nomura NEXT FUNDS Ireland plc

(an umbrella fund with segregated liability between sub-funds)

A company incorporated with limited liability
as an open-ended investment company with variable capital
under the laws of Ireland with
registered number 547929

PROSPECTUS

This Prospectus is dated 16 January 2017

The Directors of Nomura NEXT FUNDS Ireland plc whose names appear in this Prospectus accept responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Directors (who have taken all reasonable care to ensure such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. This Prospectus should be read in conjunction with the Supplements dealing with the relevant Fund(s).

1 Important Information

THIS DOCUMENT IS IMPORTANT. BEFORE YOU PURCHASE ANY OF THE SHARES YOU SHOULD ENSURE THAT YOU FULLY UNDERSTAND THE NATURE OF SUCH AN INVESTMENT, THE RISKS INVOLVED AND YOUR OWN PERSONAL CIRCUMSTANCES. IF YOU ARE IN ANY DOUBT ABOUT THE CONTENTS OF THIS PROSPECTUS YOU SHOULD TAKE ADVICE FROM AN APPROPRIATELY QUALIFIED ADVISOR.

Potential subscribers and purchasers of Shares should consult a stockbroker, bank manager, solicitor, accountant or other financial advisor and inform themselves as to (a) the possible tax consequences, (b) the legal requirements, (c) any foreign exchange restrictions or exchange control requirements and (d) any other requisite governmental or other consents or formalities which they might encounter under the laws of the countries of their incorporation, citizenship, residence or domicile and which might be relevant to the subscription, purchase, holding or disposal of Shares.

Authorisation

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.

The value of and income from Shares in the Company may go up or down and you may not get back the amount you have invested in the Company.

Information applicable to the Company generally is contained in this Prospectus. Shares constituting each Fund offered by the Company are described in the Supplements to this Prospectus.

The Company is an umbrella investment company with segregated liability between sub-funds (hereinafter referred to as "**Funds**") and with variable capital incorporated on 14 August 2014 and is authorised in Ireland as an undertaking for collective investment in transferable securities pursuant to the UCITS Regulations. **Such authorisation is not an endorsement or guarantee of the Company or any Fund by the Central Bank, nor is the Central Bank responsible for the contents of this Prospectus.**

General

The Company is structured as an umbrella investment company, in that different Funds may be established from time to time by the Directors with the prior approval of the Central Bank.

The particulars of each Fund will be set out in a separate Supplement. Any such Supplement shall list all of the existing Funds. Shares of more than one Class may be issued in relation to a Fund. Information contained within the Supplements is selective and should be read in conjunction with this Prospectus. The creation of any new Classes of Shares must be notified to and cleared in advance by the Central Bank. On the introduction of any new Class of Shares, the Company will prepare and the Directors will issue documentation setting out the relevant details of each such Class of Shares. A separate portfolio of assets shall be maintained for each Fund and shall be invested in accordance with the investment objective applicable to such Fund.

Shares in any of the Funds may be subscribed for or redeemed in cash. Shares may also be bought or sold on the secondary market (as described below).

The Company may decline any application for Shares in whole or in part without assigning any reason therefor and will not accept an initial subscription for Shares of any amount which is less

than the Minimum Subscription Amount as set forth in the Supplement for the relevant Fund, unless the Minimum Subscription Amount is waived by the Directors.

After the initial issue, Shares will be issued and redeemed at the Net Asset Value per Share plus or minus duties and charges (as the case may be) including any Subscription Charge, Redemption Charge or Switching Charge, as specified in the relevant Supplement, and any applicable Anti-Dilution Adjustments and any Anti-Dilution Levies. The Net Asset Value of the Shares of each Class and the Issue and Redemption Prices will be calculated in accordance with the provisions summarised under the heading "**Issue and Redemption Prices/Calculation of Net Asset Value/Valuation of Assets**" in this Prospectus.

The Shares of each Fund may be listed on one or more Relevant Stock Exchanges and if so listed shall be fully transferable by Shareholders. It is envisaged that Shares will be bought and sold by retail and institutional investors and professional traders in the secondary market like the ordinary shares of a listed company. However, the Company cannot guarantee that a liquid secondary market will develop in relation to the Shares of any particular Fund.

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

Shares in the relevant Fund which are purchased on the secondary market (as further described in section 10 of the Prospectus) cannot usually be redeemed directly from the Company. Investors normally sell their Shares on the secondary market with the assistance of an intermediary (e.g. a stockbroker or other investment broker) and may incur fees for investing in this manner. In addition, please note that such investors may pay more than the current Net Asset Value per Share when purchasing Shares on the secondary market and may receive less than the current Net Asset Value when selling their shareholding.

Where the value of the Shares quoted on the secondary market significantly differs or varies from the current Net Asset Value per Share, investors who hold their shares through a secondary market will be permitted to redeem their shareholding directly from the Company. For example, this may apply in cases of market disruption such as the absence of a market maker. In such situations, information will be communicated to the regulated market indicating that the Company is open for direct redemptions. Such secondary market investors should refer to section 9.3 of the Prospectus for details on how to process such redemption requests. Only the actual costs of providing this facility (i.e. those costs associated with liquidating any underlying positions) will be charged to such secondary market investors and in any event, the fees in respect of any such redemptions shall not be excessive.

The preceding paragraph is subject to the requirements of the Central Bank and any applicable laws.

Details of Dealing Days in respect of each Fund are set out in the relevant Supplement.

A Redemption Charge of up to 3% of the Net Asset Value per Share of a Fund may be charged by the Company. The amount of the Redemption Charge (if any) will be set out in the Supplement for the relevant Fund.

Before investing in the Company, you should consider the risks involved in such investment. Please see "**Risk Factors**" below and where applicable to each Fund in the relevant Supplement.

Defined terms used in this Prospectus shall have the meaning attributed to them in the section entitled "Definitions".

Selling Restrictions

This Prospectus may not be used for the purpose of an offer or solicitation in any jurisdiction or in any circumstances in which such offer or solicitation is unlawful or not authorised.

The Articles give powers to the Directors to impose restrictions on the holding of Shares by (and consequently to compulsorily redeem Shares held by), or the transfer of Shares to, any United States Persons (unless pursuant to an exemption under U.S. securities laws); or by any person who appears to be in breach of any law or requirement of any country or governmental authority by virtue of which such person is not qualified to hold such Shares; or by any person or persons in circumstances (whether directly or indirectly affecting such person or persons, and whether taken alone or in conjunction with any other persons, connected or not, or any other circumstances appearing to the Directors to be relevant) which, in the opinion of the Directors, might result in the Company or the relevant Fund incurring any liability to taxation or suffering any other pecuniary, regulatory, legal or material administrative disadvantages which the Company or the relevant Fund might not otherwise have incurred, suffered or breached; or any individual under the age of 18 (or such other age as the Directors think fit) or of unsound mind. The Articles also permit the Directors where necessary to redeem and cancel Shares (including a fraction of portion thereof) held by a person who is, or is deemed to be, or is acting on behalf of, an Irish Taxable Person on the occurrence of a chargeable event for Irish taxation purposes as described under "**Taxation**" below (together "**Prohibited Persons**").

This Prospectus and its Supplements may be translated into other languages. Any such translation shall only contain the same information and have the same meanings as this English language document. Where there is any inconsistency between this English language document and the document in another language, this English language document shall prevail except to the extent (but only to the extent) required by the laws of any jurisdiction where the Shares are sold so that in an action based upon disclosure in a document of a language other than English, the language of the document on which such action is based shall prevail, solely for the purposes of such action and to the extent so required.

Any information given, or representations made, by any dealer, salesman or other person not contained in this Prospectus or in any reports and accounts of the Company forming part hereof must be regarded as unauthorised and accordingly must not be relied upon. Neither the delivery of this Prospectus nor the offer, issue or sale of Shares shall under any circumstances constitute a representation that the information contained in this Prospectus is correct as of any time subsequent to the date of this Prospectus. To reflect material changes, this Prospectus may from time to time be updated and intending subscribers should enquire of the Administrator as to the issue of any later Prospectus or as to the issue of any reports and accounts of the Company.

United States

The Company does not currently issue, offer for sale (directly or indirectly) or permit the transfer of Shares to or for the benefit of U.S. Persons (as defined in this Prospectus). The Shares may not be assigned, resold, pledged, exchanged or otherwise transferred (each, a "**Transfer**") to or for the benefit of a U.S. Person.

The Shares have not been, and will not 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. The Company has not been, and will not 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.

The Directors will reject any proposed purchase of Shares by, or Transfer of Shares to, a U.S. Person or for the benefit of a U.S. Person and will require the transfer or redemption of any Shares held by, or for the benefit of, any person who is a U.S. Person or is holding Shares for the

account of, or for the benefit of, a U.S. Person.

Any Shareholder who becomes a U.S. Person after his or its initial investment in the Company may have their Shares compulsorily redeemed in accordance with the provisions of this Prospectus and will be prohibited from purchasing additional Shares of any sub-fund of the Company, or exchanging Shares of one sub-fund for Shares of another sub-fund, for so long as such Shareholder is a U.S. Person.

Each Shareholder is required to notify the Company immediately of any change in his or its status as a U.S. Person.

Notwithstanding the foregoing, the Directors shall **not** consent to the creation or issuance of any Structured Product that is entered into or issued with or to any entity (each, a “**Structured Product Investor**”), such that (i) the Structured Product Investor (and, where the Structured Product is held by the Structured Product Investor on behalf of any underlying beneficial owner, such underlying beneficial owner) would be a beneficial owner of Shares for purposes of the 1940 Act unless such Structured Product Investor (and, where applicable, underlying beneficial owner) is not a U.S. Person; or (ii) the sale of the Structured Product or the purchase of the Structured Product by any Structured Product Investor (and, where the Structured Product is held by the Structured Product Investor on behalf of any underlying beneficial owner, such underlying beneficial owner) would result in any violation by the Company, any sub-fund of the Company and/or any investment adviser to the Company or any sub-fund of the Company of any laws or regulations in any jurisdiction.

Notwithstanding the foregoing, if the Directors decide to issue, offer for sale (directly or indirectly) or permit the transfer of Shares (i) in the United States or (ii) to or for the benefit of U.S. Persons, prior to any such issuance, offer or transfer, the Directors will determine the resulting United States regulatory requirements applicable to the Investment Manager, the Company and the Funds and take the appropriate steps to ensure that none of the Investment Manager, the Company or the Funds is in violation of any United States laws or regulations.

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2 Directory

COMPANY

Nomura NEXT FUNDS Ireland plc
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

DIRECTORS

Jean-Philippe Royer
Akihiro Watanabe
Yoshikazu Chono
Barry McGrath
Mike Kirby

INVESTMENT MANAGER

Nomura Asset Management U.K. Limited
1 Angel Lane
London EC4R 3AB
United Kingdom

Nomura Alternative Investment Management (Europe) Limited
1 Angel Lane
London EC4R 3AB
United Kingdom

See relevant Supplement

DISTRIBUTOR

Nomura International plc
1 Angel Lane
London EC4R 3AB
United Kingdom

Nomura Asset Management U.K. Limited
1 Angel Lane
London EC4R 3AB
United Kingdom

DEPOSITARY

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

ADMINISTRATOR

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

SECRETARY

MFD Secretaries Limited
Beaux Lane House
Mercer Street Lower
Dublin 2
Ireland

AUDITORS

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

IRISH LEGAL ADVISERS TO THE COMPANY

Maples and Calder
75 St. Stephen's Green
Dublin 2
Ireland

3 Definitions

"Accounting Period"	means a period ending on 31 March of each year.
"Administration Agreement"	means the administration agreement dated 23 December 2014 between the Company and the Administrator as amended, supplemented or otherwise modified from time to time in accordance with the requirements of the Central Bank.
"Administrative Expenses"	means the administrative expenses defined in Section 11.1 (b).
"Administrator"	means State Street Fund Services (Ireland) Limited or any other person or persons for the time being duly appointed administrator in succession to the said State Street Fund Services (Ireland) Limited in accordance with the requirements of the Central Bank.
"Affiliate"	means any legal or natural person which in relation to the person concerned is (i) a holding company, (ii) a subsidiary of any such holding company; (iii) a subsidiary or (iv) controlled directly or indirectly by the person concerned and "control" of an entity for this purpose means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract or otherwise and, in any event and without limitation of the foregoing, any entity owning more than 50% of the voting securities of a second entity shall be deemed to control that second entity.
"AIF"	means an alternative investment fund as defined in regulation 5(1) of the European Union (Alternative Investment Fund Managers) Regulations 2013 (S.I. No. 257 of 2013) and/or any other collective investment undertaking meeting the criteria outlined in Regulation 68(e) of the UCITS Regulations.
"Anti-Dilution Adjustment"	means an adjustment made on the value of the relevant net subscriptions and/or net repurchases as per the procedure described in the paragraph "Anti-Dilution Adjustment (" Swing Pricing ")" in the "Share Dealing" section.
"Anti-Dilution Levy"	means an adjustment made on a transaction basis in the case of net subscriptions and/or net repurchases as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription/ repurchase calculated for the purposes of determining a subscription price or repurchase price to reflect the impact of duties and charges and other dealing costs relating to the acquisition or disposal of assets and to preserve the value of the underlying assets of the relevant Fund.
"Application Form"	means the form which must be submitted with the Subscription Form upon an initial application or exchange of Shares. It only needs to be submitted with subsequent applications if the investors' details or circumstances have changed from when this form was submitted.

"Approved Counterparty"	means Nomura International plc, or any other entity selected by the Company as may be described in the relevant Supplement, provided always that the relevant entity is, in relation to OTC derivatives, one falling within a category permitted by the Central Bank Rules.
"Articles"	means the Memorandum and Articles of Association of the Company.
"Associated Person"	<p>a person is associated with a Director if, and only if, he or she is:</p> <ul style="list-style-type: none"> (a) that Director's spouse, parent, brother, sister or child; (b) a person acting in his capacity as the trustee of any trust, the principal beneficiaries of which are the Director, his spouse or any of his children or any body corporate which he controls; (c) a partner of that Director. <p>A company will be deemed to be connected with a Director if it is controlled by that Director.</p>
"Authorised Participant"	means an entity or person authorised by the Company for the purposes of subscribing for and redeeming Shares in a Fund.
"Base Currency"	means in relation to any Fund such currency as is specified in the Supplement for the relevant Fund.
"Business Day"	means a day defined as a Business Day on the Website or such other day or days as may be set out in the Supplement for the relevant Fund or any such additional day as the Directors may in their discretion determine as a Business Day and notify in advance to Shareholders.
"Calculation Agent"	means the calculation agent of any FDI to which the Fund is a party.
"Central Bank"	means the Central Bank of Ireland or any successor authority.
"Central Bank Regulations"	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, supplemented, consolidated, substituted in any form or otherwise modified from time to time.
"Central Bank Rules"	means the Central Bank Regulations and any other statutory instrument, 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.
"Class(-es)"	means the class or classes of Shares relating to a Fund where specific features with respect to subscription, exchange or redemption charge, minimum subscription amount, dividend policy, investor eligibility criteria, voting rights or other specific features may be applicable. The details applicable to each Class will be described in the Supplement for the relevant Fund.

"Clearing Agent"	means any entity affiliated with one or more Relevant Stock Exchanges and which facilitates the validation, delivery and settlement of transactions in the Company's Shares.
"Collateral"	means assets delivered as defined under the relevant credit support annex, Securities Financing Transaction for a Fund and which are acceptable collateral in each case in accordance with the Collateral Policy.
"Collateral Policy"	means the Company's collateral policy.
"Common Depositary"	the entity appointed as a depositary for the International Central Securities Depositories, currently Euroclear UK & Ireland Limited (CREST system).
"Company"	means Nomura NEXT FUNDS Ireland plc.
"Companies Act"	means the Companies Act 2014 including any regulations issued pursuant thereto, insofar as they apply to open-ended investment companies with variable capital.
"Connected Person"	means the persons defined as such in the section headed "7.5 Potential Conflicts of Interest" .
"Courts' Service"	means the entity that is responsible for the administration of moneys under the control or subject to the orders of the courts.
"CRS"	means the Standard for Automatic Exchange of Financial Account Information approved on 15 July 2014 by the Council of the Organisation for Economic Cooperation and Development, also known as the Common Reporting Standard, and any bilateral or multilateral competent authority agreements, intergovernmental agreements and treaties, laws, regulations, official guidance or other instrument facilitating the implementation thereof and any law implementing the Common Reporting Standard.
"Dealing Day"	means in relation to each Fund such day or days as is specified in the relevant Supplement or such other day(s) as the Directors may with the approval of the Administrator determine and notify in advance to Shareholders provided always that there shall be at least one Dealing Day per fortnight during each calendar month.
"Dematerialised Form"	means in relation to Shares, means Shares, title to which is recorded as being in uncertificated form and which may be transferred by means of a computer based settlement system in accordance with the Companies Act.
"Depositary"	means State Street Custodial Services (Ireland) Limited or any successor duly appointed by the Company in accordance with the Central Bank Rules.
"Depositary Agreement"	means the depositary agreement made between the Company and the Depositary dated 27 April 2016, as may be amended from time to time.
"Directors"	means the directors of the Company.

"Distributor"	means Nomura International plc or Nomura Asset Management U.K. Limited, details of the relevant distributor will be set out in the Supplement for the relevant Fund.
"Disruption Events"	means a Market Disruption Event, a Force Majeure Event or an Index Disruption and Adjustment Event.
"EEA"	means the European Economic Area (Member States, Iceland, Norway, and Liechtenstein).
"EEA Member State"	means a member state of the EEA.
"ETF"	means exchange traded fund(s).
"EU"	means the European Union.
"Exceptional Expenses"	means the exceptional expenses defined as such in the section headed "Fees and Expenses" .
"Exempted Irish Investor"	<p>means a Shareholder who comes within any of the categories listed below and has provided a Relevant Declaration (where required) to this effect to the Company in a form acceptable to the Company:</p> <ul style="list-style-type: none"> (a) a qualifying management company within the meaning of section 739B(1) TCA; (b) a specified company within the meaning of section 734(1) TCA; (c) an investment undertaking within the meaning of section 739B(1) TCA; (d) an investment limited partnership within the meaning of section 739J TCA; (e) a pension scheme which is an exempt approved scheme within the meaning of section 774 TCA, or a retirement annuity contract or a trust scheme to which section 784 or 785 TCA applies; (f) a company carrying on life business within the meaning of section 706 TCA; (g) a special investment scheme within the meaning of section 737 TCA; (h) a unit trust to which section 731(5)(a) TCA applies; (i) a charity being a person referred to in section 739D(6)(f)(i) TCA; (j) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 784A(2) TCA and the Shares held are assets of an approved retirement fund or an approved minimum retirement fund; (k) a qualifying fund manager within the meaning of section 784A TCA or a qualifying savings manager within the meaning of section 848B TCA, in respect of Shares which are assets of a special savings incentive account within the meaning of section 848C TCA;

- (l) a person who is entitled to exemption from income tax and capital gains tax by virtue of section 787I TCA and the Shares held are assets of a personal retirement savings account as defined in section 787A TCA;
- (m) the National Pensions Reserve Fund Commission;
- (n) the National Asset Management Agency;
- (o) the Courts Service;
- (p) a credit union within the meaning of section 2 of the Credit Union Act 1997;
- (q) an Irish resident company, within the charge to corporation tax under Section 739G(2) TCA, but only where the fund is a money market fund;
- (r) a company which is within the charge to corporation tax in accordance with section 110(2) TCA in respect of payments made to it by the Company; and
- (s) any other person as may be approved by the Directors from time to time provided the holding of Shares by such person does not result in a potential liability to tax arising to the Company in respect of that Shareholder under Part 27, Chapter 1A TCA.

"FATCA"

means:

- a) sections 1471 to 1474 of the US Internal Revenue Code of 1986 or any associated regulations or other official guidance;
- b) any intergovernmental agreement, treaty, regulation, guidance or other agreement between the Government of Ireland (or any Irish government body) and the US, UK or any other jurisdiction (including any government bodies in such jurisdiction), entered into in order to comply with, facilitate, supplement, implement or give effect to the legislation, regulations or guidance described in paragraph (a) above; or
- c) any legislation, regulations or guidance in Ireland that give effect to the matters outlined in the preceding paragraphs.

"FDI"

means a financial derivative instrument (including an OTC derivative) permitted by the UCTIS Regulations.

"Financial Conduct Authority"

means the financial conduct authority of the United Kingdom;

"Force Majeure Event"

means an event or circumstance (including, without limitation, a systems failure, natural or man-made disaster, act of God, armed conflict, act of terrorism, riot or labour disruption or any similar intervening circumstance) that is beyond the reasonable control of the Investment Manager and that the Investment Manager determines affects the Fund Assets.

"Fund"

means a separate portfolio of assets which is invested in accordance with the investment objective and policies set out in the relevant Supplement and to which all liabilities, income and expenditure attributable or allocated to such portfolio shall be

applied and charged and Funds means all or some of the Funds as the context requires or any other portfolios as may be established by the Company from time to time with the prior approval of the Central Bank.

"Fund Assets"	means the transferable securities, financial derivative instruments, other financial instruments and eligible assets invested in by a Fund and cash held by the Fund in accordance with the UCITS Regulations, as further described in the relevant Supplement.
"Global Share Certificate"	means the certificates issued in the name of the Company (as described in further detail under "Form of the Shares and Register").
"Group Companies"	means companies which are included in the same group for the purposes of consolidated accounts, as defined in accordance with Directive 83/349/EEC or in accordance with international accounting rules.
"In-Kind Transaction Fee"	means the fee amount payable by an Authorised Participant in the currency specified in the relevant Supplement, in addition to the value of the Shares subscribed for, or deducted from the value of the Shares redeemed.
"Index Disruption and Adjustment Events"	means in respect of a Reference Index or a Reference Asset, an event which impacts the ability of the counterparty to perform its obligations under one or more derivative contracts, further information in respect of which is set out at Section 7.6.
"Index Provider"	means in relation to a Fund, the entity or person acting by itself or through a designated agent which compiles, calculates and publishes information on the Index corresponding to a Fund and who has licensed the Index to the Company, as specified in the relevant Supplement.
"Initial Issue Price"	means the price per Share (excluding any Subscription Charge) at which Shares are initially offered in a Fund for such period as is specified in the Supplement for the relevant Fund.
"Intermediary"	means a person who carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons, or holds units in an investment undertaking on behalf of other persons.
"International Securities Depositaries"	Central such Recognised Clearing and Settlement Systems used by the Fund issuing their Shares through the International Central Securities Depository settlement system, which is an international settlement system connected to multiple national markets.
"Investment Manager"	means such investment manager or any successor thereto as duly appointed in accordance with the requirements of the Central Bank Rules as the investment manager to a Fund and set out in the Supplement for the relevant Fund.
"Investor Money Regulations"	means the Central Bank (Supervision and Enforcement) Act 2013 (Section 48(1)) Investor Money Regulations 2015 for Fund

Service Providers, as may be amended from time to time.

"Investment Management Fee"	means the investment management fee defined in Section 11.1 (a).
"Irish Resident"	(i) in the case of an individual, means an individual who is resident in Ireland for tax purposes (ii) in the case of a company, means a company who is resident in Ireland for tax purposes (iii) in the case of a trust, means a trust that is resident in Ireland for tax purposes
"Investor Trade Remittance Cut-off"	means in relation to applications for subscription, exchange or redemption of Shares in a Fund on any Investor Trade Remittance Day, the dates and times specified in the Supplement for the relevant Fund.
"Investor Trade Remittance Day"	means in relation to each Fund, any day (except Saturday or Sunday) on which commercial banks and markets are open for business in London and Dublin; or such other day or days as is specified in the relevant Supplement.
"Irish Taxable Person"	means any person resident, in Ireland or ordinarily resident, other than an Exempted Irish Investor.
"Issue Price"	means the price at which Shares are issued, as further described in the section headed "Issue and Redemption Prices/Calculation of Net Asset Value" .
"Launch Date"	means the date on which the Company issues Shares relating to a Fund in exchange for subscription proceeds as set out in the Supplement for each Fund.
"Market"	means a stock exchange or regulated market which is provided for in the Articles and listed in Appendix II.
"Market Disruption Event"	means the occurrence or existence of one or more of the following events, which occur in relation to any Fund Asset (or to a component of such Fund Asset, the Reference Index or Reference Asset, or any derivative contract related thereto (" Affected Instrument ") and this definition is to be construed accordingly): (i) it is not possible to obtain a prompt or accurate price or value (or an element of such price or value) of any Affected Instrument according to the rules or normal accepted procedures for the determination of such price or value (whether due to the non-publication of such price or value or otherwise); (ii) the calculation of the price or value of any Affected Instrument is, at the relevant time, in the opinion of the Directors and/or Investment Manager, impractical or impossible to make;

- (iii) there is a reduction in liquidity in any Affected Instrument in the determination of the Directors and/or the Investment Manager;
- (iv) any suspension of or limitation is imposed on trading on any exchanges, quotation systems or "over-the-counter" market where any Affected Instrument is traded; and/or there exists an event or circumstance that prevents or materially limits transactions in any Affected Instrument. For the purpose of this definition, a limitation on the hours and number of days of trading will not constitute a Market Disruption Event if it results from an announced change in the regular business hours of the relevant exchange, **PROVIDED HOWEVER** that where a limitation on trading imposed during the course of the day by reason of movements in price otherwise exceeding levels permitted by the relevant exchange may, if so determined by the Directors and/or Investment Manager, constitute a Market Disruption Event;
- (v) where the Affected Instrument is not traded on any exchange, quotation system or other similar system, the Directors and/or the Investment Manager is unable to obtain (a) from dealers in the Affected Instrument firm quotations in respect thereof or (b) a subscription or a redemption price of any Affected Instrument according to the rules or normal accepted procedures for such Affected Instrument;
- (vi) the occurrence of any event that generally makes it impossible or impractical to convert any currency which was, immediately prior to the occurrence of such event, a foreign exchange currency, as determined by the Directors and/or Investment Manager;
- (vii) the occurrence of any event that generally makes it impossible or impractical to convert between the currency of the country of issue and/or country of payment of any Affected Instrument and the Base Currency through customary legal channels, as determined by the Directors and/or the Investment Manager;
- (viii) the occurrence of any event that generally makes it impossible or impractical to deliver or transfer (a) the currency from accounts inside the country of issue and/or country of payment of any Affected Instrument to accounts outside such country of issue and/or country of payment or (b) the currency of the country of issue and/or country of payment of any Affected Instrument between accounts inside such country of issue and/or country of payment, or to a party that is a non-resident of the country of issue and/or country of payment, as determined by the Directors and/or Investment Manager;
- (ix) a general moratorium is declared in respect of banking activities in London, Dublin, New York, Tokyo or TARGET; and/or

- (x) further Market Disruption Events may apply in respect of a specific Fund and in such instance, additional details shall be included in the Supplement for the relevant Fund.

"Market Makers"	means financial institutions that are member of the Relevant Stock Exchanges and have signed a market making contract with the Company or that are registered as such with the Relevant Stock Exchanges.
"Member State"	means a member state of the EU.
"Minimum Fund Size"	means such amount (if any) as the Directors may consider for each Fund and as set out in the Supplement for the relevant Fund.
"Minimum Holding"	means such number of Shares or Shares having such value (if any) as is specified in the Supplement for the relevant Fund.
"Minimum Redemption Amount"	means such amount (whether the redemption be in cash or in-kind) as specified in the Supplement for the relevant Fund.
"Minimum Subscription Amount"	means such amount (whether the subscription be in cash or in-kind) as is specified in the Supplement for the relevant Fund.
"Money Market Instruments"	means money market instruments permitted by the UCITS Regulations and as further described in the relevant Supplement.
"Month"	means calendar month.
"Net Asset Value or Net Asset Value per Share"	means in respect of the assets of a Fund or in respect of a Share of any Class, the amount determined in accordance with the principles set out in this Prospectus under the heading "Issue and Redemption Price/Calculation of Net Asset Value/Valuation of Assets" as the Net Asset Value of a Fund or the Net Asset Value per Share.
"Non-Voting Shares"	means a particular Class of Shares that do not carry the right to notice of or to attend or vote at general meetings of the Company of the relevant Fund.
"OECD"	means the Organisation for Economic Co-operation and Development.
"OTC derivative"	means an FDI which is dealt in an "over-the-counter" market.
"Personal Portfolio Investment Undertaking"	means an investment undertaking, under the terms of which some or all of the property of the undertaking, may be or was, selected by, or the selection or some or all of the property may be or was, influenced by: <ul style="list-style-type: none">(i) the investor;(ii) a person acting on behalf of the investor;(iii) a person connected with the investor;(iv) a person connected with a person acting on behalf of the

investor;

(v)the investor and a person connected with the investor; or

(vi)a person acting on behalf of both the investor and a person connected with the investor.

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

"Prospectus"

means the prospectus issued from time to time by the Company as amended, supplemented, consolidated or otherwise modified from time to time.

"Prudential Regulatory Authority"

means the prudential regulatory authority of the United Kingdom;

"Recognised Clearing and Settlement System"

means any clearing system for the settlement of transactions in relation to the securities designated by the Revenue Commissioners of Ireland as a Recognised Clearing and Settlement System for the purposes of Chapter 1(a) of Part 27 of the Taxes Consolidation Act, 1997 which at the date hereof comprise Clearstream Banking SA, Clearstream Banking AG, Euroclear, Crest, National Securities Clearing System, Sicovam SA, SIS Sega Intersettle AG, NECIGEF("Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.-the Dutch central institute for giro transferred securities), Deutsche Bank AG, Depository & Clearing System, Central Moneymarkets Office, Depository Trust Company of New York, Japan Securities Depository Centre (JASDEC), Monte Titoli SpA, The Canadian Depository for Securities Ltd. and VPC AB (Sweden).

"Redemption Charge"

means the charge, if any, to be paid out of the Redemption Price which Shares may be subject to, as specified in the relevant Supplement.

"Redemption Form"

means the form which may be submitted to make an application to redeem Shares.

"Reference Asset"

means the basket of securities or other eligible assets whose performance a Fund will aim to replicate, or track the performance of, pursuant to its investment objective and in accordance with its investment policies, as specified in the relevant Supplement. The "Reference Asset" could comprise multiple baskets of securities or other eligible assets, and references to "Reference Asset" shall be read accordingly.

"Reference Index"

means the index of securities or other eligible assets whose performance a Fund will aim to replicate, or track the performance of, pursuant to its investment objective and in accordance with its investment policies, as specified in the

relevant Supplement. The Reference Index could comprise several indices, and references to "Reference Index" shall be read accordingly.

"Register"	means the register of Shareholders of the Company.
"Registered Shares"	means Shares which are issued in registered form of which the ownership is registered and documented in the Company's Register.
"Related Companies"	has the meaning assigned thereto in Section 2 (10) of the Companies Act as amended from time to time. In general, this provision states that companies are related where 50% of the paid up share capital of, or 50% of the voting rights in, one company are owned directly or indirectly by another company.
"Relevant Declaration"	means the declaration relevant to the Shareholders as set out in Schedule 2B TCA.
"Relevant Institution"	means (a) a credit institution authorised in the EEA Member States; (b) a credit institution authorised with a signatory state (other than an EEA Member State) to the Basel Capital Convergence Agreement of July 1988 (Switzerland, Canada, Japan, United States); or (c) a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
"Relevant Period"	means a period of 8 years beginning with the acquisition of Shares by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding relevant period.
"Relevant Stock Exchanges"	means markets on which the Shares of the Funds will be listed such as the Directors may determine from time to time.
"Redemption Price"	means the price at which Shares are redeemed, as further described in the section headed "Issue and Redemption Prices/Calculation of Net Asset Value" .
"Securities Financing Transactions"	means transactions defined as such under the SFTR, as follows: (a) a reverse repurchase/ repurchase transaction; (b) securities or commodities lending and securities and commodities borrowing; (c) a buy-sell back transaction or sell-buy back transaction; or (d) a margin lending transaction.
"Setting Up Costs"	means the costs defined as such in the section headed "Fees and Expenses" .
"Settlement Date"	means in respect of receipt of monies for payment of subscription monies or dispatch of monies for the redemption of Shares the dates specified in the Supplement for each Fund.
"SFTR"	means Regulation (EU) 2015/2365 of the European Parliament and of the Council on transparency of securities financing transactions and of reuse and amending Regulation (EU) No 648/2012, as may be amended, supplemented or replaced from time to time.

"Shares"	means participating shares in the Company and includes, where the context so permits or requires, the Shares in a Fund which may be divided into different Classes, such Shares may be Voting Shares or Non-Voting Shares.
"Shareholders"	means holders of Shares, and each a "Shareholder" .
"Structured Finance Securities"	means eligible debt or equity securities or other financial instruments, including asset-backed securities and credit-linked securities.
"Subscription Charge"	means the charge, if any, payable to the Company on subscription for Shares as specified in the relevant Supplement.
"Subscription Form"	means the subscription form to be completed in respect of each purchase of Shares.
"Subscriptions/Redemptions Accounts"	means the account in the name of the Company through which subscription monies and redemption proceeds and dividend income (if any) for each Fund are channelled, the details of which are specified in the Application Form
"Supplement"	means the Supplements to this Prospectus (each a "Supplement") and any Supplement issued by the Company in relation to the creation of new Funds and/or share Classes.
"Switching Charge"	means the charge, if any, payable on the switching of Shares as is specified in the Supplement for the relevant Fund.
"TARGET"	means the Trans-European Automated Real-time Gross settlement Express Transfer system.
"TCA" and "Taxes Act"	means the Taxes Consolidation Act, 1997, as amended.
"TER"	means total expense ratio, being the level of fees and expenses payable by each Fund as set out in the Supplement for the relevant Fund (excluding Transaction Fees).
"Transaction Fees"	means the fees defined as such under the section headed "Fees and Expenses" .
"Transferable Securities"	means transferable securities permitted by the UCITS Regulations and as further described in the relevant Supplement.
"Transfer Taxes"	means all stamp, transfer and other duties and taxes for which the Company may be liable in relation to a Fund for receiving the requisite securities on a subscription for Shares or delivering the requisite securities on redemption of one or more Shares.
"UCITS"	means an undertaking for collective investment in transferable securities pursuant to the UCITS Directive.
"UCITS Directive"	means the EC Council Directive 85/0111 EEC of 20 December 1985 (OJ No. L375/3 of 31 December 1985) on the Co-ordination of Laws, Regulations and Administrative Provisions relating to UCITS, as amended, supplemented or replaced from

time to time.

"UCITS Regulations"

means the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations 2011 (S.I. 352 of 2011) as amended by the European Union (Undertakings for Collective Investment in Transferable Securities) (Amendment) Regulations 2016, as may be modified, amended, supplemented, consolidated or re-enacted from time to time;

"UCITS V"

means Directive 2014/91/EU of the European Parliament and of the Council of 23 July 2014 amending Directive 2009/65/EC on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as regards depositary functions, remuneration and sanctions as amended from time to time and including any supplementing European Commission delegated regulations in force from time to time.

"United Kingdom" or "UK"

means the United Kingdom of Great Britain and Northern Ireland.

"United States" or "U.S. or US"

means the United States of America, its territories, possessions and all areas subject to its jurisdiction (including the Commonwealth of Puerto Rico).

"United States Person" or "U.S. Person"

- (a) Pursuant to Regulation S of the 1933 Act, "U.S. Person" includes;
- (i) any natural person resident in the United States;
 - (ii) any partnership or corporation organised or incorporated under the laws of the United States;
 - (iii) any estate of which any executor or administrator is a U.S. Person;
 - (iv) any trust of which any trustee is a U.S. Person;
 - (v) any agency or branch of a foreign entity located in the United States;
 - (vi) 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;
 - (vii) 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; or
 - (viii) any partnership or corporation if:
 - (a) organised or incorporated under the laws of any foreign jurisdiction; and

- (b) 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) under the 1933 Act) who are not natural persons, estates or trusts.
- (b) Notwithstanding (a) above, 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 shall not be deemed a "U.S. Person."
- (c) Notwithstanding (a) above, any estate of which any professional fiduciary acting as executor or administrator is a U.S. Person shall not be deemed a U.S. Person if:
 - (i) an executor or administrator of the estate who is not a U.S. Person has sole or shared investment discretion with respect to the assets of the estate; and
 - (ii) the estate is governed by foreign law.
- (d) Notwithstanding (a) above, any trust of which any professional fiduciary acting as trustee is a U.S. Person shall not be deemed 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.
- (e) Notwithstanding (a) above, 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 shall not be deemed a U.S. Person.
- (f) Notwithstanding (a) above, any agency or branch of a U.S. Person located outside the United States shall not be deemed a "U.S. Person" 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.
- (g) The International Monetary Fund, the International Bank for Reconstruction and Development, the Inter-American Development Bank, the Asian Development Bank, the African Development Bank, the United Nations, and their agencies, affiliates and pension plans, and any other similar international organisations, their agencies,

affiliates and pension plans shall not be deemed "U.S. Persons."

- (h) Notwithstanding (a) above, a person excluded from the definition of a "Non-United States person" as used in CFTC Rule 4.7 (as such definition may be amended from time to time) shall be deemed a U.S. Person. For the avoidance of doubt, a person is excluded from this definition of U.S. Person only if he or it qualifies as a "Non-United States person" under CFTC Rule 4.7.

"Valuation Point"

means the point in time by reference to which the Net Asset Value of a Fund is calculated, as is specified in the Supplement for the relevant Fund.

"Voting Shares"

means the Shares of a particular Class that carry the right to vote at general meetings of the Company and the relevant Fund.

"Website"

means <http://www.nomuranow.com/naim> or such other website for each Fund as set out in the relevant Supplement, on which the Net Asset Value per Share and the capitalisation of the relevant Fund in its Base Currency will be published and on which this Prospectus, the Supplements and any other information in respect of the Company or any of the Funds, including various shareholder communications may be published.

In this Prospectus references to "**Euro**" and "**€**" are references to the lawful currency of Ireland, references to "**Sterling**" or "**£**" are to the lawful currency of the United Kingdom and references to "**US\$**" or "**US Dollars**" are to the currency of the United States. All references to the foregoing currencies shall include any successor currency.

4 Management & Administration

4.1 Directors of the Company

The "**Directors**" of the Company are described below:

Jean-Philippe Royer

Mr. Royer is the Chief Executive Officer of Nomura Alternative Investment Management (Europe) Ltd, and has been with Nomura since 2008. He has more than 16 years of experience in the financial services industry, mostly spent in senior positions in structured and quantitative asset management at major financial institutions in London, Paris and Luxembourg. Mr. Royer holds a Master in Management, major in Corporate Finance from EDHEC Business School.

Akihiro Watanabe

Mr. Watanabe is Managing Director in the Product Planning and Development Department of Nomura Asset Management Co Ltd. Tokyo. Mr. Watanabe joined Nomura in April 1990 following graduation from The Tokyo Institute of Technology with a BSc in Mechanical Engineering. Prior to joining the Product Planning and Development Department in 2015 he was a Managing Director in the Financial Institution Marketing department of Nomura Fund Research and Technology.

Yoshikazu Chono

Mr. Chono was appointed Managing Director and Chief Operating Officer for Nomura Asset Management U.K. Ltd in April 2015. Mr. Chono has worked for Nomura in various roles since he graduated from Osaka University in Japan in March 1984. Prior to becoming COO Mr. Chono was Managing Director of the Product Planning & Development and Fund Operation Departments in Tokyo. Mr. Chono spent 9 years in Luxembourg between July 1999 and June 2008 where he finished his spell as President and Managing Director of Nomura Bank (Luxembourg S.A.).

Barry McGrath

Mr. McGrath, an Irish resident, is a solicitor and was a partner from May 2003 to June 2008 in a large Irish law firm. Mr. McGrath specialises in financial services and fund management law. Mr. McGrath is a graduate of University College Dublin.

Mike Kirby

Mr. Kirby is the Managing Principal at KB Associates, a firm which provides a range of advisory and project management services to the offshore mutual funds industry. He has held senior positions at Bank of New York (previously RBS Trust Bank) (1995-2000) where he was responsible for the establishment and ongoing management of its Dublin operations and was also a Director of Royal Bank of Scotland's global custody operations in Jersey. Prior to this he was Vice President of product management & marketing global securities services with JP Morgan (previously Chase Manhattan Bank) (1993-1995) in London. Most recently (2000-2002) he was a Senior Vice President of MiFund Inc, a privately owned mutual funds supermarket incorporated in the USA, and Managing Director of MiFund Services Limited its wholly owned Irish subsidiary. Mr. Kirby holds a Bachelor of Commerce (Honours) Degree from University College Dublin and is a Fellow of the Institute of Chartered Accountants in Ireland. He is a founder member of the Irish Funds Industry Association.

No Director has:

- (a) had any unspent convictions in relation to indictable offences; or

- (b) been a director of any company or partnership which, while he was a director with an executive function or partner at the time of or within the 12 months preceding such events, been declared bankrupt, went into receivership, liquidation, administration or voluntary arrangements; or
- (c) been subject to any official public incrimination and/or sanctions by statutory or regulatory authorities (including designated professional bodies); or been disqualified by a court from acting as a director of a company or from acting in the management or conduct of affairs of any company.

Save for the information disclosed herein, no further information is required to be given in respect of the Directors pursuant to the listing requirements of the Irish Stock Exchange.

For the purposes of this Prospectus, the address of all of the Directors is the registered office of the Company.

4.2 Investment Manager

The Company shall appoint either Nomura Alternative Investment Management (Europe) Limited or Nomura Asset Management U.K. Limited as the investment manager (the "**Investment Manager**") in respect of a Fund and details of the relevant investment manager will be set out in the Supplement for the relevant Fund.

Details of any sub-investment manager appointed by an Investment Manager will be provided to Shareholders on request and will be disclosed in the periodic reports issued by the Company. Such sub-investment managers shall generally be paid by the relevant Investment Manager out of its fee and not out of the assets of the relevant Fund. In the event that a sub-investment manager is paid directly by the relevant Fund, details relating to that sub-investment manager shall be set out in the Supplement for the relevant Fund.

4.3 Distributor

The Company shall appoint either Nomura Asset Management U.K. Limited or Nomura International plc ("**Nomura International**") to act as distributor of shares of the Company and a relevant Fund and details of the relevant distributor will be set out in the Supplement for the relevant Fund.

Nomura International is a part Nomura Holdings, Inc., the Asia-based financial services group with an integrated global network spanning over 30 countries. NIP is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. It operates as a global financial firm offering distribution and investment advisory services and provides inter alia fixed income, equity, derivatives, and investment banking services.

Fees and expenses of the Nomura Asset Management U.K. Limited and Nomura International, will be at normal commercial rates and will be borne by the relevant Fund(s).

Nomura Asset Management U.K. Limited is the entity that primarily promotes the Company. Details of Nomura Asset Management U.K. Limited are as set out in Section 4.2, above.

4.4 Depositary

The Company has appointed State Street Custodial Services (Ireland) Limited as depositary of the Company pursuant to the Depositary Agreement with responsibility for acting as depositary of the assets of each Fund.

The Depositary is a company incorporated with limited liability in Ireland on 22 May, 1991. Its registered office is as specified in the directory. It is an indirect, wholly-owned subsidiary of State Street Corporation. The principal activity of the Depositary is to act as depositary to collective investment schemes. The Depositary is regulated by the Central

Bank. Its authorised share capital is STG£5,000,000 and its issued and paid up capital is STG£200,000.

The Depositary shall carry out functions in respect of the Company including but not limited to the following:

- (i) the Depositary shall (a) hold in custody all financial instruments capable of being registered or held in a financial instruments account opened in the Depositary's books and all financial instruments capable of being physically delivered to the Depositary; (b) ensure that all financial instruments that can be registered in a financial instruments account opened in the Depositary's books are registered in the Depositary's books within segregated accounts in accordance with the principles set out in Article 16 of Commission Directive 2006/73/EC, opened in the name of the Company, so that they can be clearly identified as belonging to the Company in accordance with the applicable law at all times;
- (ii) the Depositary shall verify the Company's ownership of all assets (other than those referred to in (i) above) and maintain and keep up-to-date a record of such assets it is satisfied are owned by the Company;
- (iii) the Depositary shall ensure effective and proper monitoring of the Company's cash flows; and
- (iv) the Depositary shall be responsible for certain oversight obligations in respect of the Company – see "Summary of Oversight Obligations" below.

As at the date of this Prospectus, the Depositary has entered into written agreements delegating the performance of its safekeeping function in respect of certain of the Funds' assets to State Street Bank and Trust Company as global custodian who in turn, as at the date of this Prospectus, has appointed the sub-delegates listed in Appendix III.

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

Summary of Oversight Obligations:

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

- (i) the sale, issue, redemption and cancellation of Shares effected on behalf of the Company are carried out in accordance with the Companies Act, Central Bank Rules and the Articles;
- (ii) the value of Shares is calculated in accordance with the Companies Act, Central Bank Rules and the Articles;
- (iii) in transactions involving the Company's assets, any consideration is remitted to it within time limits which are acceptable market practice in the context of a particular transaction;
- (iv) the Company and each Fund's income is applied in accordance with the Companies Act, Central Bank Rules and the Articles;
- (v) the instructions of the Company are carried out unless they conflict with the Companies Act, Central Bank Rules and the Articles; and
- (vi) it has enquired into the conduct of the Company in each Accounting Period and reports thereon to the Shareholders. The Depositary's report will be delivered to the Company in good time to enable the Directors to include a copy of the report in the

annual report of each Fund. The Depositary's report will state whether in the Depositary's opinion each Fund has been managed in that period:

- a. in accordance with the limitations imposed on the investment and borrowing powers of the Fund imposed by the Articles and/or the Central Bank under the powers granted to the Central Bank under the Companies Act; and
- b. otherwise in accordance with the provisions of the Companies Act and the Articles.

If the Company has not complied with (a) or (b) above, the Depositary will state why this is the case and will outline the steps that the Depositary has taken to rectify the situation. The duties provided for above may not be delegated by the Depositary to a third party.

The Depositary shall be liable to the Company for any loss incurred by the Company arising from the Depositary's negligent or intentional failure to properly fulfil its obligations pursuant to UCITS V or the Depositary Agreement. In the absence of negligent or intentional failure to properly fulfil such obligations, the Depositary shall not be liable to the Company or any other person with respect to any act or omission in connection with the services provided under the Depositary Agreement. Subject to applicable law, the Depositary shall not be liable to the Company or any other person for special, indirect or consequential damages arising out of or in connection with the performance or non-performance of its duties and obligations.

The Depositary shall be liable to the Company and its Shareholders for the loss, by the Depositary (or any third party delegate), of a financial instrument held in custody. In such circumstances the Depositary shall return a financial instrument of identical type or the corresponding amount to the relevant Fund without undue delay. The Depositary shall not be liable if it can prove that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

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

4.5 Administrator

The Company has appointed State Street Fund Services (Ireland) Limited (the "**Administrator**") to act as administrator, registrar and transfer agent of the Company with responsibility for performing the day to day administration of the Company, including the calculation of the Net Asset Value and the Net Asset Value per Share of each Fund.

State Street Fund Services (Ireland) Limited has been appointed to act as administrator, transfer agent and registrar of the Fund pursuant to the Administration Agreement. The Administrator has the responsibility for the administration of the Fund's affairs including the calculation of the Net Asset Value per Unit and preparation of the accounts of the Fund, subject to the overall supervision of the Company. The Administrator is a limited liability company incorporated in Ireland on 15 October, 1991 and is ultimately owned by State Street Corporation. The authorised share capital of State Street Fund Services (Ireland) Limited is STG£5,000,000 with an issued and paid up capital of STG£250,000. State Street Corporation is a leading world-wide specialist in providing sophisticated global investors with investment servicing and investment management. State Street Corporation is headquartered in Boston, Massachusetts, U.S.A., and its stock is traded on the New York Stock Exchange under the symbol "STT".

4.6 Paying Agent

The Company may appoint a paying agent (a "**Paying Agent**") to act on behalf of the Company and a fund.

Local regulations in EEA countries may require the appointment of paying agents and the maintenance of accounts by such agents through which subscriptions and redemption monies may be paid. The role of the Paying Agent may entail, for example maintaining accounts through which subscription and repurchase proceeds and dividends are paid. Investors who choose or are obliged under local regulations to pay/receive subscription/repurchase monies via the intermediary entity rather than directly to the Depositary or the Company bear a credit risk against that entity with respect to a) subscription monies prior to the transmission of such monies to the Depositary for the account of the Company or relevant Fund; and b) repurchase monies payable by such intermediate entity to the relevant Shareholder.

The appointment of a Paying Agent (including a summary of the agreement appointing such Paying Agent) may be detailed in a Country Supplement. Fees and expenses of Paying Agents, which will be at normal commercial rates, will be borne by the relevant Fund(s).

5 Investment Objective & Policies

5.1 Investment Objective and Policies

The Articles provide that the investment objective and policies for each Fund will be formulated by the Directors at the time of the creation of the Fund and will be set out in the Supplement for the relevant Fund.

The investment objective of each Fund will be to provide Shareholders with a return on each Dealing Day linked to a Reference Index or Reference Asset.

The return that the Shareholder will receive will be dependent on the performance of the relevant transferable securities, other eligible assets and financial derivative instruments including OTC derivatives owned by the Fund, and the performance of any efficient portfolio management technique or other techniques used to link the transferable securities, other eligible assets, financial derivative instruments and OTC derivatives to the Reference Index or Reference Asset (where appropriate). Thus the return Shareholders receive may not wholly correspond to the performance of the Reference Index or Reference Asset. There is no assurance that the investment objective of any Fund whose performance is linked to the Reference Index or Reference Asset will actually be achieved.

While it is not the Company's intention that any Fund be leveraged (unless disclosed in the Supplement for the relevant Fund), any leverage resulting from the use of FDIs will be in accordance with the requirements of the Central Bank.

In certain circumstances, the Company may receive interest on accounts maintained to receive subscription proceeds (prior to such proceeds being invested) and/or interest on accounts where cash for trades that have not settled is held. Any such interest accrued is expected to be negligible and all such negligible amounts will be utilised to reimburse service providers to the Company (including, for the avoidance of doubt, the Investment Manager) for any costs and/or expenses which are attributable to the Company or a Fund but which have been paid by such service providers.

Any change in the investment objective or any material change to the investment policies of a Fund may only be made with the approval of an ordinary resolution of the Shareholders of the Fund. Subject and without prejudice to the preceding sentence of this paragraph, in the event of a change of investment objective and/or policies of a Fund, a reasonable notification period must be given to each Shareholder of the Fund to enable a Shareholder to have its Shares redeemed prior to the implementation of such change.

Further details of the investment objective and policies for each Fund are set out in the relevant Supplement.

5.2 Additional information relating to the Reference Index or Reference Asset

A number of circumstances may arise in respect of the replication of or delivery of the performance of a Reference Index or Reference Asset by a Fund. These include, but are not limited to, the following:

- (a) Each Fund is subject to the Central Bank Rules and the UCITS Regulations which include, inter alia, certain restrictions on the proportions of that Fund's Net Asset Value which may be held in individual securities. Depending on the concentration of the Reference Index or Reference Asset a Fund may also hold synthetic securities which are correlated to, or the return on which is based on, securities which form part of the Reference Index or Reference Asset within the limits set out in the Prospectus.
- (b) The constituent securities of the Reference Index or Reference Asset change from time to time. The Investment Manager may adopt a variety of strategies when managing a Fund to bring it in line with the changed Reference Index or Reference Asset. For example, where a security which forms part of the Reference Index or Reference Asset is not available or a market for such security does not exist, a Fund may instead hold depository receipts relating to such securities (e.g. global depository receipts and other equity-related securities).
- (c) From time to time securities in the Reference Index or Reference Asset may be subject to corporate actions. The Investment Manager has discretion to manage these events as appropriate.
- (d) Securities included in the Reference Index or Reference Asset may, from time to time, become illiquid or otherwise unobtainable at fair value. In these circumstances, the Investment Manager may use a number of techniques, including purchasing securities whose returns, individually or collectively, are seen to be well-correlated to the constituents of the Reference Index or Reference Asset.
- (e) Where the Fund uses one or more FDIs to gain exposure to the Reference Index or Reference Asset, the relevant Calculation Agent will have the discretion to make such changes to the FDI(s) to preserve the economic effect of the transaction for both the Approved Counterparty and the Fund in accordance with the detailed provisions of such FDI.

5.3 Change or Substitution of Reference Index or Reference Asset

The Directors may decide, if they consider it to be in accordance with the Investment Restrictions and the UCITS Regulations and in the interest of the Company or any relevant Fund, to change or substitute the existing Reference Index or Reference Asset of a Fund with one or more Reference Indices or Reference Assets.

The Board of Directors may, for instance, decide to substitute such a Reference Index or Reference Asset in the following circumstances:

- (a) the transferable securities, swaps or other techniques or instruments described under "**Investment Restrictions**" which are necessary for the implementation of the relevant Fund's investment objective cease to be available in a manner which is regarded as acceptable by the Directors;
- (b) the quality, accuracy and availability of data of a particular Reference Index or Reference Asset has deteriorated;
- (c) the components of the Reference Index or Reference Asset would cause the Fund (if it were to follow the Reference Index or Reference Asset closely) to be in breach of the limits set out under "**Investment Restrictions**" and/or materially affect the taxation or fiscal treatment of the Company or any of its Shareholders;
- (d) the particular Reference Index or Reference Asset ceases to exist or, in the determination of the Directors, there is (or there is expected to be) a material

- change in the formula for or the method of calculating a component of the Reference Index or Reference Asset or there is (or there is expected to be) a material modification of a component of the Reference Index or Reference Asset;
- (e) the Directors become aware that there is limited liquidity in one or more component securities of the Reference Index or Reference Asset, or it becomes impractical to invest in the components of the Reference Index or Reference Asset;
 - (f) the Index Provider increases its licence fees to a level which the Directors consider excessive;
 - (g) a change of ownership of the relevant Index Provider and/or a change of name of the Relevant Index;
 - (h) any successor Index Provider is not considered acceptable by the Directors; or
 - (i) a new Reference Index or Reference Asset becomes available which supersedes the existing Reference Index or Reference Asset.

The above list is indicative only and cannot be understood as being exhaustive in respect of the ability of the Directors to change the Reference Index or Reference Asset in any other circumstances as they consider appropriate. Any proposal by the Directors to change a Reference Index or Reference Asset shall be (a) subject to the prior approval of the Shareholders of the relevant Fund by ordinary resolution; or (b) notified to Shareholders in the circumstances set out in (g) above. The Prospectus and any of the relevant Supplements will be updated in the case of substitution or change of the existing Reference Index or Reference Asset of a Fund for another Reference Index or Reference Asset, or in the event of (g) above in accordance with the requirements of the Central Bank.

5.4 Mitigation of Counterparty Risk Exposure

When applying the investment restrictions specified in Section 6.8 in respect of an OTC derivative, reference must be made to the net counterparty risk exposure as determined pursuant to the UCITS Regulations. In order to reduce its net counterparty risk exposure, the Company may in relation to any of its Funds avail itself of all mitigation techniques such as netting and financial collateral techniques which are or would become authorised by the UCITS Regulations.

In particular, the Company may reduce the overall counterparty risk of each Fund's OTC derivative by causing the counterparty to deliver Collateral (which will comply with the requirements of the Central Bank) to the Depositary (or as otherwise permitted by the Central Bank). Such Collateral will be enforceable by the Company at all times and will be marked to market on a daily basis. The amount of Collateral to be delivered will be at least equal to the value by which the overall exposure limit as determined pursuant to the UCITS Regulations has been exceeded.

The Company may also reduce the overall counterparty risk of the Fund's OTC derivative by resetting the OTC derivative. The effect of resetting the OTC derivative is to reduce the mark to market value of the OTC derivative and, thereby, reduce the net counterparty exposure accordingly.

6 Investment Restrictions

The particular investment restrictions for each Fund will be formulated by the Directors at the time of the creation of the Fund and will appear in the Supplement for the relevant Fund.

Details of the investment restrictions laid down in accordance with the UCITS Regulations in respect of each Fund are set out below:

6.1 Permitted Investments

Investments of each Fund 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, recognised and open to the public in an Member State or non-Member State (and which in each case is listed in Appendix II);
- (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/shares of UCITS;
- (e) Units/shares AIFs;
- (f) Deposits with credit institutions;
- (g) Financial derivative instruments (FDI).

6.2 Investment Restrictions

- (a) Each Fund may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 6.1.
- (b) Each Fund 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 6.1) within a year. This restriction will not apply in relation to investment by each Fund in certain US securities known as Rule 144A securities provided that:
 - (i) the securities are issued with an undertaking to register with the US Securities and Exchanges Commission within one year of issue; and
 - (ii) the securities are not illiquid securities i.e. they may be realised by each Fund within seven days at the price, or approximately at the price, at which they are valued by the Fund.
- (c) Each Fund may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
- (d) Subject to the prior approval of the Central Bank, the limit of 10% in 6.2(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 Fund invests more than 5% of its net assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the Fund.
- (e) The limit of 10% in 6.2(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 6.2(d) and 6.2(e) shall not be taken into account for the purpose of applying the limit of 40% referred to in 6.2(c).
- (g) Each Fund may not invest more than 20% of net assets in deposits made with the same credit institution.

Deposits with any one credit institution, other than Relevant Institutions must not exceed 10% of net assets.

This limit may be raised to 20% in the case of deposits made with the Depository.

- (h) The risk exposure of each Fund to a counterparty in an OTC derivative transaction may not exceed 5% of net assets.

This limit is raised to 10% in the case of Relevant Institutions.

- (i) Notwithstanding paragraphs 6.2(c), 6.2(g) and 6.2(h) above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:

- (i) investments in transferable securities or money market instruments;
- (ii) deposits, and/or
- (iii) counterparty risk exposures arising from OTC derivatives transactions.

- (j) The limits referred to in 6.2(c), 6.2(d), 6.2(e), 6.2(g), 6.2(h) and 6.2(i) above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.

- (k) Group Companies are regarded as a single issuer for the purposes of 6.2(c), 6.2(d), 6.2(e), 6.2(g), 6.2(h) and 6.2(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.

- (l) A Fund may invest up to 100% of its Net Asset Value in different transferable securities and money market instruments issued or guaranteed by any EU Member State, its local authorities, Non-Member States or public international bodies of which one or more EU Member States are members or by Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States or any of the following:

- 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
- OECD Governments (provided the relevant issues are investment grade)
- Government of Brazil (provided the issues are of investment grade)
- Government of the People's Republic of China
- Government of India (provided the issues are of investment grade)
- Government of Singapore

Where a Fund invests in accordance with this provision, the Fund must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of its Net Asset Value.

6.3 Investment in Collective Investment Schemes

- (a) A Fund may not invest more than 10% of its net assets in collective investment schemes ("**CIS**") unless otherwise specifically provided for in the Supplement for the relevant Fund, whereby it will be subject to a maximum permitted investment of 20% of its net assets in any one CIS.
- (b) Investments in AIFs may not in aggregate exceed 30% of net assets.
- (c) When a Fund invests in the units of other CIS that are managed, directly or by delegation by the Fund's investment manager or by any other company with which the investment manager is linked by common management or control, or by a substantial direct or indirect holding, neither the investment manager nor that other company may charge subscription, conversion or redemption fees on account of that Fund's investment in the units of such other CIS. Maximum management fees or TER invoiced by such other CIS will be set out in the Supplement for each Fund that elected for investing in such other CIS.
- (d) Where a commission (including a rebated commission) is received by a Fund's investment manager by virtue of an investment in the units of another CIS, this commission must be paid into the property of the Fund.

6.4 General Provisions

- (a) The Company may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.
- (b) Each Fund 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/shares 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) 6.4(a) and 6.4(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 each Fund in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which each Fund can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 6.2(c) to 6.2(k), 6.3(a), 6.3(b), 6.4(a), 6.4(b), 6.4(d), 6.4(e) and 6.4(f) and provided that where these limits are exceeded, 6.4(e) and 6.4(f) are observed;

- (v) shares held by the Fund 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 redemption of shares at Shareholders' request exclusively on their behalf.
- (d) A Fund need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.
- (e) The Central Bank may allow recently authorised Funds to derogate from the provisions of 6.2(c) to 6.2(l), 6.3(a), 6.3(b), 6.6(a) and 6.6(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 Fund, or as a result of the exercise of subscription rights, the Fund must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.
- (g) A Fund may not carry out uncovered sales of:
 - (i) transferable securities;
 - (ii) money market instruments;
 - (iii) units/shares of CIS; or
 - (iv) FDIs.
- (h) A Fund may hold ancillary liquid assets.

6.5 Financial Derivative Instruments

- (a) A Fund's global exposure relating to FDI must not exceed its total Net Asset Value.
- (b) A Fund may invest in FDIs dealt "over the counter" provided that the counterparties to over-the-counter transactions are institutions subject to prudential supervision and belonging to the categories approved by the Central Bank.
- (c) 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 Rules. (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 Rules.)
- (d) A transaction in FDI which gives rise to a future commitment on behalf of each Fund must be covered as follows:
 - (i) in the case of FDI which requires the Fund to physically deliver the underlying asset, the asset must be held at all times by the Fund;
 - (ii) in the case of FDI which automatically, or at the discretion of the Fund, are cash settled, each Fund must hold, at all times, liquid assets which are sufficient to cover the exposure.

It is intended that each Fund should have the power to avail of any change in applicable laws, UCITS Regulations or Central Bank Rules which would permit investment in assets and securities on a wider basis.

The Company will not amend such investment restrictions except in accordance with the requirements of the Central Bank.

6.6 Index Tracking Funds

- (a) Notwithstanding the provisions of paragraph 6.2(c), a Fund may, in accordance with the Articles, invest up to 20 per cent. of its net assets in shares and/or debt securities issued by the same body where the investment policy of the Fund is to replicate or reference an index. Where a Fund gains exposure to an index via an FDI, no component of the index should comprise more than 20% of the total of the index. The index must be recognised by the Central Bank in accordance with the Central Bank Rules.
- (b) The limit in paragraph 6.6(a) may be raised to 35%, and applied to a single issuer or component, where this is justified by exceptional market conditions (which justification, where relevant, shall be disclosed in the relevant Supplement).
- (c) The reference in paragraph 6.6(a) to replication of the composition of a shares or debt securities index shall be understood as replication of the composition of the underlying assets of the index, including the use of derivatives or other techniques as referred to in Regulation 48A.

The Investment Manager will monitor the investment restrictions applicable to a Fund. As soon as practicable after the Investment Manager becomes aware that the weighting of any particular component stock in a reference index exceeds the permitted investment restrictions resulting in a reference index no longer being eligible for UCITS investment, the Investment Manager will seek to utilise the Index Disruption and Adjustment Events so as to ensure that the Fund operates within the permitted investment restrictions and complies with the requirements of the UCITS Regulations in respect of financial indices.

6.7 Tracking Error

The "Tracking Error" of each Fund (being the standard deviation of the difference in returns between the Fund and the Reference Index) will be set out in the Supplement for the relevant Fund.

Exposure to a Reference Index through physical and synthetic replication may be affected by rebalancing costs, in particular where the Reference Index undergoes significant rebalancing or where constituents are not very liquid or have restrictions in terms of accessibility. Rebalancing costs are a factor of the rebalancing frequency of the underlying Index, the constituents' weighting adjustments and/or the number of constituents being replaced on each rebalancing day, and the transaction costs incurred to implement such changes. Each Fund will be subject to such rebalancing costs by virtue of their exposure to their relevant underlying index or benchmark. High rebalancing costs will generally deteriorate the relative performance between a Fund and the relevant Reference Index. The rebalancing frequency is detailed for each Fund in the relevant Supplement.

The annual and half-yearly reports will state the size of the Tracking Error at the end of the period under review. The annual report will provide an explanation of any divergence between the anticipated and realised Tracking Error for the relevant period.

6.8 Use of Financial Derivative Instruments and Efficient Portfolio Management

Subject to the UCITS Regulations and to the conditions within the limits laid down by the Central Bank, the Company, on behalf of a Fund may invest in FDIs dealt on a regulated market and/or OTC derivatives which will be used for investment purposes, hedging and/or efficient portfolio management purposes.

The FDIs in which a Fund may invest include, without limitation, options and futures transactions, swaps, forward contracts, credit derivatives, spot foreign exchange transactions, caps and floors, contracts for differences or other derivative transactions, further details of which will be set out in the relevant Supplement.

The Company must employ through its service providers a risk management process which enables it to accurately measure, manage and monitor at any time the risks attached to a Fund's FDI positions and their contribution to the overall risk profile of the portfolio of assets of a Fund. It must employ a process for accurate and independent

assessment of the value of OTC derivative. The Company must provide the Central Bank with details of its FDI activity and risk assessment methodology and, in accordance with particular requirements of the Central Bank shall specify, for that purpose, the permitted types of FDI, the underlying risks, the quantitative limits and how these will be monitored and enforced and the methods which are chosen in order to estimate the risks associated with transactions in any FDI applicable to a Fund. A Fund may only employ FDIs that have been specified in the risk management process that the Company has submitted to the Central Bank. The global exposure of a Fund associated with the use of financial derivative instruments will be measured using the commitment approach in accordance with the requirements of the Central Bank. Where a Fund uses the "value-at-risk" (VaR) approach to measure market risk, the Company will ensure that a Fund's market risk relating to the use of FDIs is in accordance with the Central Bank Regulations and the limits contained therein and that counterparty risk exposure to any OTC derivative transactions shall never exceed the limits permitted under the UCITS Regulations. Should the VaR approach be used to measure the global exposure of a Fund associated with the use of financial derivative instruments the relevant information shall be set out in the Supplement for the relevant Fund. The Company will, on request, provide supplementary information to Shareholders relating to the risk management methods employed, including the quantitative limits that are applied and any recent developments in the risk and yield characteristics of the main categories of investments in respect of the relevant Fund.

A Fund may also employ techniques and instruments relating to transferable securities and/or other financial instruments in which it invests for efficient portfolio management purposes, a list of which are set out in the relevant Supplement. Use of such techniques and instruments should be in line with the best interests of shareholders and will generally be made for one or more of the following reasons:

- (a) the reduction of risk;
- (b) the reduction of cost; or
- (c) the generation of additional capital or income for the relevant Fund with an appropriate level of risk, taking into account the risk profile of the Fund as described in this Prospectus and the relevant Supplement and the risk diversification limits set out in the Central Bank Rules.

For example, such use may include using FDIs such as swaps to exchange the performance of the securities held by a Fund for the performance of the Reference Index or Reference Asset.

Use of Derivative Contracts – Swaps

A Fund may enter into Swaps with an Approved Counterparty pursuant to which a Fund will be entitled to receive from the Approved Counterparty the performance of the components of the Reference Index or currency version of the Reference Index in exchange for the payment to the Approved Counterparty of (i) where the swap is funded, some or all of the net proceeds of any issue of Shares; (ii) where the swap is unfunded, payments linked to the return on some or all of the equities and other eligible assets held by a Fund as listed in the "Investment Policy" section of the Supplement of the relevant Fund; and (iii) where the swap is a total return swap, payments will be based upon a set rate agreed between the parties in exchange for the return on some or all of the equities and other eligible assets held by the relevant Fund. Where a Fund enters into total return swaps the Approved Counterparty will satisfy the UCITS eligible counterparty criteria as set out in the UCITS Regulations. For the avoidance of doubt, such Approved Counterparty shall not assume any discretion or approval control over the composition or management of a Fund's investment portfolio.

The Company on behalf of a Fund may, in accordance with the requirements of the Central Bank. Each derivative contract will be on similar terms except that each derivative contract will provide a return in the currency of denomination of each Class of Shares to which it relates and will solely be used for currency hedging purposes. Separately,

derivative contracts may be used at Class level to provide a different level of participation in the performance of the underlying portfolio; or different levels of capital protection. In such cases, the derivative contract for each Class must be based on the same underlying portfolio or index and transactions cannot result in a leveraged return per Class, where such use of derivative contracts are considered and cleared in advance by the Central Bank prior to the Company utilising derivative contracts in this manner.

The Approved Counterparty to the Swaps and the Company on behalf of a Fund have entered into a 2002 International Swaps and Derivatives Association Master Agreement (including any supporting agreements, annexes or schedules thereto) (the “**ISDA Master Agreement**”), and will enter into confirmations for each Swap transaction. Such confirmations may be entered into before or after the relevant transaction and may be in electronic form.

The Swaps will at all times be valued in accordance with the provisions of this Prospectus. The valuation of the Swaps will reflect the relative movements in the performance of the Reference Index or currency version of the Reference Index and a Fund’s holding of transferable securities and/or other Fund Assets as may be referenced under the Swaps. Depending on the value of the Swaps, a Fund will have to make a payment to the Approved Counterparty or will receive such a payment. Where a Fund has to make a payment to the Approved Counterparty, this payment will be made from the proceeds and, as the case may be, the disposal of some or all of the transferable securities and/or other Fund Assets in which the relevant Fund has invested.

The Company will ensure that the counterparty risk exposure under the Swaps never exceeds the limits required by the UCITS Regulations and the Central Bank. Accordingly, the Company may reduce such counterparty exposure by causing the Approved Counterparty, where necessary, to provide appropriate Collateral to the Company on behalf of a Fund (or as otherwise permitted by the Central Bank) under the terms of ISDA Master Agreement, in accordance with the Investment Restrictions. Alternatively, the Company may reduce its risk exposure to the Approved Counterparty by causing the Approved Counterparty to reset the Swaps or vice versa. This may result in a corresponding payment from the relevant Fund to the Approved Counterparty.

The Swaps may be terminated by either party at any time or on the occurrence of certain events with respect to either a Fund or the Approved Counterparty including, but not limited to, an event of default (such as a failure to pay, breach of agreement or bankruptcy) or a termination event (which is not due to the fault of either party, for example, illegality or a change in the tax or accounting laws), in which case the non-defaulting party or the unaffected party respectively is entitled to calculate the close-out value of the Swaps and it will do so in line with the industry standard requirements set out in the ISDA Master Agreement. A Fund may then enter into new Swaps (unless the Directors resolve that it is inadvisable to do so) or, if the Directors determine that there is no reasonable way to achieve the investment objective, the relevant Fund may be terminated in accordance with the provisions of the Prospectus.

The transparency policy of each Fund regarding the composition of its portfolio is to provide position level disclosure on a daily basis. The information is published on the Website.

In addition, the use of such techniques and instruments must be realised in a cost-effective way and must not result in a change to the investment objective of a Fund or add supplementary risks not covered in this Prospectus. Please refer to the section of this Prospectus entitled “Risk Factors; EPM Risk” for more details. The risks arising from the use of such techniques and instruments shall be adequately captured in the Company’s risk management process.

Such techniques and instruments may also include foreign exchange transactions which alter the currency characteristics of assets held by the relevant Fund.

Assets of a Fund may be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of

the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. The Investment Manager may seek to mitigate this exchange rate risk by using FDI.

6.9 Borrowing and Lending Powers

The Company may borrow up to 10% of a Fund's net assets at any time for the account of any Fund and the Depositary may charge the assets of such Fund as security for any such borrowing, provided that such borrowing is only for temporary purposes. Any particular borrowing restrictions for a Fund will appear in the Supplement for the relevant Fund. Without prejudice to the powers of the Fund to invest in transferable securities or enter into Securities Financing Transactions, the Company may not lend cash to, or act as guarantor on behalf of, third parties. A Fund may acquire debt securities and securities which are not fully paid.

6.10 Leverage

It is not the intention of the Company that any Fund be leveraged however where a Fund is leveraged, directly or indirectly, it will be disclosed, as appropriate, in the relevant Supplement for the relevant Fund.

6.11 Securities Financing Transaction

The Company is authorised to and will enter into Securities Financing Transactions ("**SFTs**") and total return swaps ("**TRSs**") in the course of its investment activities.

SFTs: SFTs include a variety of secured transactions that have similar economic effects (provision of liquidity in exchange for financial instruments), including the lending or borrowing of securities and commodities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, and lending or borrowing on margin to finance the purchase, sale, carrying or trading of securities.

A Fund may engage Securities Financing Transactions for the purposes of effecting short-sales in respect of securities, settlement purposes or otherwise achieving its investment objective.

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

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

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

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

well as the identity of any specific repurchase, reverse repurchase counterparties and/or securities lending agents engaged by the Company from time to time shall be included in the Company's semi-annual and annual reports.

Repurchase, reverse repurchase counterparties or securities lending do not constitute borrowing or lending for the purposes of Regulation 103 of the UCITS Regulations and Regulation 111 of the UCITS Regulations, respectively.

TRSs: TRSs include a variety of transactions whereby one party to the transaction transfers the total economic performance (including income from interest and fees, gains and losses from price movements and credit losses) of a reference obligation (asset or index) to the other counterparty, against the obligation to make fixed or floating payments. A Fund may enter into TRSs with banks or other financial counterparties which may take the form of swaps of any kind, including contracts for difference, portfolio swaps, index swaps, credit default swaps and variance and volatility swaps, any kind of option, warrant, forward and future transaction and any other kind of derivative in accordance with its investment objectives. The reference obligation of a TRS may be any security or other investment in which a Fund is permitted to invest.

TRSs may be entered into for any purpose that is consistent with the investment objective of a Fund, including efficient portfolio management, hedging purposes or the reduction of portfolio expenses, as well as for speculative purposes (in order to increase income and profits for the portfolio), or to gain exposure to certain markets.

The maximum proportion of a Fund's total assets that can be subject to SFTs or TRSs is 100%. The expected proportion of a Fund's total assets that can be subject to SFTs or TRSs should be in the range of 0 and 95%, unless otherwise specified in the relevant Fund's Supplement. The proportion of a Fund's assets subject to each type of SFT or TRS will depend on market conditions and the value of the relevant investments. The Company will report to the Shareholders in the relevant Fund the amount of assets engaged in each type of SFT and TRS, as well as such other information on the use of SFTs and TRS as is required under the SFTR, as part of its semi-annual and annual report. Due to the nature of swap investing, it is possible that a Fund may from time to time hold a large proportion of its assets in cash.

Due Diligence on SFT Counterparties

The Company will conduct due diligence in the selection of counterparties to SFTs and TRS ("**SFT Counterparties**") for the Funds in order to ensure those counterparties are institutions subject to prudential supervision and belong to categories approved by the Central Bank. As part of this assessment the Company will have regard to the legal status, location and minimum credit rating (where relevant) of the particular counterparty.

A Fund may lend securities on a collateralised and an uncollateralised basis to counterparties who meet the due diligence processes of the Company and its delegates, including credit assessments.

Collateral received by a Fund will comply with the requirements of the Central Bank Regulations. Collateral received by a Fund will consist of such collateral as is agreed with a counterparty from time to time and may include cash in any currency, cash equivalents, equity or debt securities and any other kind of security or other instrument in which the Fund is permitted to invest. Any collateral received by a Fund will comply with the Company's collateral policy which amongst other factors considers the maturity of and issuer concentration limits of the securities or assets being received as collateral. Factors such as the type of securities that are being financed and market practice are taken into account when determining acceptable collateral received or provided, including the application of any haircuts.

Collateral provided to a counterparty by a Fund will consist of such collateral as is agreed with the counterparty from time to time and may include any or all types of assets held by the Fund. Collateral provided by a Fund will normally include cash or money market instruments such as government bonds.

The Company and its delegates will monitor collateral received on an ongoing basis, including the level of correlation (value should not display a high correlation with the performance of the counterparty), diversification and liquidity and the level of haircut applied, if any.

Collateral received or provided by a Fund will be valued in accordance with the valuation policies and principles applicable to the Company and will be subject to any agreement on the valuation of collateral with a counterparty, including the applicability of variation margin.

Collateral under an SFT is valued daily at mark-to-market value. Collateral under a TRS is valued in accordance with the underlying assets and any accruing interests.

From time to time, a Fund may engage with SFT Counterparties that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a conflict of interest with the role of the Custodian or other service provider in respect of the Company. Please refer to section 15.2 "Fund Transactions and Conflicts of Interest" for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company's semi-annual and annual reports.

Risk Management

The Company or its delegates on behalf of the Company will monitor the risks related to SFTs, TRS and collateral received from or provided to a counterparty on an ongoing basis, including the level of correlation (value should not display a high correlation with the performance of the counterparty), diversification and liquidity and the level of haircut applied, if any.

The Company will monitor a Fund's assets diversification and liquidity on a global basis.

6.12 Collateral Policy

In the context of efficient portfolio management techniques and/or the use of FDI for hedging or investment purposes, Collateral may be received from a counterparty for the benefit of a Fund or posted to a counterparty by or on behalf of a Fund. Any receipt or posting of Collateral by a Fund will be conducted in accordance with the requirements of the Central Bank and the terms of the Collateral Policy outlined below.

(a) Collateral – received by the Company

Collateral posted by the counterparty for the benefit of a Fund may be taken into account as reducing the exposure to such counterparty. Each Fund will require receipt of the necessary level of Collateral so as to ensure counterparty exposure limits are not breached. Counterparty risk may be reduced by an amount equivalent to the value of the collateral received after taking into account appropriate discounts.

The Company (or its delegate) will liaise with the Depositary (and/or any other collateral management service provider as may be appointed from time to time) in order to manage all aspects of the counterparty Collateral process.

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

- (i) Design of stress test scenario analysis including calibration, certification and sensitivity analysis;

- (ii) Empirical approach to impact assessment, including back-testing of liquidity risk estimates;
- (iii) Reporting frequency and limit/loss tolerance threshold/s; and
- (iv) Mitigation actions to reduce loss including haircut policy and gap risk protection.

For the purpose of providing margin or Collateral in respect of transactions in techniques and instruments, the Fund may transfer, mortgage, pledge, charge or encumber any assets or cash forming part of the Fund in accordance with normal market practice and the requirements outlined in the Central Bank Rules.

All assets received by a Fund in the context of Securities Financing Transaction shall be considered as Collateral and must comply with the terms of the Collateral Policy.

Non-cash Collateral

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

- (A) Liquidity: Collateral received other than cash should be highly liquid and traded on a regulated market or multilateral trading facility with transparent pricing in order that it can be sold quickly at a price that is close to pre-sale valuation. Collateral received should also comply with the provisions of the Regulation 74 of the Central Bank Regulations.
- (B) Valuation: Collateral received should be valued on at least a daily basis and assets that exhibit high price volatility should not be accepted as Collateral unless suitably conservative haircuts are in place. Collateral may be marked to market daily by the counterparty using its procedures, subject to any agreed haircuts, reflecting market values and liquidity risk and may be subject to variation margin requirements.
- (C) Issuer credit quality: Collateral received should be of high quality.
- (D) Correlation: Collateral received should be issued by an entity that is independent from the counterparty and is not expected to display a high correlation with the performance of the counterparty.
- (E) Diversification (asset concentration): Collateral should be sufficiently diversified in terms of country, markets and issuers with a maximum exposure to a given issuer of 20% of the Fund's Net Asset Value. When the Fund is exposed to different counterparties, the different baskets of Collateral should be aggregated to calculate the 20% limit of exposure to a single issuer. To the extent that a Fund avails of the increased issuer exposure facility in Regulation 5 (ii) of the Central Bank Regulations, such increased issuer exposure may be to any of the issuers listed in the "Investment Restrictions" section of the Prospectus.

A Fund may be fully collateralised in different transferable securities and money market instruments issued or guaranteed by a Member State, one or more of its local authorities, a third country, or a public international body to which one or more Member States belong. In such circumstances, the relevant Fund must receive securities from at least six different issues, but securities from any single issue shall not account for more than 30% of the relevant Fund's Net Asset Value.

Where a Fund intends to be fully collateralised in securities issued or guaranteed by a Member State, it will be disclosed, as appropriate, in the Supplement for the Fund. A list of Member States, local authorities and/or public international bodies issuing or guaranteeing securities which a

Fund is able to accept as collateral for more than 20% of the Funds' Net Asset Value will be detailed, as appropriate, in the relevant Fund Supplement.

- (F) Immediately available: Collateral received should be capable of being fully enforced by the Fund at any time without reference to or approval from the counterparty.
- (G) Safe-keeping: Collateral received on a title transfer basis should be safe-kept by the Depositary or its agent. For other types of Collateral arrangement, the Collateral can be held by a third party depositary which is subject to prudential supervision, and which is unrelated and unconnected to the provider of the Collateral.
- (H) Haircuts: The Company (or its delegate), on behalf of each Fund, shall apply suitably conservative haircuts to assets being received as Collateral where appropriate on the basis of an assessment of the characteristics of the assets such as the credit standing or the price volatility, as well as the outcome of any stress tests performed as referred to above. The Company (or its delegate) has determined that generally if issuer or issue credit quality of the Collateral is not of the necessary quality or the Collateral carries a significant level of price volatility with regard to residual maturity or other factors, a conservative haircut must be applied in accordance with more specific guidelines as will be maintained in writing by the Company (or its delegate) on an ongoing basis. However, the application of such a haircut will be determined on a case by case basis, depending on the exact details of the assessment of the Collateral. The Company (or its delegate), in its discretion, may consider it appropriate in certain circumstances to resolve to accept certain Collateral with more conservative, less conservative or no haircuts applied if it so determines, in accordance with its haircut policy. Any extenuating circumstances that warrant the acceptance of relevant Collateral with haircut provisions other than the guideline levels must be outlined in writing, documenting the rationale for the acceptance.

(b) Non-cash Collateral cannot be sold, pledged or re-invested.

(i) Cash Collateral

(c) Cash Collateral received by the Company for a Fund may not be invested other than in the following:

- (A) deposits with Relevant Institutions;
- (B) high-quality government bonds;
- (C) reverse repurchase agreements provided the transactions are with credit institutions subject to prudential supervision and the Fund is able to recall at any time the full amount of cash on an accrued basis;
- (D) short-term money market funds as defined in the ESMA Guidelines on a Common Definition of European Money Market Funds (ref CESR/10-049).

Invested cash Collateral should be diversified in accordance with the diversification requirements applicable to non-cash Collateral outlined in 6.12(a)(i)(E). Invested cash Collateral may not be placed on deposit with the counterparty or a related entity. Exposure created through the reinvestment of Collateral must be taken into account in determining risk exposures to a

counterparty. Re-investment of cash Collateral in accordance with the provisions above can still present additional risk for the Fund. Please refer to the section of this Prospectus entitled "Risk Factors; Reinvestment of Cash Collateral Risk" for more details.

(d) Collateral – posted by the Company

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

6.13 Common Investment Pools

To reduce operational and administrative charges and to facilitate diversification of investments the Investment Manager may authorise the assets of any Fund to be managed in conjunction with other funds established by the Investment Manager or other funds promoted or managed by the Investment Manager or any company affiliated to the Investment Manager. This will be done by establishing a pool of assets ("**Pool**") comprising cash and investments contributed by all funds which participate in the Pool ("**Participating Funds**"). This technique is known as pooling.

Opportunities to establish pooling arrangements arise where the investment objectives and policies of Participating Funds are sufficiently similar so as to enable the assets contributed by a Participating Fund to be managed in a manner identical to that of all other Participating Funds in the Pool. However, it is not essential that the investment objectives and policies of each Participating Fund in the Pool be identical. It is sufficient that the Investment Manager be in a position to manage the Pool as one portfolio of assets whilst complying with the investment objectives, policies and restrictions applicable to each Participating Fund.

A Pool is not a separate legal entity and an investor may not invest directly in a Pool. The Investment Manager shall not be permitted to manage the assets of any Fund on a pooled basis without the prior consent of the Company. The Company shall be notified in respect of the admission of any fund as a Participating Fund in a Pool in which a Fund participates.

Operational Issues relating to Pooling

Assets may be contributed to and withdrawn from the Pool by a Participating Fund at any time. A record shall be maintained of all of the assets contributed to the Pool by a Participating Fund and the percentage allocation of each of the pooled assets within the Pool that is attributable to each Participating Fund, which shall be allocated on a pro rata basis. This percentage allocation shall be applied to all assets held in the Pool. When additional cash or securities are contributed to or withdrawn from the Pool by a Participating Fund the allocation percentage of each Participating Fund will be adjusted to reflect the change. Where a contribution is made in cash, a deduction may be made where the Investment Manager considers this necessary to discharge transactions costs and fiscal charges incurred in investing the cash. Similarly, in the case of a cash withdrawal, a deduction may be made to reflect transaction costs in disposing of securities. Dividends and any other distribution of income received in respect of assets will be allocated pro-rata to the Participating Fund's holding of assets. All assets comprising a Pool will be valued in accordance with the provisions of the section "Valuation of Assets" below.

Investors should note that the pooling arrangement may cause the composition of the assets of a Fund to be altered as a result of subscriptions and repurchases in another Participating Fund which would cause the Investment Manager to dispose of or acquire assets for the Pool or may cause the Investment Manager to increase the amount of ancillary liquid assets held by the Investment Manager.

Custody of Assets

A Fund will participate in pooling arrangements only with Participating Fund who have appointed the Depositary as depositary and the Administrator as administrator. The Depositary shall, by relying on a set of records produced by the Administrator's accounting systems, at all times ensure that it is in a position to identify the assets of the Fund even though the sub-custodian's records may identify the assets as being held in a Pool.

Termination of Pooling Arrangement

The Company may elect at any time to terminate a Fund's participation in the pooling arrangements on notice to the Investment Manager, the Administrator and the Depositary. In such event that portion of the assets in the pool representing each Fund's percentage allocation of assets shall be withdrawn.

6.14 Hedged Classes

The Company may (but is not obliged to) enter into certain currency-related transactions in order to hedge the currency exposure of the assets of a Fund attributable to a particular Class into the currency of denomination of the relevant Class for the purposes of efficient portfolio management and in order to hedge the currency exposure of a Fund where the Fund invests in assets denominated in currencies other than the Base Currency. In addition, a Class designated in a currency other than the Base Currency may be hedged against exchange rate fluctuation risks between the designated currency of the Class and the Base Currency. Any financial instruments used to implement such strategies with respect to one or more Classes shall be assets/liabilities of the Fund as a whole but will be attributable to the relevant Class(es) and the gains/losses on, and the costs of, the relevant financial instruments will accrue solely to the relevant Class. However, investors should note that there is no segregation of liability between Share Classes.

Where a Class of Shares is to be currency hedged, this will be disclosed in the Supplement for the Fund in which such Class is issued. Any currency exposure of a Class may not be combined with or offset against that of any other Class of a Fund. The currency exposure of the assets attributable to a Class must be allocated to the Class being hedged and may not be allocated to other Classes. Where the Investment Manager seeks to hedge against currency fluctuations, while not intended, this could result in over-hedged or under-hedged positions due to external factors outside the control of the Company. However, over-hedged positions will not exceed 105% of the Net Asset Value and hedged positions will be kept under review to ensure that over-hedged positions do not exceed the permitted level which review will also incorporate a procedure to ensure that positions in excess of 100% of Net Asset Value will not be carried forward from month to month. To the extent that hedging is successful for a particular Class, the performance of the Class is likely to move in line with the performance of the underlying assets (before taking account of any relevant hedging fees or costs), with the result that investors in that Class will not gain/ lose if the Class currency falls/ rises against the Base Currency.

6.15 Miscellaneous

Where the Directors consider it to be in the best interests of Shareholders, the Company on behalf of a Fund may grant a security interest over some or all of the assets of the Fund in connection with any borrowing, securities lending activity or OTC derivatives entered into by the Company on behalf of a Fund.

7 Risk Factors

7.1 General

The discussion below is of general nature and is intended to describe various risk factors which may be associated with an investment in the Shares of a Fund to which the attention of investors is drawn. See also the section of the relevant Supplement for a discussion of any additional risks particular to Shares of that Fund. However, these are not intended to be exhaustive and there may be other considerations that should be taken into account in relation to an investment. Investors should consult their own advisors before considering an investment in the Shares of a particular Fund. What factors will be of relevance to the Shares of a particular Fund will depend upon a number of interrelated matters including, but not limited to, the nature of the Shares, the Reference Index or Reference Asset (if applicable), the investments and assets of the Fund and the techniques used to link the investments and assets of the Fund to the Reference Index or Reference Asset (if applicable).

No investment should be made in the Shares of a particular Fund until careful consideration of all those factors has been made.

The investments of the Company in securities are subject to normal market fluctuations and other risks inherent in investing in securities. A Fund's exposure is linked to the performance of the components of the Reference Index which, in turn, is exposed to general market movements (negative as well as positive). **The value of investments and the income from them, and therefore the value of and income from Shares relating to each Fund, can go down as well as up and an investor may not get back the amount he invests.** Changes in exchange rates between currencies or the conversion from one currency to another may also cause the value of the investments to diminish or increase. **Due to the Subscription Charge and/or Redemption Charge, Anti-Dilution Adjustments and any Anti-Dilution Levies which may be payable on the Shares, an investment in Shares (where such charges are levied) should be viewed as a medium to long term investment. An investment in a Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors.**

Risk factors may occur simultaneously and/or may compound each other resulting in an unpredictable effect on the value of the Shares. No assurance can be given as to the effect that any combination of risk factors may have on the value of the Shares.

Achievement of Investment Objective: There is no assurance that any Fund will achieve its investment objective. The following are some, but not necessarily all, of the factors which may result in the value of the Shares varying from the value of the Reference Index or Reference Asset: investments in assets other than the constituents of the Reference Index or Reference Asset may give rise to delays or additional costs and taxes compared to an investment in the constituents of the Reference Index or Reference Assets; investment or regulatory constraints may affect the Company but not the constituents of the Reference Index or Reference Asset; the fluctuation in value of Fund's assets; and the existence of a cash position held by a Fund.

Segregation of Liability: Under the provisions of the Companies Act, the Directors shall maintain for each Fund a separate portfolio of assets. As between Shareholders, each portfolio of assets shall be invested for the exclusive benefit of the relevant Fund. The Shareholders shall only be entitled to the assets and profits of that Fund in which they participate. The Company shall be considered one single legal entity. With regard to third parties, in particular towards the Company's creditors, the Company shall be responsible for all liabilities incurred by a Fund exclusively based on the assets of this relevant Fund. Among the Shareholders, the liabilities of each Fund shall only be incurred to the respective Fund. While the provisions of the Companies Act provide for segregated liability between Funds, these provisions have yet to be tested in foreign courts, in

particular, in satisfying local creditors' claims. Accordingly, it is not free from doubt that the assets of any Fund of the Company may not be exposed to the liabilities of other Funds of the Company. As at the date of this Prospectus, the Directors are not aware of any existing or contingent liability of any Fund of the Company.

Legal and Regulatory: The Company must comply with regulatory constraints or changes in the laws affecting it, the Shares, or the Investment Restrictions, which might require a change in the investment policy and objectives followed by a Fund. A Fund's assets may also be subject to change in laws or regulations and/or regulatory action which may affect their value.

Paying Agent Risk: Shareholders who choose or are obliged under local regulations to pay or receive subscription or repurchase monies or dividends via an intermediate entity rather than directly to the Company or the relevant Fund (e.g. a Paying Agent in a local jurisdiction) bear a credit risk against that intermediate entity with respect to (a) subscription monies prior to the transmission of such monies to the account of the Company or the relevant Fund and (b) repurchase monies payable by such intermediate entity to the relevant Shareholder.

Listing: There can be no certainty that a listing on any stock exchange applied for by the Company will be achieved and/or maintained or that the conditions of listing will not change. Further, trading in Shares on a Relevant Stock Exchange may be halted pursuant to that Relevant Stock Exchange's rules due to market conditions and investors may not be able to sell their Shares until trading resumes.

Nominee Arrangements: Where an investor holds Shares via a nominee or intermediary, or holds interests in Shares through a Clearing Agent, such Shareholder will typically not appear on the Register of the Company and may not therefore be able to exercise voting or other rights available to those persons appearing on the Register.

Political Factors, Emerging Market and Non-OECD Member State Assets: The performance of the Shares and/or the possibility to purchase, sell, or redeem the Shares may be affected by changes in general economic conditions and uncertainties such as political developments, changes in government policies, the imposition of restrictions on the transfer of capital and changes in regulatory requirements. Such risks can be heightened in investments in, or relating to, emerging markets or non-OECD member states. In addition, local custody services remain underdeveloped in many non-OECD and emerging market countries and there is a transaction and custody risk involved in dealing in such markets. In certain circumstances, a Fund may not be able to recover or may encounter delays in the recovery of some of its assets. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in emerging markets or non-OECD member states, may not provide the same degree of investor information or protection as would generally apply to major markets.

Changes in the UK Political Environment: Changes in the UK political environment, including a possible UK exit from the EU following the UK referendum scheduled before the end of 2017, could lead to political, legal, tax and economic uncertainty. The outcome of such a referendum is not known and could impact general economic conditions in the UK. It is not clear whether and to what extent EU regulations generally would apply with respect to the Investment Manager in the case of a UK exit, but it is possible that investors would be subject to fewer regulatory protections than would otherwise be the case. A UK exit could adversely affect the Investment Manager's ability to access markets, make investments, attract and retain employees or enter into agreements (on its own behalf or on behalf of the Company or the Funds) or continue to work with non-UK counterparties and service providers, all of which could result in increased costs to the Company and/or the Funds.

Eurozone Crisis: As a result of the crisis of confidence in the markets which has caused bond yield spreads (the cost of borrowing in the debt capital markets) and credit default spreads (the cost of purchasing credit protection) to increase, most notably in relation to certain Eurozone countries, certain countries in the EU have had to accept "bailouts" from

banks and lines of credit from supra-governmental agencies such as the International Monetary Fund and the recently created European Financial Service Facility. The European Central Bank has also been intervening to purchase Eurozone debt in an attempt to stabilise markets and reduce borrowing costs. In December 2011, leaders of the countries in the Eurozone, as well as the leaders of certain other countries in the EU, met in Brussels and agreed a "fiscal compact" which includes a commitment to a new fiscal rule, to be introduced into the legal systems of the relevant countries, as well as acceleration of the entry into force of the European Stability Mechanism treaty.

Notwithstanding the measures described above, and future measures which may be introduced, it is possible that a country may leave the Eurozone and return to a national currency, and as a result may leave the EU and/or that the Euro, the European single currency, will cease to exist in its current form and/or lose its legal status in one or more countries in which it currently has such status. The effect of such potential events on the Funds which are denominated in Euro or which invest in instruments predominantly tied to Europe is impossible to predict.

Operational Risks (including Cyber Security and Identity Theft): An investment in a Fund, like any fund, can involve operational risks arising from factors such as processing errors, human errors, inadequate or failed internal or external processes, failure in systems and technology, changes in personnel, infiltration by unauthorised persons and errors caused by service providers such as the Investment Manager or the Administrator. While the Funds seek to minimise such events through controls and oversight, there may still be failures that could cause losses to a Fund.

The Investment Manager, Administrator and Depositary (and their respective groups) each maintain appropriate information technology systems. However, like any other system, these systems could be subject to cyber security attacks or similar threats resulting in data security breaches, theft, a disruption in the Investment Manager's, Administrator's and/or Depositary's service or ability to close out positions and the disclosure or corruption of sensitive and confidential information. Notwithstanding the existence of policies and procedures designed to detect and prevent such breaches and ensure the security, integrity and confidentiality of such information as well as the existence of business continuity and disaster recovery measures designed to mitigate any such breach or disruption at the level of the Company and its delegates, such security breaches may potentially also result in loss of assets and could create significant financial and or legal exposure for the Company.

Emerging Markets Risk: Where a Fund invests in securities in emerging markets, additional risks may be encountered. These include:

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

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

Fund Expenses: Returns on Shares will be net of all fees and expenses incurred in the establishment and ongoing running of the relevant Fund and may not be directly comparable to the yields which could be earned if any investment were instead made

directly in the assets of the relevant Fund or the constituents of the Reference Index or the Reference Asset.

Delivery Failure: In some securities markets, deliveries of securities and other Fund Assets and payments therefor may not be or are not customarily made simultaneously. Further due to the nature of the investment policy and structuring of transactions involving the Fund Assets the deliveries of securities and payments may not be made simultaneously. The Depository or a sub-custodian may make or accept payment for or delivery of Fund Assets in such form and manner and shall not be contrary to the customs prevailing in the relevant market or among securities dealers or in accordance with the terms of the Depository Agreement. The Company shall bear the risk that:-(i) the recipient of Fund Assets delivered by the Depository or any sub-custodian may fail to make payment for or return such Fund Assets or hold such Fund Assets or the proceeds of their sale in trust for the Depository or the Company; and (ii) the recipient of payment for Fund Assets made by the Depository or any sub-custodian including without limitation amounts paid as premium or margin on derivatives contracts may fail to deliver the Fund Assets (such failure to include, without limitation, delivery of forged or stolen Fund Assets) or to return such payment, or hold such payment in trust for the Depository or the Company in each case whether such failure is total or partial or merely a failure to perform on a timely basis. Neither the Depository nor any sub-custodian shall be liable to the Company for any loss resulting from any of the foregoing events or from the liquidation, insolvency or bankruptcy of such recipient.

Failure to Reproduce the Composition of a Reference Index or Reference Asset: The intention is that each Fund will seek to achieve a return by tracking or replicating the relevant Reference Index or Reference Asset. Investors should, however, be aware that the Fund incurs expenses and fees which reduce returns accordingly, and that if and when dividends are paid by the issuers of the securities the Fund's income may be reduced by withholding taxes on such dividend, such taxes may not be reflected in the return on the Reference Index or Reference Asset concerned.

While the Company will, in the event of changes to the composition of the Reference Index or Reference Asset, seek to adjust the portfolio composition of the Fund, it should also be noted that a period of time generally elapses between any change in the composition of the Reference Index or Reference Asset and the corresponding adjustment being made to the composition of the Fund's portfolio.

To assist in the achievement of the investment objective, the Fund may also employ FDIs. However, prices of FDIs develop differently from the underlying securities. No guarantee can therefore be given that the return on the Fund concerned will at all times be identical to that of the Reference Index or Reference Asset.

Interest and Exchange Rate Fluctuations: An investment in the Shares may directly or indirectly involve exchange rate risk. Because the Net Asset Value of the Fund will be calculated in its Base Currency, the performance of any of its constituents denominated in another currency other than the Base Currency will also depend on the strength of such currency against the Base Currency. Equally, the currency denomination of any Fund Asset in another currency than the Base Currency will involve exchange rate risk for the Fund. Furthermore, an investor will be subject to exchange rate risk where he invests in a Fund whose Base Currency is different to the functional currency of the investor.

Each Fund may, but is not obliged to, enter into hedging transactions on currencies to protect against a decline in the value of investments denominated in currencies other than the Base Currency, and against any increase in the cost of investments denominated in currencies other than the Base Currency; however there is no assurance that any such hedging transactions will be successful.

Fluctuations in interest rates of the country or region in whose currency or currencies the Shares, the Fund's Assets and/or the Reference Index or Reference Asset are denominated may affect financing costs and the real value of the Shares. Interest rates vary over time, and the Net Asset Value of a Fund invested in fixed-interest securities will

change in response to fluctuations in interest rates (and credit spreads). For example, when interest rates decline the value of fixed-income securities can generally be expected to rise, and conversely, when interest rates rise, the value of fixed-income securities can generally be expected to decline.

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

SFTs, TRSs and Collateral Management Risk: SFTs create several risks for the Company and its investors, including counterparty risk, if the counterparty to an SFT or TRS defaults on its obligation to return assets equivalent to the ones provided to it by the Company and liquidity risk if the Company is unable to liquidate collateral provided to it to cover a counterparty default (investors may be unable to redeem their interest in the Company if the Company is unable to liquidate the portfolio as a result of its exposure to illiquid assets).

Risks related to the counterparty's right of re-use of any collateral include that upon the exercise of such right of re-use, such assets will no longer belong to the Company and the Company will only have a contractual claim for the return of equivalent assets. In the event of insolvency of a counterparty the Company shall rank as an unsecured creditor and may not recover its assets from the counterparty. More broadly, assets subject to a right of re-use by a counterparty may form part of a complex chain of transactions over which the Company or its delegates will not have any visibility or control.

Margin lending transactions are defined in SFTR as being transactions in which a counterparty extends credit in connection with the purchase, sale, carrying or trading of securities, but not including other loans that are secured by collateral in the form of securities (for example, credit lines in connection with futures trading). In the context of prime brokerage and other credit facilities that the Fund may utilise, it may be difficult to identify whether a particular transactions falls within the definition of SFT or not.

In respect of TRSs, if the volatility or expectation of volatility of the reference asset(s) varies, the market value of the financial instruments may be adversely affected. A Fund will be subject to the credit risk of the counterparty to the swap, as well as that of the issuer of the reference obligation, and the documentation risk associated with these instruments. The Company generally will have no right to directly enforce compliance by the issuer of the reference obligation with the terms of that obligation, and will not have any rights of set-off against the issuer.

Credit Risk and Counterparty Risk: Funds will be exposed to a credit risk in relation to the counterparties with whom they transact or place margin or collateral in respect of transactions in derivative instruments. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Regardless of the measures

the 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.

Reinvestment of Cash Collateral: As a Fund may reinvest cash Collateral received, subject to the conditions and within the limits laid down by the Central Bank, a Fund reinvesting cash Collateral will be exposed to the risk associated with such investments, such as failure or default of the issuer of the relevant security.

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

The Company may engage in Securities Financing Transactions over a period of time with one or more counterparties, (as further described in section 6.11 above headed "Securities Financing Transactions"). Collateral which meets the requirements of the Collateral Policy will be posted by the relevant counterparty. A default by the counterparty to a securities lending arrangement or repurchase, reverse repurchase agreement, or a fall in the value of the Collateral posted in connection with such transactions below that of the value of the securities lent or the cash leg of the repurchase or reverse repurchase agreement may result in a reduction in the value of the relevant Fund and the Fund may suffer loss as a result. The Company will use reasonable endeavours to ensure that any Collateral transferred to it in connection with such transactions will be segregated from the bankruptcy estate of the counterparty and not available to the creditors of the counterparty. Shareholders are advised, however, that third parties may seek to challenge such segregation which, if successful, would result in a total loss of both the Collateral and the assets of the Fund that were lent or otherwise transferred.

Investments in Small and Mid-Cap Companies: The equity securities of smaller and mid-cap companies tend to be more volatile and less liquid than the equity securities of large companies. As smaller companies may experience more market price volatility than equity securities of larger companies, the Net Asset Value of any Funds which invest in such companies may reflect this volatility. Smaller companies, as compared with larger companies, may have a shorter history of operations, may not have as great an ability to raise additional capital, may have a less diversified product line making them susceptible to market pressure and may have a smaller public market for their shares.

Investment in such companies may involve relatively higher investment costs and accordingly investment in a Fund which invests in smaller and mid-cap companies should be viewed as a long-term investment. Such a Fund may however dispose of an investment made by it within a relatively short period of time, for example, to meet requests for redemption of shares.

Corporate Bonds: A corporate bond-focused Fund may invest in, or otherwise gain exposure to, corporate bonds from companies with a range of credit worthiness. A default by the issuer of a bond may result in a reduction in the value of that Fund.

Although a Fund will invest in bonds that invest and trade in the secondary market, the secondary market for corporate bonds can often be illiquid and therefore it may be difficult to achieve fair value on purchase and sale transactions.

Covered Bonds: Where a Fund invests in, or otherwise gains exposure to, covered bonds, such covered bonds will generally be of a higher quality than comparable uncovered bonds, however there is no guarantee that such covered bonds will be free from counterparty default.

Government Bonds: Although a government bond-focused Fund will invest in, or otherwise gain exposure to, government bonds that invest and trade in the secondary

market, the secondary market for government bonds or government-issued inflation linked bonds can become illiquid and therefore it may be more difficult to achieve fair value on purchase and sale transactions.

Structured Finance and Other Securities: A Fund may be exposed directly or indirectly to Structured Finance Securities and other assets which involve substantial financial risk, including distressed debt and low quality credit securities, asset-backed securities and credit-linked securities. These securities may entail a higher liquidity risk than exposure to sovereign or corporate bonds. The Fund's primary credit risk would be to the issuer of the Structured Finance Security.

Concentration Risk: If the Reference Index or Reference Asset of a Fund concentrates in a particular industry, group of industries or sector, that Fund may be adversely affected by the performance of those securities and may be subject to price volatility. In addition, a Fund that concentrates in a single industry or group of industries may be more susceptible to any single economic, market, political or regulatory occurrence affecting that industry or group of industries.

Leverage Risk: Fund Assets, Reference Index or Reference Asset and the derivative techniques used to link the two may comprise elements of leverage (or borrowings) which may potentially magnify losses and may result in losses greater than the amount borrowed or invested.

Share Subscriptions and Redemptions: Provisions relating to the subscription and redemption of Shares grant the Company discretion to limit the amount of Shares available for subscription or redemption for any Dealing Day and, in conjunction with such limitations, to defer or pro rata such subscription or redemption. In addition, where requests for subscription or redemption are received late on the relevant Investor Trade Remittance Day, there will be a delay between the time of submission of the request and the actual date of subscription or redemption. Such deferrals or delays may operate to decrease the number of Shares or the redemption amount to be received.

Subscriptions/Redemptions Account: The Company operates a Subscriptions/Redemptions Account for all of the Funds. Monies in the Subscriptions/Redemptions Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. There is a risk for investors to the extent that monies are held by the Company in the Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the Company.

Proprietary Investments / Seed Money: The assets under management at any time during the life of any of the Funds of the Company may include proprietary money (or "seed money") invested by one or more interested parties (such as the Investment Manager) and such investment may constitute a significant portion of such assets under management. Any money invested by interested parties will result in an exposure to the performance of the Fund for such interested parties. Such money may or may not be hedged by the relevant interested party. There is no assurance that any such monies will continue to be invested in the Fund by an interested party for any particular length of time.

As many of the expenses of the Fund are fixed, a higher amount of assets under management will reduce the Fund's expenses per Share and a lower amount of assets under management will increase the Fund's expenses per Share (resulting in a lower Net Asset Value). Redemption of any such proprietary investment in whole or part may affect the viability and/or performance of the Fund.

Index Licences: Investors should note that there may be instances where, under the terms of an index licence agreement between the Company and an Index Provider (relating to a Reference Index), the Index Provider has limited or excluded its liability under such index licence agreement. In such circumstances, and for example

where an Index Provider miscalculates the value or level of a Reference Index, the Fund and/or Shareholders may have no recourse against the relevant Index Provider and as a result Shareholders in the relevant Fund may incur a loss. If at any time, the licence is terminated or a Reference Index otherwise becomes unavailable, unreliable, inaccurate or unrepresentative, the Directors of a Fund may exercise their discretion to terminate the relevant Fund in accordance with the terms of the Articles.

Index calculation risk: the values of Reference Indices are calculated and published on a regular basis by the respective Index Provider or their delegates, and the published values can form an integral part of the value of the Swap Agreement and consequently of the Net Asset Value of the Fund. Investors are therefore subject to the risk that the levels of the Reference Indices are calculated incorrectly or inaccurately. In situations where, subsequent to the initial publication of the levels for any day and subsequent to the release of the Net Asset Value for that day, the levels of the Reference Indices are revised, the Net Asset Value of the Fund for that day will not be amended to reflect the new levels of the Reference Indices.

Exposure to the Reference Index: A Fund may exhibit above-average potential growth and investment performance, depending on the economic environment. The opportunities for above average growth may in some circumstances lead to extreme positive and negative fluctuations in the Net Asset Value of a Fund. A Fund is exposed to the investment risk arising from the Reference Index. A Fund is therefore exposed to the risks inherent to investments in the markets including the reference index.

Short Selling Risk: Although the UCITS Regulations prohibit the short selling of physical securities, UCITS are permitted to create synthetic short positions through the use of FDIs. A short sale means any sale of a security which the seller does not own at the time of entering into the agreement to sell including such a sale where at the time of entering into the agreement to sell the seller has borrowed or agreed to borrow the security for delivery at settlement. The seller sells the borrowed or agreed to be borrowed securities in anticipation of a decline in price of the relevant security. The benefit to the seller where the value of the security declines is the difference between the price at which the security is sold and the cost of repurchasing the borrowed security in order to return it to the person from whom it was borrowed. A synthetic short position allows a fund to achieve a similar economic outcome without short selling the physical securities.

Synthetic short selling may be achieved through the use of a variety of FDIs including contracts for differences, futures and options. Please refer to the section 'Use of Financial Derivative Instruments' for further details in relation to the risks attached to trading each of these FDIs.

Short Selling Regulations

Pursuant to the EU Short Selling Regulation 236/2012 (the “SSR”), information on net short positions, in shares admitted to trading on a trading venue in the EU (except where the principal trading venue of that instrument is outside the EU) or sovereign debt issued by a Member State or the EU, is required to be notified to the relevant competent authority as prescribed in the SSR and the delegated regulations adopted by the European Commission to supplement the SSR. In brief, under the SSR, a short position may be generated either by the short selling of physical shares or sovereign debt or by entering into a transaction relating to a financial instrument, other than shares or sovereign debt, where the effect is to confer a financial advantage on the person entering in to the transaction in the event of a decrease in the price or value of the relevant share or sovereign debt instrument. The term ‘financial instrument’ is defined by reference to Annex I, section C of the Markets in Financial Instruments Directive (**MiFID**) and includes transferable securities, money market instruments, units in collective investment schemes and a broad range of derivatives referencing various underlying investments. Accordingly, the SSR notification requirements cover net short positions created by the use of FDIs such as options, futures, index-related instruments, contracts for differences and spread bets relating to shares or sovereign debt.

The SSR and the delegated regulations set out the deadlines by which notifications of net short positions must be made to the relevant competent authority and the thresholds at which a notification requirement is triggered. The thresholds, in the case of shares, are set by reference to the value of the short position relative to the issued share capital of the issuer and, in the case of sovereign debt, by reference to the total amount of outstanding issued sovereign debt. Depending on the value of the short position, notifications may constitute private notifications to the relevant competent authority or public disclosure where information on net short positions notified will be available to the public.

In order to comply with the SSR, where a Fund is engaging in synthetic shorting of shares or sovereign debt, the Company must be aware of the notification and disclosure obligations under the SSR. Failure to adhere to the notification and disclosure requirements under the SSR could result in losses to the Company.

Compliance with the SSR and the delegated regulations may represent a significant increase in the administrative burden on the Company in respect of Funds impacted by the SSR with inevitable adverse cost implications.

Use of Financial Derivative Instruments:

General: The Fund may use derivative techniques to track the performance of the Reference Index. While the prudent use of such derivatives can be beneficial, derivatives also involve risks which, in certain cases, can be greater than the risks presented by investing directly in the constituents of the Reference Index or Reference Asset. There may be transaction costs associated with the use of derivatives.

Control and Monitoring: Derivative products are highly specialised instruments that require investment techniques and risk analysis different from those associated with equity and fixed income securities. The use of derivative techniques requires an understanding not only of the relevant Reference Index or Reference Asset but also of the derivative itself. In particular, the use and complexity of derivatives require the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to a Fund and the ability to monitor the relative price, interest rate or currency rate movements correctly.

Liquidity Risk: Liquidity risk exists when a particular instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid as is the case with many privately negotiated derivatives, it may not be possible to initiate a transaction or liquidate a position at an advantageous price, or at all.

Credit Risk and Counterparty Risk: The Company on behalf of a Fund may enter into transactions in "over-the-counter" markets, which will expose the Fund to the credit risk of its counterparties with whom they transact or place margins or Collateral in respect of such transactions and their ability to satisfy the terms of such contracts, and could result in the relevant Fund suffering a loss thereon. For example, the Company on behalf of the Fund may enter into Securities Financing Transaction, forward contracts, options and swap arrangements or other derivative techniques, each of which exposes the Fund to the risk that the counterparty may default on its obligations to perform under the relevant contract. In the event of the bankruptcy or insolvency of a counterparty, the Fund could experience delays in liquidating the position and significant losses, including declines in the value of its investment during the period in which the Company seeks to enforce its rights, inability to realise any gains on its investment during such period and fees and expenses incurred in enforcing its rights. There is also a possibility that the above agreements and derivative techniques are terminated due, for instance, to bankruptcy, supervening illegality or change in the tax or accounting laws relative to those at the time the agreement was originated. In such circumstances, investors may be unable to recover any losses incurred.

Some of the markets in which a Fund may effect derivative transactions are "over-the-counter" or "interdealer" markets, which may be illiquid and are sometimes subject to larger spreads than exchange-traded derivative transactions. The participants in such

markets are typically not subject to credit evaluation and regulatory oversight, which would be the case with members of “exchange-based” markets. This exposes a Fund to the risk that an Approved Counterparty will not settle a transaction in accordance with its terms and conditions because of a credit or liquidity problem with the Approved Counterparty. Delays in settlement may also result from disputes over the terms of the contract (whether or not bona fide) since such markets may lack the established rules and procedures for swift settlement of disputes among market participants found in “exchange-based” markets. These factors may cause a Fund to suffer a loss due to adverse market movements while replacement transactions are executed or otherwise.

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

Other Risks: Other risks in using derivatives include the risk that there are differing valuations for such derivatives arising out of different permitted valuation methods. Many derivatives, in particular derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Fund. The value of any derivatives shall be the value obtained from the Approved Counterparty or the Administrator and shall be valued daily. Such valuations will be approved or verified at least weekly by a party independent of the Approved Counterparty as determined by the Board of Directors and approved by the Depositary. Alternatively, the valuation methodology explained in Section 8.2 could be used. Derivatives do not always perfectly or even highly correlate or replicate the value of the securities, rates or indices they are designed to replicate. Consequently, a Fund's use of derivative techniques may not always be an effective means of, and sometimes could be counterproductive to, implementing such Fund's investment objective.

Investors should note that where an derivative is terminated and the Directors and the Investment Manager decide to invest in a new derivative in its place, the terms of the new derivative may be different and in some cases less favourable than the terms of the previous derivative.

The return payable under the Swaps with an Approved Counterparty is subject to the credit risk of the counterparty. In addition, the Approved Counterparty will generally act as the Calculation Agent under the Swaps and perform those duties agreed in the ISDA Master Agreement and confirmation for the relevant Swaps. Shareholders should note that not only will they be exposed to the credit risk of the counterparty but also potential conflicts of interest in the performance of the function of calculation agent by the Approved Counterparty. The Approved Counterparty will use its reasonable endeavours to resolve any such conflicts of interest fairly (having regard to its respective obligations and duties) and to ensure that the interests of the Company and the Shareholders are not unfairly prejudiced. The Directors believe that the counterparty will be suitable and competent to act as calculation agent. Any valuations provided by the counterparty in its role as calculation agent will be verified at least weekly by a party independent of the Approved Counterparty as sourced by the Administrator and approved by the Depositary.

EPM Risk: The Company on behalf of a Fund may employ techniques and instruments relating to Transferable Securities, Money Market Instruments and/or other financial instruments in which it invests for efficient portfolio management purposes. Many of the risks attendant in utilising derivatives, as disclosed in the section entitled “Use of Derivatives” above, will be equally relevant when employing such efficient portfolio management techniques. In addition to the sub-section entitled “General”, particular attention is drawn to the sub-sections entitled “Credit Risk and Counterparty Risk” and “SFTs Risk”. Investors should also be aware that from time to time, a Fund may engage in Securities Financing Transactions and other financial derivative contracts' counterparties and/or securities lending agents that are related parties to the Depositary or other service providers of the Company. Such engagement may on occasion cause a

conflict of interest with the role of the Depositary or other service provider in respect of the Company. Please refer to section 14.1 “Fund Transactions and Conflicts of Interest” for further details on the conditions applicable to any such related party transactions. The identity of any such related parties will be specifically identified in the Company’s semi-annual and annual reports.

Depositary Risk

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

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

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

The Funds enjoy a strong level of protection in terms of Depositary liability for the safekeeping of Custody Assets. However, the level of protection for Non-Custody Assets is significantly lower. Accordingly, the greater the proportion of a Fund invested in categories of Non-Custody Assets, the greater the risk that any loss of such assets that may occur may not be recoverable. While it will be determined on a case-by-case whether a specific investment by the Fund is a Custody Asset or a Non-Custody Asset, generally it should be noted that derivatives traded by a Fund over-the-counter will be Non-Custody Assets. There may also be other asset types that a Fund invests in from time to time that would be treated similarly. Given the framework of Depositary liability under UCITS V, these Non-Custody Assets, from a safekeeping perspective, expose the Fund to a greater degree of risk than Custody Assets, such as publicly traded equities and bonds.

7.2 Secondary Market Trading Risk

Even though the Shares are to be listed on one or more Relevant Stock Exchanges, there can be no certainty that there will be liquidity in the Shares on any Relevant Stock Exchange or that the market price at which the Shares may be traded on a Relevant Stock Exchange will be the same as or approximately equal to the Net Asset Value per Share. However, as the Shares may be dealt in by means of subscription and redemption, the Directors consider that large discounts or premiums in the Net Asset Value of a Fund would not be sustainable. There can be no guarantee that once the Shares are listed on a Relevant Stock Exchange they will remain listed or that the conditions of listing will not change.

Trading in Shares on a Relevant Stock Exchange, or the requirement for market makers to make two way prices on a Relevant Stock Exchange, may be halted or suspended due to market conditions, or because the Relevant Stock Exchange considers that trading in the Shares is inadvisable, or the discontinuance in the calculation or publication of the Reference Index or Reference Asset or a component thereof, or otherwise pursuant to the Relevant Stock Exchange’s rules. If trading on a Relevant Stock Exchange is halted or suspended, investors in Shares may not be able to sell their Shares until trading

resumes however such investors should be able to apply to the Company to redeem Shares in accordance with the provisions set out below.

7.3 Taxation

Investors in the Shares should be aware that they may suffer income tax, withholding tax, capital gains tax, wealth tax, stamp taxes or any other kind of tax on distributions or deemed distributions of the Fund, capital gains within the Fund whether realised or unrealised, income received or accrued or deemed received within the Fund etc., subject to the laws and practices of the country where the Shares are purchased, sold, held or redeemed and subject to the country of tax residence or nationality of the Shareholder.

Investors should be aware of the fact that taxes may be calculated based on income received and/or deemed to be received and/or accrued in the Fund in relation to the assets of a Fund, whereas the performance of the Fund, and subsequently the return investors receive after redemption of the Shares, might partially or fully depend on the performance of the Reference Index or Reference Asset.

Investors who are in any doubt as to their tax position should consult their own independent tax advisors. In addition, investors should be aware that tax regulations and their application or interpretation by the relevant taxation authorities' change from time to time. Accordingly, it is not possible to predict the precise tax treatment, which will apply at any given time.

FATCA Risk

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

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

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

CRS Risk

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

The CRS, which will apply in Ireland from 1 January 2016, is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

The Company is a Reporting Financial Institution for CRS purposes and will be required to comply with the Irish CRS obligations. In order to satisfy its CRS obligations, the Company will require its investors to provide certain information in respect of their tax residence and may, in some cases, require information in relation to the tax residence of the beneficial owners of the investor. The Company, or a person appointed by the Company, will report the information required to Irish Revenue by 30 June in the year

following the year of assessment for which a return is due. Irish Revenue will share the appropriate information with the relevant tax authorities in participating jurisdictions.

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

7.4 Consequences of winding-up proceedings

If the Company fails for any reason to meet its obligations or liabilities, or is unable to pay its debts, a creditor may be entitled to make an application for the winding-up of the Company. The commencement of such proceedings may entitle creditors (including Approved Counterparties) to terminate contracts with the Company (including FDIs) and claim damages for any loss arising from such early termination. The commencement of such proceedings may result in the Company being dissolved at a time and its assets (including the assets of all Funds) being realised and applied to pay the fees and expenses of the appointed liquidator or other insolvency officer, then in satisfaction of debts preferred by law and then in payment of the Company's liabilities, before any surplus is distributed to the Shareholders of the Company. In the event of proceedings being commenced, the Company may not be able to pay the full amounts anticipated by the Supplement in respect of any Fund.

7.5 Potential Conflicts of Interest

The Directors, the Investment Manager, the Depositary, the Administrator, the Index Provider, any Approved Counterparty, the Calculation Agent under any FDI, any counterparty to Securities Financing Transactions, any Shareholder, any Authorised Participant or market maker which has been appointed to offer prices for the Shares on any Relevant Stock Exchange on which the Classes to which the Shares belong are listed (for the purposes hereof, a "**Market Maker**") and any of their respective subsidiaries, Affiliates, associates, agents or delegates (for the purposes hereof, "**Connected Persons**" and each a "**Connected Person**") may undertake activities which may give rise to potential conflicts of interest, including but not limited to:

- (a) enter into any financial, banking or other transactions or arrangements with one another or with the Company including, without limitation, investment by the Company in securities of any Connected Person, or investment by any Connected Person in any company or body any of whose investments form part of the assets of the Company, or be interested in any such contracts or transactions;
- (b) invest in and deal in Shares relating to any Fund, and shares, securities, assets or any property of the kind included in the property of the Company for their respective individual accounts or for the account of a third party; and
- (c) deal as agent, principal or counterparty in the sale or purchase of securities and other investments (including foreign exchange, FDI and Securities Financing Transactions) to or from the Company.

Any assets of the Fund in the form of cash or securities may be deposited, subject to the provisions of the Central Bank Acts, 1942 to 2010, of Ireland as amended by the Central Bank and Financial Services Regulatory Authority of Ireland Acts, 2003 to 2004, with any Connected Person. Any assets of the Fund in the form of cash may be invested in certificates of deposit or banking investments issued by any Connected Person. Banking or similar transactions may also be undertaken with or through a Connected Person.

Also, a conflict of interest may arise where the competent person valuing unlisted securities and/or OTC derivatives held by a Fund is the Investment Manager or any other related party to the Company. For example, because the Investment Manager's fees are calculated on the basis of a percentage of a Fund's Net Asset Value, such fees increase as the Net Asset Value of the Fund increases.

Each of the Directors, the Investment Manager, the Depositary, the Administrator, the Index Provider, any Approved Counterparty, the Calculation Agent under any FDI, any counterparty to securities lending arrangements and any other relevant party will use

reasonable endeavours to ensure that for the purposes of this section 7.5, any conflicts which may arise will be resolved fairly.

7.6 Disruption Events

Upon the occurrence of a Disruption Event (including an Index Disruption and Adjustment Event as defined below, and without limitation to the Directors' personal powers as further described herein):

- (a) to the extent that the Fund has entered into FDIs, an Approved Counterparty (whether acting as the relevant Calculation Agent or otherwise) may either (i) terminate one or more of the relevant FDIs, or (ii) adjust the terms of the relevant FDIs held by the Fund to account for such event, including adjustment to or substitution of the Reference Index, the calculation of the Reference Index level or the valuation of the FDI (and, provided that the Investment Manager (and where appropriate the Approved Counterparty) considers that it is commercially reasonable to do so, the relevant Fund may continue to operate by using such formula for and method of calculating the Reference Index level last in effect prior to the occurrence of any such event with such adjustments as the Investment Manager may deem necessary for the purpose of continuing the operation of the relevant Fund), and such adjustment(s) may have a positive or negative impact on the Net Asset Value of the relevant Fund; and/or
- (b) the Directors may temporarily suspend the calculation of the Net Asset Value and any subscription, redemption and exchange of Shares and payment of redemption proceeds in accordance with the provisions under the section 8.3 "Suspension of Calculation of Net Asset Value"; and/or
- (c) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to the market conditions (taking into account such disruption or adjustment event and the best interests of the Shareholders), the Directors shall terminate the Fund.

Any change of a Reference Index shall be subject to (i) the prior approval of the Shareholders of the relevant Fund by ordinary resolution; or (ii) shall be notified to Shareholders in the circumstances set out in Section 5.3(g) above.

Certain events ("**Index Disruption and Adjustment Events**") may occur with respect to a Reference Index or the ability of an Approved Counterparty to perform its obligations under one or more derivative contracts. These events include, but are not limited to, those items in section 5.3 above and the events below:

- (i) the Reference Index is deemed to be inaccurate or does not reflect actual market developments;
- (ii) the Reference Index is permanently cancelled by the Index Provider;
- (iii) the Index Provider fails to calculate and announce the Reference Index level;
- (iv) the Index Provider makes a material change in the formula for or the method of calculating the Reference Index (other than a modification prescribed in that formula or method to maintain the calculation of the Reference Index level in the event of changes in the constituent components and weightings and other routine events);
- (v) the licence to use and reference the Reference Index by the Company is terminated;
- (vi) it becomes impossible or commercially unreasonable, in the determination of the Investment Manager, for the Approved Counterparty to continue to perform its obligations under the derivatives;

- (vii) to the extent the Fund has entered into FDIs, and / or options or futures contracts on the Reference Index where (a) the costs associated with the Approved Counterparty hedging its liability and obligations under the relevant FDIs and / or options or futures contracts on the Reference Index increase; or (b) the ability of the Approved Counterparty to hedge its liability becomes impaired or commercially unreasonable or impracticable; or
- (viii) if any law shall be passed or change in law is implemented which renders it illegal, impracticable or inadvisable to (a) continue to reference or replicate the relevant Reference Index; or (b) for the Approved Counterparty to continue to perform its obligations under one or more derivative contracts.

The provisions in this Section 7.6 apply to Reference Assets in the same way as they apply to a Reference Index.

Further details of any risk factors which are applicable to a particular Fund are set out in the relevant Supplement. The risk factors set out in this Prospectus do not purport to be an exhaustive or complete explanation of all the risks. Investors should seek professional advice before investing.

8 Issue and Redemption Prices/Calculation and Publication of Net Asset Value/Valuation of Assets

8.1 Issue and Redemption Prices/Calculation of Net Asset Value

The Initial Issue Price for Shares of each Fund shall be the amount(s) set out in the Supplement for the relevant Fund.

The price at which Shares of any Fund will be issued on a Dealing Day, after the initial issue, is calculated by ascertaining the Net Asset Value of the relevant Fund (i.e. the value of the assets of the Fund having deducted the liabilities of the Fund therefrom) as at the Valuation Point for that Fund for the relevant Dealing Day. The Net Asset Value per Share of the relevant Fund is calculated by dividing the Net Asset Value of the relevant Fund by the total number of Shares in issue in the Fund at the relevant Valuation Point and rounding the result to up to four decimal places. Where applicable, the Net Asset Value per Share of each Class in a Fund is calculated by determining that portion of the Net Asset Value of the Fund which is attributable to the relevant Class and by dividing this sum by the total number of Shares of the relevant Class in issue at the relevant Valuation Point and rounding the resulting amount to up to four decimal places. If a Fund has more than one Class of Share, additional fees may be charged against certain Classes, and details of such fees will be set forth in the Supplement for the relevant Fund. This may result in the Net Asset Value per Share of each Class being different. The Valuation Point for each Fund is set out in the Supplement for the relevant Fund.

The price at which Shares will be issued on a Dealing Day is, subject as hereinafter provided, the Net Asset Value per Share of the relevant Class which is calculated in the manner described above. The Company may, in calculating such price, add to the Net Asset Value per Share of the relevant Class, for its own account, a charge sufficient to cover stamp duties, Transfer Taxes (if applicable) or other taxation (if any), fiscal and purchase charges (including but not limited to spreads and any transaction-driven custody charges) in respect of the issue of Shares in the relevant Fund (the "**Issue Price**"). Applicants may also be charged a Subscription Charge, an Anti-Dilution Adjustment and/or Anti-Dilution Levies as may be specified in the relevant Supplement.

The price at which Shares will be redeemed on a Dealing Day is, subject as hereinafter provided, the Net Asset Value per Share of the relevant Class which is calculated in the manner described above. The Company may, in calculating such price, deduct from the Net Asset Value per Share of the relevant Class, for its own account, a charge in respect of any fiscal and sales charges (including but not limited to spreads and any transaction-driven custody charges) or Transfer Taxes (if applicable) in respect of the redemption of Shares in the relevant Fund (the "**Redemption Price**"). Applicants may also be charged a Redemption Charge, an Anti-Dilution Adjustment and/or Anti-Dilution Levies as may be specified in the relevant Supplement.

In respect of the Anti-Dilution Levies, the Directors or the Investment Manager as approved by the Directors may adjust the Issue Price and/or the Redemption Price by adding to or deducting from (as appropriate) the Issue Price per Share and/or the Redemption Price per Share such costs, for retention as part of the assets of the Fund. The Anti-Dilution Levies will include dealing costs to preserve the value of the assets of the Fund.

The Directors reserve the right to impose an Anti-Dilution Levy in the case of net subscriptions and/or net repurchases on a transaction basis as a percentage adjustment (to be communicated to the Administrator) on the value of the relevant subscription/repurchase calculated for the purposes of determining a subscription price or repurchase price to cover dealing costs and to preserve the value of the underlying assets and to preserve value of the underlying assets of the Fund where they consider

such a provision to be in the best interests of a Fund. Such amount will be added to the price at which Shares will be issued in the case of net subscription requests and deducted from the price at which Shares will be repurchased in the case of net repurchase requests. Any such sum will be paid into the account of the Fund.

For the avoidance of doubt, a Fund will only pay an Anti-Dilution Levy or an Anti-Dilution Adjustment and the relevant fee payable by a Fund will be specified in the Supplement for the relevant Fund.

8.2 Valuation of Assets

The Articles provide for the method of valuation of the assets and liabilities of each Fund which will be valued at the Valuation point as follows.

- (a) Each asset which is listed or traded on or under the rules of any Recognised Market shall be valued at the closing or last known market price which for the purposes of the Company shall be understood to mean the last traded price for securities. If the investment is listed or traded on more than one Recognised Market, the relevant Recognised Market shall be either (a) that which is the main market for the investment or (b) the market which the Directors determine provides the fairest criteria in a value for the security. Assets listed or traded on a Recognised Market, but acquired or traded at a premium or at a discount outside or off the Recognised Market may be valued taking into account the level of premium or discount at the Valuation Point provided that the Depositary shall be satisfied that the adoption of such a procedure is justifiable in the context of establishing the probable realisation value of the security.
- (b) The value of any instrument or security which is not listed or traded on a Recognised Market, or which is so listed or traded on a Recognised Market but for which the market price is unrepresentative or not available shall be the probable realisation value as estimated with care and in good faith which may be further described in the Prospectus by (i) the Directors or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary.
- (c) Units or shares in collective investment schemes will be valued at the latest available net asset value for the shares or units as published by the collective investment scheme or if unavailable and if appropriate, in the opinion of the Directors or the Administrator or their delegate, with the consent of the Depositary, at the latest bid prices as published by the collective investment scheme.
- (d) Cash in hand or on deposit shall be valued at face value together with accrued interest where applicable.
- (e) Derivative instruments including exchange traded futures and options contracts (including index futures) shall be valued based on the settlement price as determined by the Recognised Market where the instrument is traded and provided that where such a settlement price is not available such instruments shall be valued (in accordance with paragraph (b) above).
- (f) The value of any off-exchange traded derivative contracts shall be the probable realisation value estimated with care and in good faith (which may be further described in the Prospectus) by the Directors or a competent person approved for such purpose by the Depositary, or by such other means provided that the value is approved by the Depositary.
- (g) Subject to the Central Bank Regulations, the amortised cost valuation method may be used for the valuation of:

- a. a Fund which is a short-term money market fund, provided that the Investment Manager carries out a weekly review of discrepancies between the market value and the amortised cost value and has in place an escalation procedure to ensure that any material discrepancy between the market value and the amortised cost value of a money market instrument is brought to the attention of the relevant portfolio managers or a review of the amortised cost valuation vis-à-vis market valuation will be carried out in accordance with the requirements of the Central Bank; or
- b. where it is not the intention or objective of the Directors to apply amortised cost valuation to the portfolio of the Fund as a whole, a money market instrument within such a Fund shall only be valued on an amortised basis if the money market instrument has a residual maturity of less than three months and does not have any specific sensitivity to market parameters, including credit risk.

If the Directors deem it necessary, a specific investment may be valued under an alternative method of valuation approved by the Depositary and the rationale/methodologies used must be clearly documented.

The liabilities of the Company shall be deemed to include any and all actual or estimated liabilities of whatsoever nature of the Company including, without limitation to the generality of the foregoing:

- (a) all administrative and professional fees and expenses payable and/or accrued including, without prejudice to the generality of the foregoing, all remuneration, fees, costs and expenses payable by the Company and/or accrued and/or estimated to be payable by the Company to the Depositary, the Administrator and the legal advisers of the Company and to any other person, firm or corporation providing services to the Company and all other projected expenses as the Directors consider fair and reasonable and properly payable out of the assets of the Company and all value added tax chargeable, if any, in respect of the provision of any of the foregoing services to the Company;
- (b) any and all outstanding borrowings and all accrued interest payable thereon including, without prejudice to the generality of the foregoing, an amount representing the aggregate maximum amount payable by the Company in respect of any debentures, debenture stock, loan stock, loan notes, bonds or other debt obligations created or issued by the Company;
- (c) all bills, notes and accounts payable;
- (d) the total amount of any actual or estimated liabilities for any and all tax of whatsoever nature and howsoever arising on the income or deemed income and realised capital gains of the Company as at the relevant Business Day;
- (e) the total amount of any actual or estimated liabilities for withholding tax (if any) payable on any of the Investments in respect of the current accounting period;
- (f) all fees and expenses incurred in connection with the tax compliance obligations of the Company including expenses incurred in connection with the preparation and/or filing of tax returns and/or reports including expenses incurred in connection with FATCA and CRS compliance, due diligence and reporting;
- (g) an appropriate provision for all taxes and contingent liabilities as determined from time to time by the Directors; and
- (h) the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable out of the assets of the Company.

Any value expressed otherwise than in the Base Currency of the relevant Fund (whether of any investment or cash) and any non-Base Currency borrowing shall be converted into the Base Currency at the rate which the Administrator deems appropriate in the circumstances.

Notwithstanding the generality of the foregoing, the Directors may with the approval of the Depositary adjust the value of any investment if taking into account currency, marketability and/or such other considerations as they may deem relevant, such as, applicable rate of interest, anticipated rate of dividend, maturity or liquidity, they consider that such adjustment is required to reflect the fair value thereof. The rationale for adjusting the value must be clearly documented.

8.3 Suspension of Calculation of Net Asset Value

The Directors may at any time temporarily suspend the calculation of the Net Asset Value of any Fund and the subscription, redemption or exchange of Shares and the payment of redemption proceeds of any Class during (i) any period when any of the principal Markets on which any of the direct investments, or indirect investments (e.g. the components of a Reference Index or Reference Asset), of the relevant Fund are quoted is closed, otherwise than for ordinary holidays, or during which dealings therein are restricted or suspended; (ii) 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 the investments of the relevant Fund is not reasonably practicable without this being seriously detrimental to the interests of Shareholders of the relevant Fund or if, in the opinion of the Directors, the Net Asset Value of the Fund cannot fairly be calculated; (iii) any breakdown in the means of communication normally employed in determining the price of any of the relevant Fund's investments and other assets or when for any other reason the current prices on any Market of any assets of the relevant Fund cannot be promptly and accurately ascertained; (iv) any period during which the Company is unable to repatriate funds (due to exceptional market circumstances e.g. major illiquidity in the market) required for the purpose of making payments due on redemption of Shares of any Class in the relevant Fund or during which the 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, be effected at normal prices or rates of exchange; (v) any period where in the opinion of the Directors such suspension is justified having regard to the interests of the Company and/or the relevant Fund; (vi) following the circulation to the relevant Shareholders of a notice of a general meeting at which a resolution proposing to wind-up the Company or terminate the relevant Fund (or relevant Class of Shares) is to be considered; or (vii) upon the occurrence of a Disruption Event or an Index Disruption and Adjustment Event (in accordance with Section 7.6). The Company will, whenever possible, take all reasonable steps to bring any period of suspension to an end as soon as possible.

Shareholders who have requested the issue or redemption of Shares of any Class or exchanges of Shares of one Fund to another will be notified of any such suspension in such manner as may be directed by the Directors and their requests will be dealt with on the first Dealing Day after the suspension is lifted. Any such suspension shall be notified immediately, and in any event within the same business day, to the Central Bank, to the competent authorities in any jurisdiction where the Company (and its relevant Funds) are registered for sale and to the Relevant Stock Exchanges (if any) where the Shares of the relevant Fund are listed. Details of any such suspension will also be notified to all Shareholders and will be published in a newspaper circulating in an appropriate jurisdiction (or such other publications as the Directors may determine) if the Directors consider it is likely to exceed 14 days.

8.4 Publication of the Net Asset Value

The Net Asset Value per Share of each Class of Shares within each relevant Fund expressed in the Base Currency and, as the case may be, translated into other currencies

as specified in the relevant Supplement, and any dividend declaration, will be up-to-date available on the Website each Business Day and at the office of the Administrator.

The Net Asset Value per Share of a Class shall be made available on the Website or such other website as the Investment Manager may notify to Shareholders in advance from time to time and updated following each calculation of the Net Asset Value in respect of a relevant Fund. In addition, the Net Asset Value per Share for each Class may be obtained from the office of the Administrator during normal business hours in Ireland. These Net Asset Values will be those prices applicable to the previous Dealing Day's subscriptions, redemptions and exchanges. Where relevant, the Company will notify the Relevant Stock Exchanges where the Shares are listed of the Net Asset Value immediately upon its calculation. The Company will not accept any responsibility for any error or delay in publication or for non-publication of prices which are beyond its control. Such Net Asset Values per Share (and translations into other currencies as appropriate) may also be available on the Website. The access to such publication on the Website may be restricted and is not to be considered as an invitation to subscribe for, purchase, convert, sell or redeem Shares.

9 Share Dealing

9.1 General Information in respect of Applications for Shares

The Directors may restrict or prevent the ownership of Shares by (i) any person, firm or corporate body, if in the opinion of the Directors such holding may be detrimental to the Company, if it may result in the Company incurring any liability to taxation or suffering other pecuniary, regulatory, legal or material administrative disadvantages or being in breach of any law or regulation which the Company might not otherwise have incurred, suffered or breached; or (ii) any person who appears to be 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 (iii) any United States Person (unless pursuant to an exemption under US securities laws); or (iv) any individual under the age of 18 (or such other age as the Directors think fit) or of unsound mind (such persons, firms or corporate bodies to be determined by the Directors being herein referred to as "**Prohibited Persons**").

As with other Irish companies limited by shares, the Company is required to maintain a register of Shareholders. The Directors have resolved that Shares in the Funds will be issued in dematerialised (or uncertificated) form and that the Funds will apply for admission for clearing and settlement through a clearing system. As the Company is an Irish company, the operation of a clearing system in respect of these Shares is governed by the Companies Act.

9.2 Subscription of Shares

Investors can send subscription applications for Shares for cash on any Investor Trade Remittance Day for the relevant Dealing Day by the Investor Trade Remittance Cut-off as specified in the relevant Supplement, except during any period in which the calculation of the Net Asset Value is suspended. It is also possible for investors to buy their Shares on the Secondary Market, as set out in Section 10 below. The details on the specific cash subscription procedures are set out below under the heading "**Cash Subscriptions and Redemptions**". A Subscription Charge of up to 5% of the Net Asset Value per share, as appropriate, may be charged to the applicant by the Company on the issue of Shares. The Subscription Charge is deducted from the investment amount received from an investor for subscription for Shares. The Company may waive all or part of the Subscription Charge in the event that the Shares purchased by a Shareholder correspond at least to the Minimum Subscription Amount/basket as set out in the Supplement for the relevant Fund, or a multiple thereof or for any other reason at the Company's sole discretion. The amount of any Subscription Charge and any Anti-Dilution Levies payable by the applicant will be set out in the relevant Supplement.

Fractions of Shares shall not be issued. Subscription monies representing fractions of Shares will not be returned to the applicant but will be retained as part of the assets of the relevant Fund and accordingly available to Shareholders of the Fund on a pro rata basis on each of the Shareholders holding of Shares.

It is envisaged by the Directors that investors will generally buy and sell their Shares through the Secondary Market (as set out in Section 10 below), given the nature of the Funds of the Company and the terms and conditions relating to the subscription and redemption of Shares other than on the Secondary Market.

Initial applications should be made using an Application Form obtained from the Administrator which may be submitted in form, by electronic means or by fax. All initial applications shall be subject to prompt transmission to the Administrator of such other papers (such as documentation relating to money laundering prevention checks) as may be required by the Directors or their delegate. In the case of initial or subsequent applications submitted by electronic means or by fax, it shall also be necessary for the Company to subsequently receive the Application Form. Details of these requirements are set out in the Application Form. 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 of the applicant. This may result in Shares being issued on a subscription date subsequent to the subscription date on which an applicant initially wished to have Shares issued to him. 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 the subscription if such information as has been requested by the Administrator has not been received by the Administrator from the applicant. In addition, the Administrator may refuse to process a redemption request until proper information has been provided including any relevant money laundering documentation.

Any application for shares made by electronic means will be formally documented and approved by the Company.

Existing Shareholders may subscribe for further Shares by making an application in writing using a Subscription Form obtainable from the Company or the Administrator, or by fax provided that all ongoing anti-money laundering and client identification checks are complete.

The Directors have also decided that initial and subsequent subscription applications may be made by electronic or other means (provided that (i) a duly completed Application Form is received for initial subscription applications and (ii) such electronic or other means are in accordance with the requirements of the Central Bank and previously agreed with the Administrator).

Applications for initial subscriptions will be accepted at the Initial Issue Price plus the Subscription Charge, Anti-Dilution Adjustment and Anti-Dilution Levies (if applicable). Subsequent subscriptions will be accepted at a price corresponding to the Net Asset Value per Share as determined as at the Valuation Point for the relevant Dealing Day, plus the Subscription Charge, Anti-Dilution Adjustment and Anti-Dilution Levies (if applicable). Any subscription orders received after the Investor Trade Remittance Cut-off for a particular Dealing Day will be processed on the following Dealing Day unless the Directors in their absolute discretion (and such discretion only to be exercised in exceptional circumstances) otherwise determine to accept one or more orders received after the Investor Trade Remittance Cut-off for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for that particular Dealing Day.

The Net Asset Value per Share of each Class in each Fund will be published in its respective Base Currency and, as the case may be, translated into other currencies as specified in the relevant Supplement, as set out in Section 8.4.

Details of the Minimum Subscription Amount and Minimum Holding for each Fund will be set out in the relevant Supplement. The Directors reserve the right from time to time to

waive any requirements relating to a Minimum Subscription Amount as and when it determines in its absolute discretion.

The Directors retain the right to offer only one Class of Shares for purchase by investors in any particular jurisdiction in order to conform to local law, custom or business practice. The Directors also reserve the right to adopt standards applicable to classes of investors or transactions that permit or require the purchase of a particular Class of Shares.

The Directors reserve the right to reject, in whole or in part, any application or subsequent subscription for Shares. Any request for redemption on such Dealing Day shall be reduced rateably and the redemption requests shall be treated as if they were received on each subsequent Dealing Day until all the shares to which the request related have been redeemed. In particular, if the Directors determine that it would be detrimental to the existing Shareholders to accept applications for Shares of any Fund which represents more than 10% of the Net Asset Value of such Fund, the Directors may decide that all or part of the application for Shares in excess of 10% be deferred until the next Dealing Day. If the Directors decide to defer all or part of the application in excess of 10%, the applicants shall be informed prior to the deferral taking place.

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

Prospective investors should note that by completing the Application Form they are providing to the Company personal information, which may constitute personal data within the meaning of the data protection legislation. This data will be used for the purposes of administration, transfer agency, statistical analysis, research and disclosure to the Company, its delegates and agents. By submitting the Application Form, investors acknowledge that they are providing their consent to the Company, its delegates and it's or their duly authorised agents and any of their respective related, associated or affiliated companies obtaining, holding, using, disclosing and processing the data for any one or more of the following purposes:

- (a) to manage and administer the investor's holding in the relevant Fund and any related accounts on an on-going basis;
- (b) for any other specific purposes where the investor has given specific consent;
- (c) to carry out statistical analysis and market research;
- (d) to comply with legal, taxation and regulatory obligations applicable to the investor and the Company;
- (e) for disclosure or transfer whether in Ireland or countries outside Ireland including without limitation the United States of America, United Kingdom, Germany, and other countries outside the EEA which may or may not have an adequate level of data protection, to third parties including financial advisers, regulatory bodies, taxation authorities, auditors, technology providers or to the Company's its delegates and it's or their duly appointed agents and any of their respective related, associated or affiliated companies for the purposes specified above; and
- (f) for other legitimate business interests of the Company.

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

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

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

9.3 Redemption of Shares

Shares are redeemed at the Net Asset Value per Share plus or minus duties and charges (as the case may be) including any Subscription Charge, Redemption Charge or Switching Charge, Anti-Dilution Adjustments and any Anti-Dilution Levies specified in the relevant Supplement. Investors can send redemption applications for their Shares for cash on any Investor Trade Remittance Day for the relevant Dealing Day by the Investor Trade Remittance Cut-off as specified in the relevant Supplement, except during any period in which the calculation of the Net Asset Value is suspended. It is also possible for investors to sell their Shares on the Secondary Market, as set out in Section 10 below. The details on the specific cash procedures are set out below under the heading "**Cash Subscriptions and Redemptions**". A Redemption Charge of up to 3% of the Net Asset Value per share may be charged to the Shareholder by the Company. The Redemption Charge is deducted from the redemption proceeds payable to the investor. The Company may waive all or part of the Redemption Charge in the event that the Shares redeemed by a Shareholder correspond at least to the Minimum Redemption Amount/basket, as set out in the Supplement for the relevant Fund, or a multiple thereof or for any other reason at the Company's sole discretion. The amount of any Redemption Charge and any Anti-Dilution Levies payable by the Shareholder will be set out in the relevant Supplement.

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

It is envisaged by the Directors that investors will generally buy and sell their Shares through the Secondary Market (as set out under Section 10 of this Prospectus), given the nature of the Funds of the Company and the terms and conditions relating to the subscription and redemption of Shares other than on the Secondary Market.

Shareholders wishing to have all or some of their Shares redeemed by the Company may make an application for redemption using a Redemption Form obtainable from the Company or the Administrator (a) by fax or electronic means provided that (i) payment shall be made to the account on record, (ii) an Application Form has been received and all anti-money laundering and client identification checks are complete, and (iii) that the Shareholder has requested this facility, or (b) to the extent that the Directors have so decided, by electronic or other means. Applications must include details of the name of the Fund, Class of Share, the number of Shares or the amount the Shareholder wishes to have redeemed, the Shareholder's details, the Shareholder's account number and any other information required by the Redemption Form. In no event shall applications for redemption be processed until the Application Form has been received by the Administrator from the investor and all of the necessary anti-money laundering checks have been carried out. Amendments to investors' registrations details and payment instructions will only be effected upon receipt of electronic instruction from the Shareholder. Any delay or failure by a Shareholder to provide any of this information may result in a delay in the processing of (or failure to process) the application for redemption whilst verification (which may be requested in writing) is sought from the Shareholder, and the Company and the Administrator shall not be liable for any such delay in the

processing of (or failure to process) the application for redemption resulting from a Shareholder delaying or failing to provide the verification information required.

Any redemption requests received after the Investor Trade Remittance Cut-off for a particular Dealing Day will be processed on the following Dealing Day unless the Directors in their absolute discretion (and such discretion only to be exercised in exceptional circumstances) otherwise determine to accept one or more orders received after the Investor Trade Remittance Cut-off for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for that particular Dealing Day.

Written confirmations may be required by the Company and must be duly signed by all registered holders, unless in the case of joint registered holders, each such holder has sole signing authority.

The redemption proceeds will correspond to the Net Asset Value per Share as determined as at the Valuation Point for the relevant Dealing Day, less the Redemption Charge, Anti-Dilution Adjustment and Anti-Dilution Levies (if applicable). The Company may waive all or part of the Anti-Dilution Levies (if applicable) in the event that the Shares subscribed or redeemed by a Shareholder correspond at least to the Minimum Redemption Amount/basket, as set out in the Supplement for the relevant Fund, or a multiple thereof or for any other reason at the Company's sole discretion.

The Net Asset Value per Share of each Class in each Fund will be published in its respective Base Currency and, as the case may be, translated into other currencies as specified in the relevant Supplement, as set out in Section 8.4.

Details of the Minimum Redemption Amount and Minimum Holding for each Fund will be set out in the relevant Supplement. The Directors reserve the right from time to time to waive any requirements relating to a Minimum Redemption Amount and Minimum Holding as and when it determines in its absolute discretion.

The Company is entitled to limit the number of Shares of any Fund redeemed on any Dealing Day to Shares representing not more than 10% of the Net Asset Value of that Fund on that Dealing Day. The Directors will advise the Administrator when to apply this based on reporting provided by the Administrator. In this event, the limitation will apply *pro rata*, so that all Shareholders wishing to redeem their shareholding in that Fund on the relevant Dealing Day will realise the same proportion of their redemption request. Shares not redeemed but which would otherwise have been redeemed, will be carried forward for redemption on the next Dealing Day and will be dealt with in priority (on a *pro rata* basis as detailed above) to redemption requests received subsequently. If requests for redemptions are so carried forward, the Administrator will inform the Shareholders affected.

The Articles contain special provisions with respect to a redemption request received from a Shareholder which would result in Shares representing more than 5% of the Net Asset Value of any Fund being redeemed by the Company on any Dealing Day. The Directors will advise the Administrator when to apply this based on reporting provided by the Administrator. In such a case the Company, at the discretion of the Directors and with the consent of the relevant Shareholder, may satisfy the redemption request in whole or in part by a distribution of investments of the relevant Fund *in specie*, provided that such a distribution would not be prejudicial to the interests of the remaining Shareholders of that Fund. The assets to be transferred shall be selected at the discretion of the Investment Manager, (subject to the approval of the Depositary), and taken at their value used in determining the redemption price of the Shares being redeemed. Where a Shareholder requesting such redemption receives notice of the Company's intention to elect to satisfy the redemption request by such a distribution of assets, the Shareholder may require that the Company, instead of transferring those assets, arrange for their sale and the payment of the net proceeds of sale to that Shareholder. The Directors may only use their discretion to satisfy redemption request *in specie*, in circumstances where a

redemption request received from a Shareholder would result in a redemption of Shares representing more than 5% of the Net Asset Value of the relevant Fund.

9.4 Cash Subscriptions and Redemptions

An investor may send subscription or redemption applications for Shares for cash on each Investor Trade Remittance Day for the relevant Dealing Day (except during any period in which the calculation of the Net Asset Value is suspended) by notifying the Administrator as described below by the Investor Trade Remittance Cut-off as defined in the relevant Supplement.

Applications for cash subscriptions or redemptions received by the Administrator on any Investor Trade Remittance Day before the relevant Investor Trade Remittance Cut-off will be processed by the Administrator on the relevant Dealing Day at a price corresponding to the Net Asset Value per Share as at the Valuation Point for the relevant Dealing Day. Applications for cash subscriptions or redemptions received after the Investor Trade Remittance Cut-off for the relevant Dealing Day shall, unless the Company or its delegate shall in exceptional circumstances otherwise agree, be deemed to have been received by the next Investor Trade Remittance Cut-off. For the avoidance of doubt the Minimum Subscription Amount and the Minimum Redemption Amount shall be set out in the Supplement for the relevant Fund. Applications for subscriptions and redemptions will be irrevocable unless the Directors, or a delegate, otherwise agree. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Depositary, agree to designate additional Dealing Days and Valuation Points in respect of those Dealing Days for the purchase of Shares relating to any Fund which will be open to all Shareholders. Shareholders will be notified in advance of any such additional Dealing Days.

If the full payment in cleared funds relating to an application for subscription (including any Subscription Charge, Anti-Dilution Adjustment and any Anti-Dilution Levies) has not been received by or on behalf of the Company by the relevant Settlement Date, the allotment of Shares made in respect of such application may, at the discretion of the Directors, be cancelled, or, alternatively, the Directors may treat the application as an application for such number of Shares as may be purchased with such payment on the Dealing Day next following receipt of payment in full of cleared funds. In such cases the Company may charge the applicant for any resulting bank charges or market losses incurred by the relevant Fund.

Shareholders wishing to make a cash redemption must also make arrangements for the transfer of their Shares into the Company's account at a clearing system. Delivery instructions are available from the Administrator upon written request. Payment for Shares redeemed will be effected by the Settlement Date as specified in the Supplement for the relevant Fund (provided that the Shares have been transferred into the Company's account at a clearing system). Redemption proceeds (net of any Redemption Charge, Anti-Dilution Adjustment and any Anti-Dilution Levies) in the Base Currency of the Fund will be paid by electronic transfer to the account on record (any changes to the account on record may only be made upon receipt of original written instructions). On a redemption, the Depositary will release cash at the instruction of the Administrator. The cost of any transfer of proceeds by electronic transfer will be deducted from such proceeds.

Investors should note that although the Directors intend to pay all redemption proceeds by the relevant Settlement Date, such payment may be delayed if the Directors consider such delay to be in the best interests of the Shareholders. In all instances the payment of the redemption proceeds shall be within 10 Business Days of the relevant Investor Trade Remittance Cut-off.

Subscription of Shares In-Kind

At the discretion of the Directors, investors may send subscriptions, via an Authorised Participant, for Shares in-kind on any Investor Trade Remittance Day for the relevant Dealing Day by the Investor Trade Remittance Cut-off as defined in the relevant

Supplement except during any period in which the calculation of the Net Asset Value is suspended. For the avoidance of doubt the Minimum Initial Subscription as set out in the Supplement for the relevant Fund shall apply in relative terms to in-kind subscriptions. "In-kind" means that, rather than receiving cash in respect of a subscription and delivering cash proceeds in respect of a redemption, the Fund will receive securities (or predominantly securities) acceptable to the Investment Manager.

Securities delivered in connection with in-kind subscription requests must be securities which the Fund may acquire pursuant to its investment objective and policies and will be reviewed and the value of such securities contributed verified by the Depositary. A report will be issued detailing the securities transferred, their respective market value on the day of the transfer and the number of Shares issued. Any costs resulting from such a subscription in-kind will be borne exclusively by the relevant investor. The value attributed to securities delivered in connection with in-kind subscription or redemption requests will be equivalent to that for cash subscriptions/redemptions, and no Shares shall be issued until all securities and cash payable to the Depositary (or a permitted collateral amount) are in the possession of, or properly credited to the account of, the Depositary. Any in-kind subscription will be at the specific investor's risk and the costs of such a transfer will be borne by the specific investor. Shares will not be issued until the investments have been vested or arrangements are made to vest the investments with the Depositary or its sub-custodian to the Depositary's satisfaction. The number of Shares to be issued will not exceed the amount that would be issued if the cash equivalent of the investments had been invested and the Depositary is satisfied that the terms of such exchange shall not be such as are likely to result in any material prejudice to the existing Shareholders.

Applications for Subscription: Applications for in-kind subscriptions will be made on an Investor Trade Remittance Day with effect from a Dealing Day in respect of applications received on or prior to the Investor Trade Remittance Cut-off. Dealing Days and Investor Trade Remittance Cut-offs relating to each Fund are specified in the relevant Supplement. Applications received after the Investor Trade Remittance Cut-off for the relevant Dealing Day shall, unless the Company shall in exceptional circumstances otherwise agree and provided they are received before the Valuation Point for the relevant Dealing Day, be deemed to have been received by the next Investor Trade Remittance Cut-off. Applications for subscriptions will be irrevocable unless the Directors, or a delegate, shall in exceptional circumstances otherwise agree. If requested, the Directors may, in their absolute discretion and subject to the prior approval of the Depositary, agree to designate additional Dealing Days and Valuation Points in respect of those Dealing Days for the purchase of Shares relating to any Fund which will be open to all Shareholders. Shareholders will be notified in advance of any such additional Dealing Days.

- (a) **Settlement Period:** The standard settlement period for in-kind subscriptions is generally three Business Days following the Business Day on which the application for subscription is accepted, but this may vary depending upon the standard settlement periods of the different stock exchanges on which the shares are traded and the nature of the securities but shall not (in the absence of appropriate collateral being posted) in any event exceed ten Business Days from the relevant Investor Trade Remittance Cut-off. No Shares will be issued to the applicant until all the securities being subscribed in kind have been received by the Depositary and the In-Kind Transaction Fee and, if applicable, Transfer Taxes have been received by the Depositary.
- (b) **Failure to Deliver Securities:** In the event that an applicant fails to deliver to the Depositary one or more of the securities by the designated time, the Company may reject the application for subscription, or may require the applicant to pay the closing value of such undelivered securities as at the Valuation Point for the relevant Dealing Day, marked to market until the date of delivery of such undelivered securities or the date on which the Company acquires such securities

in the open market, plus any costs or expenses and, if applicable, Transfer Taxes associated with the purchase by the Company of those securities or may require a letter of credit acceptable to it for such purpose. On the payment of such amounts, the Shares will be issued. In the event that the actual cost to the Company of acquiring the securities (including costs or expenses and any Transfer Taxes) exceeds the aggregate of the value of such securities as at the Valuation Point for the relevant Dealing Day, the In-Kind Transaction Fee and, if applicable, the Transfer Taxes paid by the applicant, the applicant will be required to promptly reimburse the Company the difference on demand. The Company will have the right to sell or redeem all or part of the applicant's holding of Shares in the Fund (or any other Fund) in order to meet some or all of these charges.

Redemption of Shares In-Kind

Each Fund may allow Authorised Participants which have been appointed to offer prices for the Shares on any Listing Stock Exchange to redeem Shares in-kind on any Investor Trade Remittance Day for the relevant Dealing Day by the Investor Trade Remittance Cut-off as defined in the relevant Supplement, unless otherwise specified in the Relevant Supplement. In this context, "in-kind" means that, with the consent of the Authorised Participant, rather than delivering cash proceeds in respect of a redemption, the Company will deliver securities or a combination of cash and securities, provided that the asset allocation is subject to the approval of the Depositary. Redemption requests must be received by the Administrator before the Investor Trade Remittance Cut-off. The composition of the basket of securities to be delivered by the Company and an estimated amount of the balance in cash are published every Dealing Day on the Website. The exact value of the cash balance is determined after calculation of the Net Asset Value on the relevant Dealing Day, established on the basis of the prices used in calculating the Net Asset Value per Share, and equals the difference between the value of the Shares to be redeemed and the value of the basket of securities at the prices used in calculating the Net Asset Value per Share on the same date. All redemptions in-kind will be subject to an appropriate provision for duties and charges. The Directors may, with the consent of the individual Shareholders, satisfy any request for repurchase of Shares by the transfer to those Shareholders of assets of the relevant Fund having a value equal to the repurchase price for the Shares repurchased as if the repurchase proceeds were paid in cash less any Redemption Charge and other expenses of the transfer. A determination to provide redemption in-kind shall be at the sole discretion of the Company where the redeeming Shareholder requests redemption of Shares in a Fund representing 5% or more of the Net Asset Value. Further, a determination to provide redemption in-kind shall be at the sole discretion of the Company where the Shares being redeemed were originally subscribed for in specie. The assets to be transferred shall be selected at the discretion of the Directors, subject to the approval of the Depositary and taken at their value used in determining the redemption price of the Shares being so repurchased. In this event the Company will, if requested, sell the assets on behalf of the Shareholder at the Shareholder's expense and give the Shareholder cash. Such distributions will not materially prejudice the interests of remaining Shareholders. The cost of any such disposal shall be borne by the redeeming Shareholder.

9.5 Use of Subscriptions/Redemptions Account

The Company operates a single, omnibus Subscriptions/Redemptions Account for all of the Funds, in accordance with the Central Bank's guidance relating to umbrella fund cash accounts. Accordingly, monies in the Subscriptions/Redemptions Account are deemed assets of the respective Funds and shall not have the protection of the Investor Money Regulations. It should be noted however that the Depositary will monitor the Subscriptions/Redemptions Account in performing its cash monitoring obligations and ensuring effective and proper monitoring of the Company's cash flows in accordance with its obligations as prescribed under UCITS V. There nonetheless remains a risk for investors to the extent that monies are held by the Company in the

Subscriptions/Redemptions Account for the account of a Fund at a point where such Fund (or another Fund of the Company) becomes insolvent. In respect of any claim by an investor in relation to monies held in the Subscriptions/Redemptions Account, the investor shall rank as an unsecured creditor of the Company.

The Company in conjunction with Depositary shall establish a policy to govern the operation of the Subscriptions/Redemptions Account, in accordance with the Central Bank's guidance in this area. This policy shall be reviewed by the Company and the Depositary at least annually.

9.6 Form of the Shares and Register

The Shares shall be issued in the form of Registered Shares. Registered Shares may be represented by a Global Share Certificate.

The Administrator will maintain the register for the Company and will be responsible for the issue of Shares to Market Makers and other shareholders that choose to subscribe for Shares directly to the Company.

(a) Registered Shares

The Shares can be issued in registered form and the Shareholders' register is conclusive evidence of the ownership of such Shares. Registered Shares shall be issued without share certificates. The uncertified form enables the Company to effect redemption instructions without undue delay.

(b) Registered Shares represented by Global Share Certificates

Such Global Share Certificates will be issued in the name of the Company and deposited with the Clearing Agents. Global Share Certificates will be transferable in accordance with applicable laws and any rules and procedures issued by any Clearing Agent concerned with such transfer. Such Registered Shares represented by a Global Share Certificate are freely transferable subject to and in accordance with the rules of the relevant Clearing Agent. Shareholders who are not participants in such systems will only be able to transfer such Registered Shares represented by a Global Share Certificate through a financial intermediary who is a participant in the settlement system of the relevant Clearing Agent.

9.7 General Provisions

The Directors reserve the right to reject any application for subscription or exchange in whole or in part. Furthermore, the Directors reserve the right at any time, without notice, to discontinue the issue and sale of Shares of any Fund of the Company. The Directors also reserve the right to authorise at any time and without notice the issue and sale of Shares for Funds that were previously closed for further subscriptions.

The Directors may in its discretion decide, prior to the Launch Date, to cancel the offering of a Fund. The Directors may also decide to cancel the offering of a new Class of Shares. In such case, investors having made an application for subscription will be duly informed and any subscription monies already paid will be returned. For the avoidance of doubt, no interest will be payable on such amount prior to their return to the investors.

No Shares will be issued, redeemed or exchanged during any period when the calculation of the Net Asset Value per Share of the relevant Fund is suspended pursuant to the Articles and as discussed herein under "**Suspension of Calculation of Net Asset Value**". Notice of any such suspension will be given to applicants for subscription, redemption or exchange of Shares (in addition to the notifications to be made pursuant to Section 8.3). Applications will be considered on the first Dealing Day following the end of the suspension period.

Measures provided for in the Criminal Justice (Money Laundering & Terrorist Financing) Act 2010 (as amended by the Criminal Justice Act 2013) (the "**CJA**") which are aimed towards the prevention of money laundering may require detailed verification of each applicant's identity; for example an individual may be required to produce a duly certified

copy of his passport or identification card together with evidence of his address such as a utility bill or bank statement and his date of birth. In the case of corporate applicants this may require production of a certified copy of the certificate of incorporation (and any change of name), memorandum and articles of association (or equivalent), the names, occupations, dates of birth and residential and business address of the directors of the company.

Depending on the circumstances of each application, a detailed verification may not be required where; (a) the application is made through a recognised intermediary, or (b) investment is made by a recognised intermediary or financial institution or (c) the investor makes payment from an account held in the applicant's name at a recognised financial institution. These exceptions will only apply if the financial institution or intermediary referred to above is located in a country which has equivalent anti money laundering legislation to that in place in Ireland. Applicants may contact the Authorised Participant or the Administrator in order to determine whether they meet the above exceptions.

The Administrator and each Authorised Participant reserve the right to request such information as is necessary to verify the identity of an applicant. In the event of delay or failure by the applicant to produce any information required for verification purposes, the Administrator may refuse to accept the application and subscription monies at the cost and risk of the applicant. Investors should note that the Administrator may seek a letter of undertaking from such investors in order to satisfy its obligations under the CJA.

Each applicant agrees in the Application Form to hold harmless and indemnify the Company, each Investment Manager, the Administrator and their delegates ("**Indemnified Persons**"), and agrees to keep them indemnified, against any direct or indirect loss, damages, liabilities or reasonable costs of any nature whatsoever arising to any of them, arising as a result of:

- (i) any of the Indemnified Persons acting upon or pursuant to facsimile instructions reasonably believed in good faith to be genuine and to be signed by properly authorised persons. The Indemnified Persons may rely conclusively upon and shall incur no liability in respect of any action taken upon any notice, consent, request, instruction or other instrument reasonably believed in good faith to be genuine and to be signed by such properly authorised persons;
- (ii) a failure to process any application for Shares due to the applicant failing to provide the necessary identification requirements under the Criminal Justice Act, 1994 (as amended and supplemented from time to time).
- (iii) any breach of any representation, statement, warranty, covenant or confirmation by the applicant or any failure by the applicant to disclose any relevant details or to provide any information reasonably requested of them, other than where such failure results from legal or regulatory prohibitions imposed on the applicant or where such loss has been caused by the negligence, wilful default or fraud of the Company, an Investment Manager or its delegates.
- (iv) any non-delivery or late delivery of cash or the securities in respect of the applicant's subscription for Shares.

Activities which may adversely affect the interests of the Shareholders (for example, activities that disrupt the Company's investment strategies or impact expenses for the Company) are not permitted. The Directors may, in their discretion, if they deem such activities adversely affect the interests of the Shareholders, take action as appropriate to prevent such activities.

All subscription, redemption and exchange requests shall be dealt with promptly, however investors should note that neither the Company nor the Administrator shall be liable for any delays in processing subscriptions, redemptions and/or exchange requests.

9.8 Compulsory Redemption

The Company may compulsorily redeem all of the Shares of any Fund if the Net Asset Value of the relevant Fund is less than the Minimum Fund Size (if any) specified in the relevant Supplement and in accordance with the terms of the Supplement for the relevant Fund.

The Company reserves the right to redeem any Shares which are or become owned, directly or indirectly by a Prohibited Person as set out under the heading "**General Information in respect of Applications for Shares**".

The Directors may, at any time, redeem all Shares from Shareholders whose holding is less than the Minimum Holding. In such case the Shareholder concerned will receive prior notice so as to be able to increase his holding above such amounts during a period of 10 Business Days following the receipt of such notice.

Where Irish Taxable Persons acquire and hold Shares, the Company shall, where necessary for the collection of Irish tax, redeem and cancel a sufficient portion of the Shares held by a person who is or is deemed to be an Irish Taxable Person or is acting on behalf of an Irish Taxable Person on the occurrence of a chargeable event for taxation purposes and to pay the proceeds thereof to the Irish Revenue Commissioners.

9.9 Exchange of Shares

At the sole discretion of the Directors, Shareholders will be able to send exchange applications on any Investor Trade Remittance Day for the relevant Dealing Day by the Investor Trade Remittance Cut-off as defined in the relevant Supplement all or part of their holding of Shares of any Class of one Fund (the "**Original Class**") for Shares of another Class in the same Fund or a separate Fund which is being offered at that time (the "**New Class**") provided that all the criteria for applying for Shares in the New Class have been met, by giving notice to the Administrator on behalf of the Company on or prior to the Investor Trade Remittance Cut-off for the relevant Valuation Point. The Company however may, at its sole discretion, agree to accept requests for exchange received after that time provided they are received prior to the relevant Valuation Point. The Company may not be able to exercise this discretion in all circumstances, for example where requests for exchanges of Shares are made via dealing platforms or other electronic means. Shareholders making requests for exchanges via dealing platforms or other electronic means are reminded that they must refer to the provider of the dealing platform or electronic means for the procedures that apply to such trading arrangements.

The general provisions and procedures relating to subscriptions and redemptions will apply equally to exchanges. All exchanges will be treated as a redemption of the Shares of the Original Class and application of the net proceeds to the purchase of Shares of the New Class, based upon the then current Issue and Redemption Prices of Shares in each Fund. The Articles allow for an exchange fee of up to 3% of the total Redemption Price of the Shares of the Original Class redeemed to be charged, and the Directors, in their sole discretion, reserve the right to impose such fee within this limit together with any Anti-Dilution Levies as shall be set out in the Supplement in respect of each Fund. Furthermore, where exchanges of Shares are not permitted between Classes of a certain Fund, this will be set out in the Supplement for the relevant Fund. Fractions of shares shall not be issued.

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

$$S = \frac{[Rx(RPxER)] - F}{SP}$$

where:

R = the number of Shares of the Original Class to be exchanged;

- S = the number of Shares of the New Class to be issued;
- RP = the Redemption Price per Share of the Original Class as at the Valuation Point for the relevant Dealing Day;
- ER = in the case of an exchange of Shares designated in the same Base Currency is 1. In any other case, it is the currency conversion factor determined by the Directors on or about the Valuation Point for the relevant Dealing Day as representing the effective rate of exchange applicable to the transfer of assets relating to the Original and New Classes of Shares after adjusting such rate as may be necessary to reflect the effective costs of making such transfer;
- SP = the issue price per Share of the New Class as at the Valuation Point for the relevant Dealing Day; and
- F = the Switching Charge, if any payable to the Company, or as it may direct, on the exchange of Shares.

Where there is an exchange of Shares, Shares of the New Class will be allotted and issued in respect of and in proportion to the Shares of the Original Class in the proportion S to R.

Shares may not be exchanged for Shares in a different Fund and exchanges between the Classes of Shares of the same Fund shall not be permitted during any period when the calculation of the Net Asset Value of the relevant Fund is suspended in the manner described under "**Suspension of Calculation of Net Asset Value**" above. Applicants for exchange of Shares will be notified of such postponement and their applications will be considered as at the next Dealing Day following the ending of such suspension.

When requesting the exchange of Shares as an initial investment in a Fund, Shareholders should ensure that the value of the Shares exchanged is equal to or exceeds the Minimum Subscription Amount for the relevant New Class specified in the relevant Supplement. In the case of an exchange of a partial holding only, the value of the remaining holding must also be at least equal to the Minimum Holding for the Original Class.

The Administrator will on request arrange for any necessary currency transaction required if there is an exchange of Shares of any Class of a Fund for Shares of the same Class in another Fund. Any such currency transaction may be effected with the Depositary or an Authorised Participant and will be at the applicant's cost. Currency exchange transactions may delay any dealing in Shares as the Administrator may choose at its option to delay executing any foreign exchange transaction until cleared funds have been received.

9.10 Anti-Dilution Adjustment ("**Swing Pricing**")

The cost of purchasing or selling the underlying investments on a Fund may be higher or lower than the last traded price used in calculating the Net Asset Value per Share. The effects of dealing charges, commissions and dealing at prices other than the last traded price may have a materially disadvantageous effect on the Shareholders' interests in a Fund.

To prevent this effect, known as "dilution" and to protect Shareholders, the Company may charge a dilution adjustment in the circumstances set out below so that the price of a Share in the Fund is above or below that which would have resulted from a valuation based on the last traded price (i.e. effectively "swinging" the price). The charging of a dilution adjustment may either reduce the net repurchase price or increase the net subscription price of the Shares in a Fund. Where a dilution adjustment is made, it will increase the Net Asset Value per Share where the Fund receives net subscriptions and will reduce the Net Asset Value per Share where the Fund receives net repurchases.

The dilution adjustment for a Fund will be calculated by reference to the estimated or actual costs of dealing in the underlying investments of that Fund, including but not limited to any dealing spreads related to dealing in the underlying investments. These costs can vary over time and as a result the amount of dilution adjustment will also vary over time. The price of each Class of Shares in a Fund will be calculated separately but any dilution adjustment will affect the price of Shares of each Class in a Fund in an identical manner. When the dilution adjustment is not made and Shares are bought or sold there may be an adverse impact on the Net Asset Value of a Fund.

Dilution adjustments may be applied on any Dealing Day but the possible amount of such adjustments will be reviewed from time to time by the Company. The details of the dilution adjustments that have been applied to subscriptions and/or repurchases can be obtained by a Shareholder on request from the Company.

9.11 Anti-Money Laundering and Counter Terrorist Financing Measures

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity, address and source of funds and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship in order to comply with Irish law anti-money laundering obligations. Politically exposed persons ("**PEPs**"), an individual who is or has, at any time in the preceding year, been entrusted with prominent public functions, and immediate family members, or persons known to be close associates of such persons, must also be identified.

By way of example an individual may be required to produce an original certified copy of a passport or identification card together with evidence of his/her address such as two original copies of evidence of his/her address, i.e. utility bills or bank statements (not more than six months old), date of birth and tax residence. 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), a certified copy of the corporate investor's authorised signatory list, the names, occupations, dates of birth and resident and business address of all directors. Depending on the circumstances of each application, a detailed verification might not be required where, for example, the application is made through a recognised intermediary located in a jurisdiction recognised by Ireland as having equivalent anti-money laundering protections.

The Company is regulated by the Central Bank, and must comply with the measures provided for in the CJA which are aimed towards the prevention of money laundering and terrorist financing. In order to comply with these anti-money laundering and counter-terrorism financing regulations, the Administrator, on the Company's behalf, will require from any subscriber or Shareholder a detailed verification of the identity of such subscriber or Shareholder, the identity of the beneficial owners of such subscriber or Shareholder, the source of funds used to subscribe for Shares, or other additional information which may be requested from any subscriber or Shareholder for such purposes from time to time. The Company and the Administrator each reserve the right to request such information as is necessary to verify the identity of an applicant and where applicable, the beneficial owner.

None of the Company, the Directors, the Investment Manager or the Administrator shall be liable to the subscriber or Shareholder where an application for Shares is not processed or Shares are compulsorily repurchased or payment of repurchase proceeds is delayed in such circumstances.

9.12 Data Protection

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. Data may be disclosed to third parties including regulatory bodies, tax authorities (including in accordance with CRS), delegates, advisers and service providers of the Company and their or the Company's duly authorised delegates and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. By signing the Application Form, investors consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the Application Form.

Investors have a right of access to their personal data kept by the Company and the right to amend and rectify any inaccuracies in their personal data held by the Company by making a request to the Company in writing.

10 Secondary Market

10.1 Listing on a Stock Exchange

It is the intention of the Company for each of its Funds, through having its Shares listed on one or more Relevant Stock Exchanges, to qualify as an exchange traded fund ("ETF"). As part of those listings there is an obligation on one or more members of the Relevant Stock Exchange to act as market makers offering prices at which the Shares can be purchased or sold by investors. The spread between those purchase and sale prices may be monitored and regulated by the relevant stock exchange authority.

Unless otherwise stated in the Supplement for the relevant Fund, it is contemplated that application will be made to list the Shares of each Fund on one or more Relevant Stock Exchange(s). If the Directors decide to create additional Funds or Classes they may in their discretion apply for the Shares of such Funds to be listed on the Relevant Stock Exchange(s). For so long as the Shares of any Fund are listed on any Relevant Stock Exchange, the Fund shall endeavour to comply with the requirements of the Relevant Stock Exchange relating to those Shares. For the purposes of compliance with the national laws and regulations concerning the offering and/or listing of the Shares outside Ireland this document may have attached to it one or more documents setting out information relevant for the jurisdictions in which the Shares are offered for subscription.

The Prospectus and the Supplement for the relevant Fund together comprise listing particulars for the purposes of listing the Shares of each Fund on the official list and trading on the main market of each of the Relevant Stock Exchanges.

The Company does not charge any transfer fee for purchases of Shares on the secondary market. Orders to buy Shares through the Relevant Stock Exchanges can be placed via a member firm or stockbroker. Such orders to buy Shares may incur costs over which the Company has no control.

The approval of any listing particulars pursuant to the listing requirements of the Relevant Stock Exchange does not constitute a warranty or representation by such Relevant Stock Exchange as to the competence of the service providers or as to the adequacy of information contained in the listing particulars or the suitability of the Shares for investment or for any other purpose.

Certain Authorised Participants who subscribe for Shares may act as market makers; other Authorised Participants are expected to subscribe for Shares in order to be able to offer to buy Shares from or sell Shares to their customers as part of their broker/dealer business. Through such Authorised Participants being able to subscribe for or redeem Shares, a liquid and efficient secondary market may develop over time on one or more Relevant Stock Exchanges as they meet secondary market demand for such Shares. Through the operation of such a secondary market, persons who are not Authorised Participants will be able to buy Shares from or sell Shares to other secondary market investors or market makers, broker/dealers, or other Authorised Participants at prices which should approximate, after currency conversion, the Net Asset Value of the Shares. Investors should be aware that on days other than Business Days or Dealing Days of a Fund when one or more markets are trading Shares but the underlying Market(s) on which the Reference Index or Reference Asset of the Fund are traded are closed, the spread between the quoted bid and offer prices in the Shares may widen and the difference between the market price of a Share and the last calculated Net Asset Value per Share may, after currency conversion, increase. Investors should also be aware that on such days the Reference Index or Reference Asset value would not necessarily be calculated and available for investors in making their investment decisions because prices of Reference Index or Reference Asset securities in the underlying Market(s) would not be available on such days. Nonetheless, one or more Relevant Stock

Exchanges may provide a calculation of such Reference Index or Reference Asset based upon trading, if any, of such Reference Index or Reference Asset securities on marketplaces other than the underlying Market(s). The settlement of trades in Shares on Relevant Stock Exchanges will be through the facilities of one or more Recognised Clearing and Settlement Systems following applicable procedures which are available from the Relevant Stock Exchanges. Further details of the Relevant Stock Exchanges for each Fund are set out in the relevant Supplement.

10.2 Intra-Day Portfolio Value ("iNAV")

The Investment Manager may at its discretion make available on the Website, or may designate other persons to make available on its behalf, on each Business Day, an intra-day portfolio value or "iNAV" for one or more Funds. If the Investment Manager makes such information available on any Business Day, the iNAV will be calculated at least once per day based upon information available during the trading day or any portion of the trading day, and will ordinarily be based upon the current value of the assets/exposures of the Fund in effect on such Business Day, together with any cash amount in the Fund as at the previous Business Day. The Investment Manager will make available an iNAV if this is required by any Relevant Stock Exchange.

An iNAV is not, and should not be taken to be or relied on as being, the value of a Share or the price at which Shares may be subscribed for or redeemed or purchased or sold on any Relevant Stock Exchange. In particular, any iNAV provided for any Fund where the constituents of the Reference Index or Reference Asset are not actively traded during the time of publication of such iNAV may not reflect the true value of a Share, may be misleading and should not be relied on. The inability of the Investment Manager or its designee to provide an iNAV, on a real-time basis, or for any period of time, will not in itself result in a halt in the trading of the Shares on a Relevant Stock Exchange, which will be determined by the rules of the Relevant Stock Exchange in the circumstances. Investors should be aware that the calculation and reporting of any iNAV may reflect time delays in the receipt of the relevant constituent securities prices in comparison to other calculated values based upon the same constituent securities including, for example, the Reference Index or Reference Asset itself or the iNAV of other exchange traded funds based on the same Reference Index or Reference Asset. Investors interested in subscribing for or redeeming Shares on a Relevant Stock Exchange should not rely solely on iNAV in making investment decisions, but should also consider other market information and relevant economic and other factors (including, where relevant, information regarding the Reference Index or Reference Asset, the relevant constituent securities and financial instruments based on the Reference Index or Reference Asset corresponding to the relevant Fund). None of the Company, the Directors, the Investment Manager, the Depositary, the Administrator, any Authorised Participant and the other service providers shall be liable to any person who relies on the iNAV.

11 Clearing and Settlement

11.1 General

Inaction by the Common Depositary and/or an International Central Securities Depositary

Investors that settle or clear through an International Central Securities Depositary will not be a registered Shareholder in the Company, they will hold an indirect beneficial interest in such Shares and the rights of such investors, where participants, shall be governed by their agreement with the applicable International Central Securities Depositary and otherwise by the arrangement with a participant of the International Central Securities

Depositary (for example, their nominee, broker or Central Securities Depositories, as appropriate). The Company will issue any notices and associated documentation to the registered holder of the Global Share Certificate, the Common Depositary's Nominee, with such notice as is given by the Company in the ordinary course when convening general meetings. The Directors understand that the Common Depositary's Nominee has a contractual obligation to relay any such notices received by the Common Depositary's Nominee to the applicable International Central Securities Depositary, pursuant to the terms of its appointment by the relevant International Central Securities Depositary. The applicable International Central Securities Depositary will in turn relay notices received from the common depositary to its participants in accordance with its rules and procedures. The Directors understand that the Common Depositary is contractually bound to collate all votes received from the applicable International Central Securities Depositories (which reflects votes received by the applicable International Central Securities Depositary from participants) and that the common depositary's nominee should vote in accordance with such instructions. The Company has no power to ensure the common depositary relays notices of votes in accordance with their instructions. The Company cannot accept voting instructions from any persons, other than the Common Depositary's nominee.

Payments

Upon instruction of the Common Depositary's Nominee, redemption proceeds and any dividends declared are paid by the Company or its authorised agent to the applicable International Central Securities Depositary. Investors, where participants, must look solely to the applicable International Central Securities Depositary for their redemption proceeds or their share of each dividend payment made by the Company or otherwise to the relevant Participant of the International Central Securities Depositary (including, without limitation, their nominee, broker or Central Securities Depositary, as appropriate) for any redemption proceeds or any share of each dividend payment made by the Company that relates to their investment.

Investors shall have no claim directly against the Company in respect of redemption proceeds or dividend payments due on Shares represented by the Global Share Certificate and the obligations of the Company will be discharged by payment to the applicable International Central Securities Depositary upon the instruction of the Common Depositary's Nominee.

Failure to Settle

If an Authorised Participant submits a dealing request and subsequently fails or is unable to settle and complete the dealing request, as the Authorised Participant is not a registered Shareholder of the Company, the Company will have no recourse to the Authorised Participant other than its contractual right to recover such costs. In the event that no recovery can be made from the Authorised Participant and any costs incurred as a result of the failure to settle will be borne by the Fund and its' investors.

11.2 Procedure For Dealing On The Primary Market

The Primary Market is the market on which Shares of the Fund are issued by the Company or redeemed by the Company on applications from Authorised Participants. Only Authorised Participants are able to deal in Shares on the Primary Market.

Applicants wishing to deal on the Primary Market in respect of the Fund have to satisfy certain eligibility criteria and be registered with the Company, to become Authorised Participants. In addition, all applicants applying to become Authorised Participants must first complete the Company's Account Opening Form which may be obtained from the

Administrator and satisfy certain anti-money laundering checks. The signed Account Opening Form should be sent to the Administrator. Applicants wishing to become Authorised Participants should contact the Investment Manager for further details. The Company has absolute discretion to accept or reject any Account Opening Form and to revoke any authorisation to act as an Authorised Participant. The common depositary's nominee, acting as the registered holder of Shares in the Fund, may not apply to become an Authorised Participant.

For the purpose of this Fund, Authorised Participants may submit requests to deal on the Primary Market by an electronic order entry facility. The use of the electronic order entry facility is subject to the prior consent of the Investment Manager and the Administrator and must be in accordance with and are subject to the dealing request cut off times stated in the Primary Market dealing timetable. Alternative dealing methods are available with the consent of the Investment Manager and in accordance with the requirements of the Central Bank.

All dealing applications are at the Authorised Participant's own risk. Dealing requests, once submitted, shall (save as determined by the Investment Manager at its discretion) be irrevocable. The Company, the Investment Manager and the Administrator shall not be responsible for any losses arising in the transmission of Account Opening Forms or for any losses arising in the transmission of any dealing request through the electronic order entry facility or any alternative dealing method approved by the Investment Manager. Amendments to registration details and payment instructions will only be effected upon receipt by the Company of the original documentation.

Authorised Participants are responsible for ensuring that they are able to satisfy settlement obligations when submitting dealing requests on the Primary Market. Authorised Participants instructing redemption requests must first ensure that they have sufficient Shares in their account to redeem (which Shares must be delivered to the Administrator to arrange for cancellation by the settlement date). Redemption requests will be processed only where the payment is to be made to the Authorised Participant's account of record.

Clearing and Settlement

Authorised Participants' title and rights relating to Shares in the Fund will be determined by the clearance system through which they settle and/or clear their holdings. This Fund will settle through the relevant International Central Securities Depositories and the common depositary's nominee will act as the registered holder of all such Shares. For further details, see the section "Global Clearing and Settlement" below.

Subscriptions and Redemptions after the Initial Offer

The minimum dealing order amounts for Shares in the Fund will normally be 30,000 or 40,000 Shares or the equivalent cash amount or such other minimum amount as set out in supplement for the relevant Fund (such number may be reduced in any case at the discretion of the Directors).

The Company will normally pay dealing requests in cash. However, the Company may pay dealing requests in kind on a case by case basis upon receipt of the Authorised Participant's consent.

Shares may be applied for on each Dealing Day at the Net Asset Value thereof plus associated Duties and Charges which may be varied to reflect the cost of execution. Shares may be redeemed on each Dealing Day at the Net Asset Value thereof less any associated Duties and Charges which may be varied to reflect the cost of

execution. The level and basis of calculating Duties and Charges may also be varied depending on the size of the relevant dealing request and the costs relating to, or associated with, the primary market transactions. The Articles empower the Company to charge such sum as the Directors considers represents an appropriate figure for Duties and Charges.

11.3 Global Clearing And Settlement

The Directors have resolved that Shares in the Fund will not currently be issued in dematerialised (or uncertificated) form and no temporary documents of title or share certificates will be issued, other than the Global Share Certificate required for the International Central Securities Depositories (being the Recognised Clearing and Settlement Systems through which the Fund's Shares will be settled). The Fund will apply for admission for clearing and settlement through the applicable International Central Securities Depository. The International Central Securities Depositories for the Fund currently are Euroclear and Clearstream and the applicable International Central Securities Depository for an investor is dependent on the market in which the Shares are traded. All investors in this Fund will ultimately settle in an International Central Securities Depository but may have their holdings within Central Securities Depositories. A Global Share Certificate will be deposited with the Common Depository (being the entity nominated by the International Central Securities Depositories to hold the Global Share Certificate) and registered in the name of the common depository's nominee (being the registered holder of the Shares of the Fund, as nominated by the Common Depository) on behalf of Euroclear and Clearstream and accepted for clearing through Euroclear and Clearstream. Interests in the Shares represented by the Global Share Certificate will be transferable in accordance with applicable laws and any rules and procedures issued by the International Central Securities Depositories. Legal title to the Shares of the Fund will be held by the common depository's nominee.

A purchaser of interests in Shares will not be a registered Shareholder in the Company, but will hold an indirect beneficial interest in such Shares and the rights of such investors, where Participants, shall be governed by their agreement with their International Central Securities Depository and otherwise by the arrangement with their nominee, broker or Central Securities Depository, as appropriate. All references herein to actions by holders of the Global Share Certificate will refer to actions taken by the common depository's nominee as registered Shareholder following instructions from the applicable International Central Securities Depository upon receipt of instructions from its Participants. All references herein to distributions, notices, reports, and statements to such Shareholder, shall be distributed to the Participants in accordance with such applicable International Central Securities Depository's procedures.

International Central Securities Depositories

All Shares in issue are represented by a Global Share Certificate and the Global Share Certificate is held by the Common Depository and registered in the name of the common depository's nominee on behalf of an International Central Securities Depository, beneficial interests in such Shares will only be transferable in accordance with the rules and procedures for the time being of the relevant International Central Securities Depository.

Each Participant must look solely to its International Central Securities Depository for documentary evidence as to the amount of its interests in any Shares. Any certificate or other document issued by the relevant International Central Securities Depository, as to the amount of interests in such Shares standing to the account of any person shall be conclusive and binding as accurately representing such records.

Each Participant must look solely to its International Central Securities Depository for

such Participant's share of each payment or distribution made by the Company to or on the instructions of the common depositary's nominee and in relation to all other rights arising under the Global Share Certificate. The extent to which, and the manner in which, Participants may exercise any rights arising under the Global Share Certificate will be determined by the respective rules and procedures of their International Central Securities Depository. Participants shall have no claim directly against the Company, the Paying Agent or any other person (other than their International Central Securities Depository) in respect of payments or distributions due under the Global Share Certificate which are made by the Company to or on the instructions of the common depositary's nominee and such obligations of the Company shall be discharged thereby. The International Central Securities Depository shall have no claim directly against the Company, Paying Agent or any other person (other than the Common Depository).

The Company or its duly authorised agent may from time to time require investors to provide them with information relating to: (a) the capacity in which they hold an interest in Shares; (b) the identity of any other person or persons then or previously interested in such Shares; (c) the nature of any such interests; and (d) any other matter where disclosure of such matter is required to enable compliance by the Company with applicable laws or the constitutional documents of the Company.

The Company or its duly authorised agent may from time to time request the applicable International Central Securities Depository to provide the Company with following details: ISIN, ICSD participant name, ICSD participant type - Fund/Bank/Individual, Residence of ICSD Participant, number of ETF of the Participant within Euroclear and Clearstream, as appropriate, that hold an interest in Shares and the number of such interests in the Shares held by each such Participant.

Euroclear and Clearstream Participants which are holders of interests in Shares or intermediaries acting on behalf of such account holders will provide such information upon request of the ICSD or its duly authorized agent and have authorised pursuant to the respective rules and procedures of Euroclear and Clearstream to disclose such information to the Company of the interest in Shares or to its duly authorised agent.

Investors may be required to provide promptly any information as required and requested by the Company or its duly authorised agent, and agree to the applicable International Central Securities Depository providing the identity of such Participant or investor to the Company upon their request.

Notices of general meetings and associated documentation will be issued by the Company to the registered holder of the Global Share Certificate, the common depositary's nominee. Each Participant must look solely to its International Central Securities Depository and the rules and procedures for the time being of the relevant International Central Securities Depository governing delivery of such notices and exercising voting rights. For investors, other than Participants, delivery of notices and exercising voting rights shall be governed by the arrangements with a Participant of the International Central Securities Depository (for example, their nominee, broker or Central Securities Depositories, as appropriate).

12 Fees & Expenses

12.1 Fees and Expenses Payable by the Company

Separate to and distinct from the Subscription Charge, Redemption Charge, Anti-Dilution Adjustment, Switching Charge and Anti-Dilution Levies, which shall be deducted from the investment amount received from an investor or deducted from the redemption proceeds payable to the investor or used to purchase the Shares of the New Class (as appropriate), the fees and expenses below will be incurred by the Company on behalf of a Fund and will affect the Net Asset Value of the relevant Share Class of a Fund. The Company may pay the fees and expenses of each Fund, which may include the Investment Management Fee and any Administrative Expenses incurred by the Fund as set out below. Please see the section "Total Expense Ratio" below for further information in respect of fees and expenses.

(a) Investment Management Fee

In accordance with and subject to the terms of the relevant Investment Management Agreement, The Investment Management Fee shall be calculated and accrued at each Valuation Point and payable as per the relevant Investment Management Agreement and shall be set out in the Supplement for the relevant Fund where such fees are paid separately from the Total Expense Ratio as further described below. The Investment Management Fee payable to the relevant Investment Manager will be a percentage of the net assets of each Fund or Class of Shares or the Initial Issue Price.

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

(b) Administrative Expenses

(i) Depositary Fee

The Depositary is entitled to receive from each Fund a depositary fee. This fee will be paid by the Company to the Depositary for and on behalf of the Funds. The Company will also reimburse the Depositary out of the assets of the Funds for reasonable and approved by the Company out-of-pocket expenses incurred by the Depositary and for fees (which will not exceed normal commercial rates) and reasonable out-of-pocket expenses of any sub-custodian appointed by the Depositary and will be liable for transaction costs at normal commercial rates, according to Section 11.1 (b) (vi). The fees and expenses of the Depositary accrue on each Dealing Day and are payable monthly in arrears.

(ii) Fees payable to the Directors and to the Administrator

The Directors are entitled to such annual fee that is consistent with market rates and as may be agreed between the Company and or such other amount as may be approved by a resolution of the Shareholders in a general meeting and may be paid all reasonable and properly vouched travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors.

According to the Administration Agreement, the Company shall pay to the Administrator a fee for its services as Administrator (including all vouched out-of-pocket costs and expenses reasonably incurred by it). The fees and expenses of the Administrator accrue on each Dealing Day and are payable monthly in arrears.

(iii) Paying Agent Fees

Fees and expenses of any Paying Agents appointed by the Company, which will be at normal commercial rates

(iv) Exceptional Expenses

The Company shall be liable for Exceptional Expenses including, without limitation, legal fees and expenses incurred in prosecuting or defending a claim or allegation by or against the Company, and any tax, levy, duty or similar charge imposed on the Company or its assets that would otherwise not qualify as ordinary expenses. Exceptional Expenses are allocated across each Class of Shares, according to their respective assets.

(v) Setting Up Costs

The cost of establishing the Company and the Funds (including fees in connection with the incorporation and registration of the Company, legal, regulatory and consultancy fees, listing the Funds on the Relevant Stock Exchanges and registering the Funds for sale in other jurisdictions) were paid by the Company. The cost of establishing subsequent Funds may also be paid by the Company unless otherwise provided in the Supplement for the relevant Fund.

(vi) Miscellaneous Expenses

Miscellaneous Expenses include but are not limited to the following, which may also be paid out of the assets of the Company: ongoing organisation and registration costs; licence fees payable to licence holders of an index; expenses for legal and auditing services; expenses in relation to the calculation and publication of any stamp duties, all taxes and VAT; company secretarial fees; any costs incurred in respect of meetings of Shareholders; marketing costs; investment transaction charges; costs incurred in respect of the distribution of income to Shareholders; any fees or expenses of a counterparty to any Securities Financing Transactions with the Company; the fees and expenses of any paying agent, clearing agent, settlement agent or representative appointed in compliance with the requirements of another jurisdiction; the fees and expenses associated with any liquidation, schemes of amalgamation or merger (other than where the scheme of amalgamation or merger is as a result of a commercial decision on the part of the Company), delisting or deregistration, the fees and expenses of any consultant appointed to provide services to the Company; any amount payable under indemnity provisions contained in the Articles or any agreement with any appointee of the Company; cost of any proposed listings and maintaining such listings; all reasonable out-of-pocket expenses of the Board of Directors; foreign registration fees and fees relating to the maintenance of such registrations including translation costs and local legal costs and other expenses due to supervisory authorities in various jurisdictions and local representatives' remunerations in foreign jurisdictions; insurance; interest; the costs of printing and distributing this Prospectus and any costs incurred as a result of periodic updates of this Prospectus or the relevant Supplements; reports, accounts and any explanatory memoranda; any necessary translation fees; any fees in respect of circulating details of the Net Asset Value; and any fees in respect of circulating such other information which is required to be published in the different jurisdictions, or of a change in law or the introduction of any new law (including any costs incurred as a result of compliance with any applicable code, whether or not having the force of law).

(vii) Transaction Fees

Transaction Fees are any fees and expenses incurred in buying and selling securities or other investments held by a Fund, e.g., Transfer Taxes, brokerage costs and commissions and correspondence fees for transferring securities or investments or other interests, and custody transaction fees unless otherwise specified in the relevant Supplement.

For the avoidance of doubt, each of the service providers may waive all or a portion of the fee it receives in respect of any investor.

12.2 Total Expense Ratio ("**TER**")

The Company may also have a fee structure where, in respect of each Fund, all of the fees and expenses (except for transaction charges and taxes or duty charges for portfolio re-balancing, all of which will be paid separately out of the assets of the relevant Fund) are paid as one single fee. This is referred to as the "Total Expense Ratio" or "TER". The TER also includes any due proportion of expenses of the Company which may be allocated to the funds from time to time as set out in the Supplement for the relevant Fund.

The TER may be payable to the relevant Investment Manager, and the relevant Investment Manager is then responsible for the payment of all other operational expenses of the Fund. This includes, but is not limited to, fees and expenses of the Directors, Investment Manager, Depositary, Administrator, Auditors, and Company Secretary. Directors' fees (excluding VAT and any other reasonable out of pocket expenses) will not exceed the sum of €20,000 per annum per Director without the approval of the Board of Directors (with each Director abstaining on any resolution relating to that Director's remuneration).

The TER is calculated and accrued daily from the Net Asset Value of each Fund and payable monthly in arrears. The TER of each Fund of the Company may be listed in the Supplement for the relevant Fund

Where the Company applies a TER for a Fund this will be set out in the Supplement for the relevant Fund together with information as to which entity will receive the TER.

12.3 Other fees and expenses

The Company will also be responsible for the payment of the following fees and expenses:

- (i) all establishment costs of the Company;
- (ii) the cost of listing and maintaining a listing of Shares on any stock exchange;
- (iii) the cost of convening and holding Directors' and Shareholders' meetings;
- (iv) professional fees and expenses for legal, auditing and other consulting services;
- (v) the costs and expenses of preparing, printing, publishing and distributing prospectuses, supplements, annual and semi-annual reports and other documents to current and prospective Shareholders;
- (vi) the costs and expenses of an Investment Adviser (if any) appointed by the Investment Manager; and
- (vii) such other costs and expenses (excluding non-recurring and extraordinary costs and expenses) as may arise from time to time and which have been approved by the Directors as necessary or appropriate for the continued operation of the Company or of any Fund.

12.4 Soft Commissions

It is not currently intended that any soft commission arrangements will be made in respect of the Company. In the event that the Investment Manager or any of its subsidiaries, Affiliates, associates, agents or delegates do enter into soft commission arrangement(s)

they shall ensure that (i) the broker or counterparty to the arrangement will agree to provide best execution to the Company; (ii) the benefits under the arrangement(s) shall be those which assist in the provision of investment services to the relevant Fund and (iii) brokerage rates will not be in excess of customary institutional full service brokerage rates. Details of any such arrangements will be contained in the next following report of the Company. In the event that this is the unaudited semi-annual report, details shall also be included in the following annual report.

13 Share Information

13.1 Dividend Policy

The dividend arrangements relating to each Fund will be decided by the Directors at the time of the creation of the relevant Fund and details are set out where applicable in the relevant Supplement.

Under the Articles, the Directors are entitled to declare such dividends on any Class of Shares at such times as they think appropriate and as appear to be justified out of the profits of the relevant Fund, being (i) the net income (being the accumulated revenue consisting of all revenue accrued including interest and dividends) less expenses and/or (ii) realised and unrealised capital gains on the disposal/valuation of investments less realised and unrealised capital losses of the relevant Fund and (iii) in accordance with the Central Bank Rules, partially or fully out of the capital of the relevant Fund. The dividend payments may be as low as zero and there is no guarantee that any dividend will be declared. For the avoidance of doubt, the payment of a dividend (if any) will reduce the Net Asset Value of the relevant Share Class accordingly.

The Company will be obliged and entitled to deduct an amount in respect of Irish tax from any dividend payable to any investor who is, or is deemed to be, or is acting on behalf of, an Irish Taxable Person and to pay such amount to the Revenue Commissioners in Ireland.

Dividends not claimed within six years from their due date will lapse and revert to the relevant Fund. Dividends payable in cash to Shareholders will be paid by electronic transfer at the expense of the payee and will be paid within 4 months of the date the Directors declared the dividend.

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

13.2 Reports and Accounts

The Company's year-end is 31 March of each year. The Company will prepare an annual report and audited accounts as of 31 March in each calendar year and a half-yearly report and unaudited accounts as of 30 September in each year.

The annual report and audited accounts of the Company will be sent to Shareholders and the Central Bank within four months after the conclusion of each accounting year and at least 21 days before the general meeting of the Company at which they are to be submitted for approval. The Administrator, on behalf of the Company, will also send a semi-annual report and unaudited accounts to Shareholders and the Central Bank within two months after the end of each semi-annual period which will be 30 September in each year.

Such reports and accounts will contain a statement of the Net Asset Value of each Fund and of the investments comprised therein as at the year-end or the end of such semi-annual period.

Due the requirements of the Companies Act (stating that the first financial year end shall be no longer than 18 months from incorporation), the Directors of the Company have resolved on 26 November 2015 to set the first financial year-end of the Company as at 31 January 2016, following which the financial year-end for 2017 and subsequent years will be 31 March. A public announcement was released on the Irish Stock Exchange's website to that effect on 15 December 2015.

13.3 Transfer of Shares

Shares in each Fund will only be transferable by instrument in writing signed by (or, in the case of a transfer by a body corporate, signed on behalf of or sealed by) the transferor provided always that the transferee completes an Application Form to the satisfaction of the Administrator and furnishes the Administrator with any documents required by it. In the case of the death of one of joint Shareholders, the survivor or survivors will be the only person or persons recognised by the Company as having any title to or interest in the Shares registered in the names of such joint Shareholders. Shares may also be transferred in accordance with the rules of a clearing system as the Articles permit the transfer of Shares in Dematerialised Form.

Shares may not be transferred to a United States Person (except pursuant to an exemption available under the securities laws of the United States and with the approval of the Directors). Registration of any transfer may be refused by the Directors if (i) following the transfer either the transferor or the transferee would hold Shares having a value less than the Minimum Holding for the relevant Fund (if any) specified in the relevant Supplement hereto; (ii) the payment of taxation remains outstanding; (iii) the person to whom the transfer is to be made does not clear such money laundering checks as the Directors determine; and (iv) the transferee is to be a Prohibited Person. The Directors will have full discretion to approve or disapprove any proposed transfer, and no proposed transfer will be recognised until the transfer has been approved and registered by the Directors. The Directors have the right to compulsorily redeem or cancel Shares held by United States Persons.

Persons dealing through a clearing system may be required to provide a representation that any transferee is not a Prohibited Person.

If the transferor is, or is deemed to be, or is acting on behalf of, an Irish Taxable Person the Company may redeem and cancel a sufficient portion of the transferor's Shares as will enable the Company to pay the tax payable in respect of the transfer to the Revenue Commissioners in Ireland.

13.4 Communications with Shareholders

Communications with Shareholders may be effected by electronic mail or by any other means of communication provided that the Shareholder has consented to such method of communication. Copies of any documents sent to Shareholders will be available for inspection at the office of the Administrator. Communications with Shareholders will also be published on the Website. Investors should regularly visit the Website, or request that their stockbrokers or other financial agents or advisers do so on their behalf, to ensure that they obtain such information on a timely basis.

13.5 Incorporation and Share Capital

The Company was incorporated and registered in Ireland as an investment company with variable capital on 14 August 2014 with registered number 547929.

At the date hereof

- (a) the authorised share capital of the Company is 2 subscriber shares ("**subscriber shares**") of €1 each and 1,000,000,000,000 shares of no par value initially designated as unclassified participating shares and available for issue as Shares.

There are no rights of pre-emption attaching to the Shares.

14 Summary of Articles

Clause 2 of the Articles provides that the sole object of the Company is the collective investment in transferable securities and/or other liquid financial assets of capital raised from the public operating on the principle of risk-spreading in accordance with the UCITS Regulations.

The Articles contain provisions to the following effect:

- (a) **Directors' Authority to Allot Shares.** The Directors are generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities, including fractions thereof, up to an amount equal to the authorised but as yet unissued share capital of the Company.
- (b) **Variation of rights.** The rights attached to any Class may be varied or abrogated with the consent in writing of the holders of three-fourths in number of the issued shares of that Class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of the Class, and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up but such consent or sanction will not be required in the case of a variation, amendment or abrogation of the rights attached to any shares of any Class if, in the view of the Directors, such variation, amendment or abrogation does not materially prejudice the interests of the relevant Shareholders or any of them. Any such variation, amendment or abrogation will be set out in a supplement to (or re-statement of) the relevant Supplement originally issued in connection with the relevant Shares, a copy of which will be sent to the relevant Shareholders entered on the register on the date of issue of such document and will be binding on the relevant Shareholders. The quorum at any such separate general meeting, other than an adjourned meeting, shall be two persons holding or representing by proxy at least one third of the issued Shares of the Class in question and the quorum at an adjourned meeting shall be one person holding Shares of the Class in question or his proxy.
- (c) **Voting Rights.** The Company may issue Voting Shares and Non-Voting Shares. The Non-Voting Shares carrying no right to notice of, attend or vote at general meetings of the Company or any Fund. In respect of the Voting Shares, subject to any rights or restrictions for the time being attached to any Class or Classes of Voting Shares, on a show of hands every holder who is present in person or by proxy shall have one vote and the holder(s) of subscriber shares present in person or by proxy shall have one vote in respect of all the subscriber shares in issue and on a poll every holder present in person or by proxy shall have one vote for every Voting Share of which he is the holder and every holder of a subscriber share present in person or by proxy shall have one vote in respect of his holding of subscriber shares. On a poll of all the holders of Shares in a Fund, where there is more than one Class of Shares in existence in that Fund, the voting rights of such holders may at the discretion of the Directors be adjusted in such manner, determined by the Directors, so as to reflect the most recently calculated price at which the Shares of each of the Classes in question may be redeemed by the Company. Holders who hold a fraction of a Voting Share may not exercise any voting rights, whether on a show of hands or on a poll, in respect of such fraction of a Voting Share. In accordance with the requirements of the Central Bank, the decision to subscribe for any Class of Shares in respect of which the voting rights are restricted shall be made solely by the investor and any Shareholder of Non-Voting Shares shall have the right to switch their holding to Voting Shares without incurring any fee or charge on such exchange;
- (d) **Change in Share Capital.** The Company may from time to time by ordinary resolution increase the share capital by such amount and/or number as the resolution may prescribe. The Company may also by ordinary resolution,

consolidate and divide all or any of its share capital into shares of larger amount, subdivide its Shares, or any of them, into Shares of smaller amount or value or cancel any Shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and reduce the amount of its authorised share capital by the amount of the shares so cancelled or redenominate the currency of any Class of Shares.

- (e) **Directors' Interests.** Subject to the provisions of the Companies Act and provided that the nature and extent of any material interest shall be disclosed as set out below, no Director or intending Director shall be disqualified by his office from contracting with the Company nor shall any such contract or arrangement entered into by or on behalf of any other company in which any Director shall be in any way interested 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.

The nature of a Director's interest must be declared by him at the meeting of the Directors at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not at the date of that meeting interested in the proposed contract or arrangement at the next meeting of the Directors held after he became so interested, and in a case where the Director becomes interested in a contract or arrangement after it is made, at the first meeting of the Directors held after he becomes so interested.

A Director shall not vote at a meeting of the Directors or a committee established by the Directors on any resolution concerning a matter in which he has, directly or indirectly an interest which is material (other than an interest arising by virtue of his interest in shares or debentures or other securities or otherwise in or through the Company) or a duty which conflicts or may conflict with the interest of the Company. A Director shall not be counted in the quorum present at a meeting in relation to such resolution on which he is not entitled to vote.

A Director shall be entitled to vote and be counted in the quorum in respect of any resolutions concerning the following matters, namely:

- (i) the giving of any security, guarantee or indemnity to him in respect of money lent by him to the Company or any of its subsidiary or associated companies or obligations incurred by him at the request of or for the benefit of the Company or any of its subsidiary or associated companies;
- (ii) the giving of any security, guarantee or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiary or associated companies for which he himself has assumed responsibility in whole or in part and whether alone or jointly with others under a guarantee or indemnity or by the giving of security;
- (iii) any proposal concerning any offer of shares or debentures or other securities of or by the Company or any of its subsidiary or associated companies for subscription, purchase or exchange in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof;
- (iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer, shareholder or otherwise howsoever.

The Company by ordinary resolution may suspend or relax the provisions described above to any extent or ratify any transaction not duly authorised by reason of a contravention thereof.

- (f) **Borrowing Powers.** Subject to the UCITS Regulations, the Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and assets (both present and future) and uncalled capital or any part as security for any debt liability or obligation of the Company thereof provided that all such borrowings shall be within the limits and conditions laid down by the Central Bank.
- (g) **Delegation to Committee.** The Directors may delegate any of their powers to any committee comprising at least one Director. Any such delegation may be made subject to any conditions the Directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the provisions of the Articles regulating the proceedings of Directors so far as they are capable of applying.
- (h) **Retirement of Directors.** The Directors shall not be required to retire by rotation or by virtue of their attaining a certain age.
- (i) **Directors' Remuneration.** Unless otherwise determined from time to time by the Company in general meeting, the ordinary remuneration of each Director shall be determined from time to time by resolution of the Shareholders in general meeting. Any Director who is appointed as an executive director (including for this purpose the office of chairman or deputy chairman) or who serves on any committee, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a Director, may be paid such extra remuneration by way of fees, commission or otherwise as the Directors may determine. The Directors may be paid all travelling, hotel and other out-of-pocket expenses properly incurred by them in connection with their attendance at meetings of the Directors or committees established by the Directors or general meetings or separate meetings of the holders of any Class of Shares of the Company or otherwise in connection with the discharge of their duties.
- (j) **Transfer of Shares.** Subject to the restrictions set out below, the Shares of any holder may be transferred by instrument in writing in any usual or common form or any other form, which the Directors may approve.

The Directors in their absolute discretion and without assigning any reason therefore may decline to register any transfer of a Share to (i) a Prohibited Person or; (ii) an individual under the age of 18 (or such other age as the Directors may think fit) or of unsound mind; or (iii) any person unless the transferee of such Shares would, following such transfer, be the holder of Shares equal to or greater than the Minimum Subscription Amount; or (iv) any person in circumstances where as a result of such transfer the transferor or transferee would hold less than the Minimum Holding; or (v) any person where in respect of such transfer any payment of taxation remains outstanding; or (vi) any person who does not clear such money laundering checks as the Directors may determine.

The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate (if issued) for the Shares to which it relates in respect of one class of Share only, is in favour of not more than four transferees and is lodged at the registered office or at such other place as the Directors may appoint.

- (k) **Right of Redemption.** Shareholders have the right to request the Company to redeem their Shares in accordance with the provisions of the Articles.
- (l) **Dividends.** The Articles permit the Directors to declare such dividends on any Class of Shares as appears to the Directors to be justified by the profits of the relevant Fund. The Directors may, satisfy any dividend due to holders of Shares in whole or in part by distributing to them in specie any of the assets of the relevant Fund, and in particular any investments to which the relevant Fund is entitled. A shareholder may require the Directors instead of transferring any

assets in specie to him, to arrange for a sale of the assets and for payment to the shareholder of the net proceeds of same. Any dividend unclaimed after a period of six years from the date of declaration of such dividend shall be forfeited and shall revert to the relevant Fund.

(m) **Funds.** The Directors are required to establish a separate portfolio of assets for each Fund created by the Company from time to time, to which the following shall apply:-

- (i) the proceeds from the allotment and issue of Shares of each Class in the Fund shall be applied to the Fund established for that purpose, and the investments and the liabilities and income and expenditure attributable thereto shall be applied to such Fund subject to the provisions of the Articles;
- (ii) any asset derived from any other asset(s) (whether cash or otherwise) comprised in any Fund, shall be applied in the books and records of the Company to the same Fund as the asset from which it was derived and any increase or diminution in the value of such an asset shall be applied to the relevant Fund;
- (iii) in the event that there are any assets of the Company which the Directors do not consider are attributable to a particular Fund or Funds, the Directors shall, with the approval of the Depositary, allocate such assets to and among any one or more of the Funds in such manner and on such basis as they, in their discretion, deem fair and equitable; and the Directors shall have the power to and may from time to time, with the approval of the Depositary vary the basis in relation to assets previously allocated;
- (iv) no Shares will be issued on terms that entitle the holder of any Fund to participate in the assets of the Company other than the assets (if any) of the Fund relating to such Shares. If the proceeds of the assets of the relevant Fund are not sufficient to fund the full redemption proceeds payable to each holder for the relevant Fund, the proceeds of the relevant Fund will, subject to the terms for the relevant Fund, be distributed equally among each holder of the relevant Fund pro rata to the amount paid upon the Shares held by each holder. If the realised net assets of any Fund are insufficient to pay any amounts due on the relevant Shares in full in accordance with the terms of the relevant Fund, the relevant holders of that Fund will have no further right of payment in respect of such Shares or any claim against the Company, any other Fund or any assets of the Company in respect of any shortfall;
- (v) each Fund shall be charged with the liabilities, expenses, costs, charges or reserves of the Company in respect of or attributable to that Fund; and
- (vi) in the event that any asset attributable to a Fund is taken in execution of a liability not attributable to that Fund, the provisions of section 1406 of the Companies Act shall apply.

(n) **Fund Exchanges**

Subject to the provisions of the Companies Act, the UCITS Regulations, the Articles and the Supplement for each relevant Fund, a holder holding Shares in any Class in a Fund on any Dealing Day shall have the right from time to time to exchange, subject to an exchange fee being applied (as described in this Prospectus), all or any of such Shares for Shares of another Class of that Fund or a separate Fund (such Class being an existing Class or a Class agreed by the Directors to be brought into existence with effect from that Dealing Day).

(o) **Termination of a Fund**

- (i) any Fund may be terminated by the Directors, in their sole and absolute discretion, by notice in writing to the Depository in any of the following events:-
- (A) if at any time the Net Asset Value of the relevant Fund shall be less than the Minimum Fund Size as may be determined by the Directors in respect of that Fund and disclosed in the relevant Supplement; or
 - (B) if any Fund shall cease to be authorised or otherwise officially approved; or
 - (C) if any law shall be passed which renders it illegal or in the opinion of the Directors impracticable or inadvisable to continue the relevant Fund; or
 - (D) if there is a change in material aspects of the business, in the economic or political situation relating to a Fund which the Directors consider would have material adverse consequences on the investments of the Fund; or
 - (E) if the Directors shall have resolved that it is impracticable or inadvisable for a Fund to continue to operate having regard to prevailing market conditions and the best interests of the Shareholders.
- (ii) the Directors shall give notice of termination of a Fund to the Shareholders in the relevant Fund and by such notice fix the date at which such termination is to take effect, which date shall be for such period after the service of such notice as the Directors shall in their sole and absolute discretion determine;
- (iii) with effect on and from the date as at which any Fund is to terminate or in the case of (A) below such other date as the Directors may determine:-
- (A) No Shares of the relevant Fund may be issued or sold by the Company;
 - (B) The Investment Manager shall, on the instructions of the Directors, realise all the assets then comprised in the relevant Fund (which realisation shall be carried out and completed in such manner and within such period after the termination of the relevant Fund as the Directors think advisable);
 - (C) The Depository shall, on the instructions of the Directors from time to time, distribute to the Shareholders in proportion to their respective interests in the relevant Fund all net cash proceeds derived from the realisation of the relevant Fund and available for the purpose of such distribution, provided that the Depository shall not be bound (except in the case of the final distribution) to distribute any of the monies for the time being in its hands the amount of which is insufficient to pay €1 or its equivalent amount in the relevant currency in respect of each Share of the relevant Fund and provided also that the Depository shall be entitled to retain out of any monies in its hands as part of the relevant Fund full provision for all costs, charges, expenses, claims and demands incurred, made or apprehended by the Depository or the Directors in connection with or arising out of the termination of the relevant Fund and out of the monies so retained to be indemnified and saved harmless against any such costs, charges, expenses, claims and demands; and
 - (D) Every such distribution referred to at (C) above shall be made in such manner as the Directors shall, in their sole and absolute discretion, determine but shall be made only against production of the certificates or warrants relating to the Shares of the relevant Fund if issued in respect of which the same is made and upon delivery to the Depository of such form of request for payment as the Depository shall in its absolute discretion require. All certificated shall in the case of an interim distribution be encased by the Depository with a memorandum of payments made and in the case of the final distribution shall be surrendered to the Depository. Any unclaimed proceeds or other cash held by the Depository may at the

expiration of twelve months from the date upon which the same were payable be paid into court subject to the right of the Depository to deduct therefrom any expenses it may incur in making such payment;

- (iv) the Directors shall have the power to propose and implement a reconstruction and/or amalgamation of the Company or any Fund(s) on such terms and conditions as are approved by the Directors subject to the following conditions namely:
 - (A) that the prior approval of the Central Bank has been obtained; and
 - (B) that the Shareholders in the relevant Fund or Funds have been circulated with particulars of the scheme of reconstruction and/or amalgamation in a form approved by the Directors and a special resolution of the Shareholders in the relevant Fund or Funds has been passed approving the said scheme.

The relevant scheme of reconstruction and/or amalgamation shall take effect upon such conditions being satisfied or upon such later date as the scheme may provide or as the Directors may determine whereupon the terms of such scheme shall be binding upon all the Shareholders and the Directors shall have the power to and shall do all such acts and things as may be necessary for the implementation thereof.

- (p) **Winding up.** The Articles contain provisions to the following effect:
 - (i) If the Company shall be wound up the liquidator shall, subject to the provisions of the Companies Act, apply the assets of each Fund in such manner and order as he thinks fit in satisfaction of creditors' claims relating to that Fund.
 - (ii) The assets available for distribution amongst the holders shall be applied as follows: first the proportion of the assets in a Fund attributable to each Class of share shall be distributed to the holders of Shares in the relevant Class in the proportion that the number of shares held by each holder bears to the total number of shares relating to each such Class of Shares in issue as at the date of commencement to wind up, secondly, in the payment to the holder(s) of the Subscriber Shares of sums up to the nominal amount paid thereon out of the assets of the Company not attributable to any Class of Share. In the event that there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets of the Company attributable to each Class of Shares; and thirdly, any balance then remaining and not attributable to any of the Classes of Shares shall be apportioned pro-rata as between the Classes of shares based on the Net Asset Value attributable to each Class of Shares as at the date of commencement to wind up and the amount so apportioned to a Class shall be distributed to holders pro-rata to the number of Shares in that Class of Shares held by them.
 - (iii) A Fund may be wound up pursuant to section 1407 of the Companies Act and in such event the winding up provisions of the Articles shall apply mutatis mutandis in respect of that Fund.
 - (iv) If the Company shall be wound up (whether the liquidation is voluntary, under supervision or by the court) the liquidator may, with the authority of a special resolution of the relevant Shareholders and any other sanction required by the Companies Act, divide among the holders of Shares of any Class or Classes within a Fund in specie the whole or any part of the assets of the Company relating to that Fund, and whether or not the assets shall consist of property of a single kind, and may for such purposes set such value as he deems fair upon any one or more Class or Classes of property, and may determine how such division shall be carried out as between all the Shareholders or the holders of different Classes of Shares as the case may be. The liquidator may, with the like authority, vest any part of the assets in trustees upon such trusts for the benefit of

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 Shareholder shall be compelled to accept any assets in respect of which there is a liability. A Shareholder may request the liquidator, instead of transferring the assets in specie to it, to arrange for a sale of them and to pay the Shareholder the net sales proceeds of same instead.

- (q) **Share Qualification.** The Articles do not contain a share qualification for Directors.
- (r) **Change of Name.** In the event that Nomura Asset Management U.K. Limited ceases to act as the promoter of the Company, and a company within Nomura Asset Management U.K. Limited's group is not appointed in its place, then, prior to or immediately following such termination becoming effective, the Directors will arrange to convene an extraordinary general meeting to propose that the name of the Company be changed to a name which will not reflect any involvement on the part of Nomura Asset Management U.K. Limited (or any of its Affiliates) with the Company. At any such extraordinary general meeting called to change the name, those Shareholders who (being individuals) are present in person or by proxy or (being corporations) are present by proxy or by a duly authorised representative and entitled to vote and who vote on a poll in favour of the resolution proposed to change the name of the Company shall collectively have such total number of votes as is one or more than the number of votes which are required to be cast on such a poll for the said special resolution to be carried. Such a change of name shall take place in accordance with the provisions of the Companies Act and the requirements of the Central Bank.

15 Miscellaneous

15.1 Remuneration Policy, Complaint Handling Policy, Whistleblower Policy and Cyber Security Policy

The Company has implemented a remuneration policy which is consistent with the requirements set out in UCITS V and available on the Website. Details of the Company's policy relating to how remuneration and benefits are calculated, the people responsible for awarding the remuneration and benefits and the composition of the remuneration committee (where such a committee exists) are available on the Website. A paper copy of the full policy is available to investors and prospective investors free of charge upon request from the Company.

The Company also has a complaints handling policy, whistleblower policy and cyber security policy in place. Further details with regard to the remuneration policy, complaint handling policy, whistleblower policy and cyber security policy are available on the Website. The remuneration policy, complaint handling policy, whistleblower policy and cyber security policy may be obtained free of charge on request from the Company.

15.2 Fund Transactions and Conflicts of Interest

Any Connected Person may also deal as agent, principal or counterparty in the sale or purchase of securities and other investments (including foreign exchange, FDI and Securities Financing Transactions) to or from the relevant Fund. There will be no obligation on the part of any Connected Person to account to the relevant Fund or to Shareholders of that Fund for any benefits so arising, and any such benefits may be retained by the relevant party, provided that such transactions are carried out as if effected on normal commercial terms negotiated at arm's length, and are consistent with the best interests of the Shareholders of that Fund and:

- (a) a certified valuation of such transaction by a person approved by the Depositary (or in the case of any such transaction entered into by the Depositary, the Directors) as independent and competent has been obtained; or

- (b) such transaction has been executed on best terms reasonably obtainable on an organised investment exchange under its rules; or
- (c) where (a) and (b) are not reasonably practical, such transaction has been executed on terms which the Depositary is (or in the case of any such transaction entered into by the Depositary, the Directors are) satisfied conform with the principle that such transactions be carried out as if effected on normal commercial terms negotiated at arm's length and consistent with the best interests of the Shareholders.

In addition, in many cases each Approved Counterparty may be required to provide valuations of financial derivative instruments entered into between the relevant Fund and the Approved Counterparty, whether as Calculation Agent or otherwise. These daily valuations will form the basis upon which the value of certain assets of a Fund is calculated. The Directors acknowledge that each Approved Counterparty or the relevant Affiliates may have a potential conflict of interest by virtue of acting as the Approved Counterparty and/or providing such valuations (including in the case of an Affiliate providing an independent verification of the valuation provided by an Approved Counterparty under section 8.2 in respect of OTC derivatives). However, the Directors believe that such conflicts can be adequately managed, and expect that each Approved Counterparty or one of its Affiliates will be suitable and competent to provide such valuations and will do so at no further cost to the relevant Fund than would be the case if the services of a third party were engaged to provide valuations. In addition the valuation provided by the Approved Counterparty will be verified on a six monthly basis by an entity independent of the Approved Counterparty as described above. Alternatively, the valuation methodology explained in Section 8.2 could be used.

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

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, depositary 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.

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.

Unless otherwise provided for in the Supplement for a Fund, an Approved Counterparty shall not have any discretion over the composition or management of the relevant Fund's investment portfolio or over the underlyings of the FDIs.

A Fund may invest in OTC derivatives in accordance with the Central Bank Rules and provided that the counterparties in the OTC derivatives are eligible counterparties.

The Directors may act as directors of other collective investment vehicles. Where any potential conflicts of interest arise between their duties to the Company and to third parties, the Directors will endeavour to ensure that any such conflicts will not unfairly prejudice the Company.

15.3 Litigation and Arbitration

The Company is not involved in any litigation or arbitration nor are the Directors aware of any pending or threatened litigation or arbitration.

15.4 Directors' Interests

- (a) At the date of this Prospectus, no Director has any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or issued to, the Company and save as disclosed below no Director is materially interested in any contract or arrangement subsisting at the date hereof which is unusual in its nature and conditions or significant in relation to the business of the Company.
- (b) At the date of this Prospectus none of the Directors nor any Associated Person have any beneficial interest in the share capital of the Company or any options in respect of such capital.

15.5 Material Contracts

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

- (a) The **Investment Management Agreement** between the Company and Nomura Asset Management U.K. Limited dated 23 December 2014 between the Company and the Investment Manager. Under the terms of the Investment Management Agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Company in accordance with the investment objective and policies of each relevant Fund.

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

The Company shall indemnify and keep indemnified the Investment Manager and the directors, officers and employees of the Investment Manager from and against any and all liabilities, obligations, losses, damages, suits and expenses which may be incurred by or asserted against the Investment Manager in its capacity as Investment Manager of the Funds other than those resulting from the negligence, bad faith, recklessness, wilful default or fraud in the performance of its obligations or duties or as a result of a breach of this Agreement or breach of the UCITS Regulations by the Investment Manager.

The Investment Manager shall not be required to take any legal or other action unless fully indemnified to its reasonable satisfaction for all costs and liabilities that may be incurred or suffered by the Investment Manager in so doing and not attributable to the Investment Manager's negligence, bad faith, recklessness, wilful default or fraud in the performance of its obligations or duties or as a result of a breach of this Agreement or breach of the UCITS Regulations by the Investment Manager and if the Company requires the Investment Manager to take any action of whatsoever nature which in the reasonable opinion of the Investment Manager might render the Investment Manager liable for the payment of money or liable in any other way, the Investment Manager shall be indemnified and hold harmless by the Company out of the assets of the relevant Funds in any reasonable amount and form satisfactory to the Investment Manager as a prerequisite to taking such action.

Notwithstanding any other provision of the Investment Management Agreement, the Investment Manager's recourse against the Company in respect of any claims which may be brought against, suffered or incurred by the Investment Manager, its permitted delegates, servants or agents shall be limited to the Fund established in respect of Shares to which the claims relate, and the Investment Manager shall have no recourse to any other assets of the Company or any other Fund in respect of any such claims. If, following the realisation of all of the assets of the relevant Fund and subject to the application of such realisation proceeds in payment of all claims relating to the relevant fund (if any) and all other liabilities (if any) to the Company ranking pari passu with or senior to the claims which have recourse to the relevant Fund, the claims are not paid in full:

- (a) the amount outstanding in respect of the claims relating to the relevant Fund shall be automatically extinguished;
- (b) the Investment Manager shall have no further right of payment in respect thereof; and
- (c) the Investment Manager shall not be able to petition for the winding-up of the Company or the termination of any other Fund as a consequence of any such shortfall.

PROVIDED HOWEVER that sub-clauses (a) and (b) above shall not apply to any assets of the Fund that may be subsequently held or recouped by the Fund.

- (b) The **Investment Management Agreement** between the Company and Nomura Alternative Investment Management (Europe) Limited dated 23 December 2014 between the Company and the Investment Manager. Under the terms of the Investment Management Agreement the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the Company in accordance with the investment objective and policies of each relevant Fund.

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

The Company shall indemnify and keep indemnified the Investment Manager and the directors, officers and employees of the Investment Manager from and against any and all liabilities, obligations, losses, damages, suits and expenses which may be incurred by or asserted against the Investment Manager in its capacity as Investment Manager of the Funds other than those resulting from the negligence, bad faith, recklessness, wilful default or fraud in the performance of its obligations or duties or as a result of a breach of this Agreement or breach of the UCITS Regulations by the Investment Manager.

The Investment Manager shall not be required to take any legal or other action unless fully indemnified to its reasonable satisfaction for all costs and liabilities that may be incurred or suffered by the Investment Manager in so doing and not attributable to the Investment Manager's negligence, bad faith, recklessness, wilful default or fraud in the performance of its obligations or duties or as a result of a breach of this Agreement or breach of the UCITS Regulations by the Investment

Manager and if the Company requires the Investment Manager to take any action of whatsoever nature which in the reasonable opinion of the Investment Manager might render the Investment Manager liable for the payment of money or liable in any other way, the Investment Manager shall be indemnified and hold harmless by the Company out of the assets of the relevant Funds in any reasonable amount and form satisfactory to the Investment Manager as a prerequisite to taking such action.

Notwithstanding any other provision of the Investment Management Agreement, the Investment Manager's recourse against the Company in respect of any claims which may be brought against, suffered or incurred by the Investment Manager, its permitted delegates, servants or agents shall be limited to the Fund established in respect of Shares to which the claims relate, and the Investment Manager shall have no recourse to any other assets of the Company or any other Fund in respect of any such claims. If, following the realisation of all of the assets of the relevant Fund and subject to the application of such realisation proceeds in payment of all claims relating to the relevant fund (if any) and all other liabilities (if any) to the Company ranking *pari passu* with or senior to the claims which have recourse to the relevant Fund, the claims are not paid in full:

- (a) the amount outstanding in respect of the claims relating to the relevant Fund shall be automatically extinguished;
- (b) the Investment Manager shall have no further right of payment in respect thereof; and
- (c) the Investment Manager shall not be able to petition for the winding-up of the Company or the termination of any other Fund as a consequence of any such shortfall.

PROVIDED HOWEVER that sub-clauses (a) and (b) above shall not apply to any assets of the Fund that may be subsequently held or recouped by the Fund.

- (c) The **Depositary Agreement** dated 27 April 2016 between the Company and the Depositary.

The Depositary will act as depositary of all of the Company's assets including cash. The Depositary will collect any income arising from the Company's assets on the Company's behalf. The Depositary will be entitled to receive a fee as described in the section of this Prospectus entitled "Fees and Expenses"

The Depositary Agreement may be terminated by either party on giving not less than 90 days' prior written notice to the other party. The Depositary Agreement may also be terminated by either party forthwith by giving notice in writing to the other party upon certain breaches as outlined in the Depositary Agreement. The Company may not terminate the appointment of the Depositary and the Depositary may not retire from such appointment unless and until a successor depositary approved by the Central Bank has been appointed with the prior approval of the Central Bank or the authorisation of the Company has been revoked by the Central Bank.

The Depositary will be liable to the Company and the Shareholders for any loss suffered by them as a result of its unjustifiable failure to perform its obligations or its improper performance of such obligations under the Depositary Agreement. The Company will hold harmless and indemnify the Depositary from and against any and all actions, proceedings, claims, demands, losses, damages, costs, and expenses (including legal and professional fees and expenses arising therefrom or incidental thereto and including any loss suffered or incurred by the Depositary

arising out of the failure of a settlement system to effect settlement) other than actions, proceedings, losses, damages, costs and expenses as a result of its unjustifiable failure to perform its obligations or its improper performance of such obligations which may be made or brought against or directly or indirectly suffered or incurred by the Depositary arising out of or in connection with the performance or non-performance of the Depositary's duties under the Depositary Agreement.

- (d) The **Administration Agreement** dated 23 December 2014 between the Company, the Company and the Administrator.

The Administrator will provide certain administrative, registrar and transfer agency services to the Company. The Administrator will be entitled to receive fees as described in section of this Prospectus entitled "Fees and Expenses".

The Administration Agreement shall continue in force until terminated by either party on 90 days' notice in writing to the other. The Administration Agreement may be terminated forthwith by either party giving notice in writing to the other party at any time; if the other party shall commit a material breach of any of the terms of the Administration Agreement, which is incapable of remedy, or, if capable of remedy, has not been remedied within 30 days of the other party serving written notice to the other party requiring it to be remedied or be the subject of an effective resolution for its winding up except in relation to a voluntary winding up for the purpose of amalgamation or reconstruction on terms previously approved by the other party which shall not be unreasonably withheld, delayed, or conditioned or be unable to pay its debts as they fall due, or otherwise become insolvent or enter into any composition or arrangement with or for the benefit of its creditors or any class thereof or is the subject of any petition for the appointment of an examiner or similar officer or have a receiver appointed over it or all or any substantial part of its undertakings, assets, or revenue or is the subject of a court order for its winding-up; or should the Administrator cease to be permitted to perform its obligations under any applicable law or regulation or if any authorisation by the Central Bank of the Company is revoked.

The Administrator shall not be liable to the Company for any loss, damage, or expense (including, without limitation, legal counsel and professional fees and other costs and expenses incurred in connection with the defence of any claim, action, or proceedings) arising out of or in connection with the performance by the Administrator of its duties under the Administration Agreement otherwise than by reason of the negligence, wilful default or fraud of the Administrator in the performance of (or its failure to perform) its duties under the Administration Agreement. The Company shall indemnify and keep indemnified and hold harmless the Administrator from and against any and all actions, proceedings, claims, demands, liabilities, losses, damages, costs, and expenses (including reasonable legal and professional fees and expenses reasonably incurred arising therefrom or incidental thereto) that may be made or brought against or suffered or incurred by the Administrator arising out of or in connection with the performance of the Administrator's duties under the Administration Agreement other than as a result of the Administrator's negligence, wilful default or fraud.

- (e) The **Distribution Agreement** dated 23 December 2014 between the Company and Distributor.

Pursuant to the Distribution Agreement the Distributor has authority to delegate some or all of its duties as distributor to sub-distributors in accordance with the requirements of the Central Bank. The Distribution Agreement may be terminated by either party on giving not less than 90 days' prior written notice to the other party. The Distribution Agreement may also be terminated forthwith by either party giving notice in writing to the other party upon certain breaches as outlined in the

Distribution Agreement or upon the insolvency of a party (or upon the happening of a like event).

- (f) Investment Management Agreements to be entered into between the Company and the relevant Investment Manager, details of which will be set out in the Supplements for each Fund.
- (g) **Additional Contracts.** In addition to the above, the Company may enter into additional contracts relating to the provision of paying agent, facilities agent, correspondent bank or other similar services as may be required in connection with an offer of Shares into a particular jurisdiction from time to time. The provision of such services shall be on arm's length commercial terms for the Company for which fees shall be charged at normal commercial rates and expenses are to be reimbursed.

15.6 General

As of the date of this Prospectus, the Company does not have any loan capital (including term loans) outstanding or created but unissued or any outstanding mortgages, charges, debentures or other borrowings or indebtedness in the nature of borrowings, including bank overdrafts, liabilities under acceptances or acceptance credits, hire purchase or finance lease commitments, guarantee or other contingent liabilities.

Save as disclosed under the heading "**Directors' Interests**" above, no Director has any interest in the promotion of or in any property acquired or proposed to be acquired by the Company.

Save as may result from the entry by the Company into the agreements listed under the heading "**Material Contracts**" above or any other fees, commissions or expenses discharged, no amount or benefit has been paid or given or is intended to be paid or given to any promoter of the Company.

No commissions, discounts, brokerages or other special terms have been paid or granted by the Company, or are payable by the Company for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any Shares or loan capital of the Company.

To facilitate the marketing and distribution of a Fund, the Distributor or any of its affiliates, may purchase Shares in such Fund, at the relevant Fund's Launch Date (as defined in the Supplement for the relevant Fund) or at any time thereafter.

The Investment Manager may pay a portion of its fee to distributors, dealers or other entities that assist it in the performance of its duties or provide services, directly or indirectly, to the Funds or their Shareholders and may enter into private arrangements on a negotiated basis with a holder or prospective holder of Shares. The selection of holders or prospective holders of Shares with whom such private arrangements may be made and the terms on which the Investment Manager or their respective affiliates, designees or placement agents may enter into such private arrangements are a matter for the relevant entity, except that as a condition of any such arrangements, the Company will not thereby incur any obligation or liability whatsoever.

15.7 Documents for Inspection

Copies of the following documents may be inspected at the offices of the Administrator at its address as set out in this Prospectus, during usual business hours on weekdays, except Saturdays, Sundays and public holidays:

- (a) the Articles;
- (b) the material contracts referred to above;
- (c) the UCITS Regulations and the Central Bank Regulations;
- (d) up to date information regarding the Depositary's duties and conflicts of interest; and

- (e) a description of any safe-keeping functions delegated by the Depositary, a list of delegates and sub-delegates and any conflicts of interest that may arise from such delegation.

Copies of the Articles (and, after publication thereof, the periodic reports and accounts) may be obtained from the Administrator free of charge.

Appendix I - Markets

The exchanges/markets are set out below in accordance with the requirements of the Central Bank which does not issue a list of approved markets.

With the exception of permitted investment in unlisted securities investment will be limited to the following stock exchanges and regulated markets:-

1.

(a) any stock exchange which is:

- (i) located in any Member State;
- (ii) located in an EEA Member State;
- (iii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States of America; or

(b) any stock exchange included in the following list:

Bermuda	-	Bermuda Stock Exchange;
Brazil	-	BM&F BOVESPA S.A.;
Chile	-	Bolsa de Comercio de Santiago, Bolsa Electronica de Chile and Bolsa de Valparaiso;
China	-	Shanghai Stock Exchange and Shenzhen Stock Exchange;
Egypt	-	Egyptian Exchange;
India	-	Bombay Stock Exchange, Ltd. and National Stock Exchange;
Indonesia	-	Indonesia Stock Exchange;
Israel	-	Tel Aviv Stock Exchange;
Korea	-	Korean Exchange;
Malaysia	-	Bursa Malaysia Securities Berhad;
Mexico	-	Bolsa Mexicana de Valores;
Peru	-	Bolsa de Valores de Lima;
Philippines	-	Philippines Stock Exchange;
Russia	-	Moscow Exchange, MICEX-RTS (solely in relation to equity securities that are traded on level 1 or level 2 of the relevant exchange);
Singapore	-	Singapore Exchange Limited and CATALIST;
South Africa	-	JSE Limited;
Taiwan	-	Taiwan Stock Exchange and GreTai Securities Market;
Thailand	-	Stock Exchange of Thailand, Market for Alternative

Investments and Bond Electronic Exchange;

Turkey - Istanbul Stock Exchange;

United Arab Emirates (UAE) - NASDAQ Dubai Limited, Dubai Financial Market and Abu Dhabi Securities Exchange.

(c) any of the following "over the counter" markets:

The market organised by the International Capital Market Association;

The (i) market conducted by banks and other institutions regulated by the Financial Conduct Authority (FCA) and subject to the Inter-Professional Conduct provisions of the FCA's Market Conduct Sourcebook and (ii) market in non-investment products which is subject to the guidance contained in the Non-Investment Products Code drawn up by the participants in the London market, including the FCA and the Bank of England;

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

The "over-the-counter" market in the United States conducted by primary and second dealers regulated by the Securities and Exchanges Commission and by the Financial Industry Regulatory Authority (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

The "over-the-counter" market in Canadian Government Bonds as regulated by the Investment Industry Regulatory Organisation of Canada;

The French market for Titres de Creance Negotiable ("over-the-counter" market in negotiable debt instruments)

(d) any of the following electronic exchanges:

NASDAQ.

2 In relation to any exchange traded financial derivative contract, any stock exchange on which such contract may be acquired or sold and which is regulated, operates regularly, is recognised and open to the public and which is (i) located in an EEA Member State, (ii) located in Australia, Canada, Hong Kong, Japan, New Zealand, Switzerland, United States (iii) the Channel Islands Stock Exchange (iv) listed at (c) or (d) above or (v) any of the following:

Sydney Futures Exchange;

BM&F Bovespa;

Toronto Stock Exchange;

Montreal Stock Exchange;

China Financial Futures Exchange;

Hong Kong Futures Exchange;

Osaka Securities Exchange;

Tokyo Stock Exchange;

Tokyo Financial Exchange;

KRX – Korea Futures Market;

Bursa Malaysia Derivatives Berhad;

Mercado Mexicano de Derivados

New Zealand Futures and Options Exchange;

Singapore International Monetary Exchange;
Singapore Commodity Exchange;
South African Futures Exchange;
Taiwan Futures Exchange;
Thailand Futures Exchange
Central Depository (Pte) Limited;
EUREX;
American Stock Exchange;
Chicago Board Option Exchange;
Chicago Board of Trade;
Chicago Mercantile Exchange;
NYSE Euronext;
Philadelphia Stock Exchange;
International Securities Exchange;
ICE Futures US;
New York Mercantile Exchange; and
UAE Nasdaq.

Appendix II - Taxation

Ireland - Taxation

General

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

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

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

1.1 Ireland

1.1.1 Taxation of the Company

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

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

In the event that the Company receives any repayment of withholding tax suffered, the Net Asset Value of the Company will not be restated and the benefit of any repayment will be allocated to the then existing Shareholders rateably at the time of repayment.

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

A Chargeable Event includes:

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

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

A Chargeable Event does not include:

- (i) any transaction in relation to Shares held in a Recognised Clearing and Settlement System;
- (ii) any exchange by a Shareholder effected by way of a bargain made at arms length by the Company, of Shares in the Company for other Shares in the Company;
- (iii) certain transfers of Shares between spouses or civil partners and former spouses or former civil partners;
- (iv) an exchange of Shares arising on a qualifying amalgamation or reconstruction of the Company with another Irish investment undertaking;
or
- (v) the cancellation of Shares in the Company arising from an exchange in relation to a scheme of amalgamation (as defined in section 739HA TCA).

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

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

1.1.2 Taxation of Shareholders

Non-Irish Resident Shareholders

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

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

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

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

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

Exempt Irish Shareholders

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

Exempt Irish Shareholders may be liable to Irish tax on their income, profits and gains in relation to any sale, transfer, repurchase, redemption or cancellation of Shares or dividends or distributions or other payments in respect of their Shares depending on their circumstances. It is the obligation of the Exempt Irish Shareholder to account for tax to the Revenue Commissioners.

Irish-Resident Shareholders

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

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

Where the Irish Resident Shareholder is a company which is not an Exempt Irish Shareholder, and the payment is not taxable as trading income under Schedule D Case I, the amount received will be treated as the net amount of an annual payment chargeable to tax under Schedule D Case IV from the gross amount of which income tax has been deducted at 25%.

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

- (i) the amount received by the Shareholder is increased by any amount of tax deducted by the Company and will be treated as income of the Shareholder for the chargeable period in which the payment is made;
- (ii) where the payment is made on the sale, transfer, Deemed Disposal, cancellation, redemption or repurchase of Shares, such income will be reduced by the amount of consideration in money or money's worth given by the Shareholder for the acquisition of those Shares; and

- (iii) the amount of tax deducted by the Company will be set off against the Irish corporation tax assessable on the Shareholder in respect of the chargeable period in which the payment is made.

Personal Portfolio Investment Undertaking

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

Currency Gains

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

Stamp Duty

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

Capital Acquisitions Tax

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

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

FATCA

FATCA Implementation in Ireland

On 21 December 2012, the governments of Ireland and the U.S. signed the IGA.

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

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

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

OECD Common Reporting Standard

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

The CRS, which will apply in Ireland from 1 January 2016, is a global OECD tax information exchange initiative which is aimed at encouraging a coordinated approach to disclosure of income earned by individuals and organisations.

Ireland and a number of other jurisdictions have entered or will enter into multilateral arrangements modelled on the Common Reporting Standard for Automatic Exchange of Financial Account Information published by the OECD. From 1 January 2016, the Company will be required to provide certain information to the Irish Revenue Commissioners about investors resident or established in jurisdictions which are party to CRS arrangements.

The Company, or a person appointed by the Company, will request and obtain certain information in relation to the tax residence of its shareholders or "account holders" for CRS purposes and (where applicable) will request information in relation to the beneficial owners of any such account holders. The Company, or a person appointed by the Company, will report the information required to Irish Revenue by 30 June in the year following the year of assessment for which a return is due. Irish Revenue will share the appropriate information with the relevant tax authorities in participating jurisdictions. Ireland introduced CRS Regulations in December 2015 and implementation of CRS among early adopting countries (44 countries including Ireland) occurred with effect from 1 January 2016.

Certain Irish Tax Definitions

Residence – Company

A company which has its central management and control in Ireland is resident in Ireland irrespective of where it is incorporated. A company which does not have its central management and control in Ireland but which is incorporated in Ireland is resident in Ireland except where the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country. In certain limited circumstances, companies incorporated in Ireland but managed and controlled outside of a double taxation treaty territory may not be regarded as resident in Ireland. Specific rules may apply to companies incorporated prior to 1 January 2015.

Residence – Individual

The Irish tax year operates on a calendar year basis.

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

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

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

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

Ordinary Residence – Individual

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

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

An individual who has been ordinarily resident in Ireland ceases to be ordinarily resident at the end of the third consecutive tax year in which that individual is not resident in Ireland. Thus, an individual who is resident and ordinarily resident in Ireland in 2012 will remain ordinarily resident in Ireland until the end of the tax year 2015.

Intermediary

means a person who:-

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

Appendix III
Current List of Sub-Delegates

MARKET	SUBCUSTODIAN	DEPOSITARY
Albania	Raiffeisen Bank sh.a.	Bank of Albania
Australia	The Hongkong and Shanghai Banking Corporation Limited	Austraclear Limited
Austria	Deutsche Bank AG	OeKB Central Securities Depository GmbH
	UniCredit Bank Austria AG	
Bahrain	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Clearing, Settlement, Depository and Registry System of the Bahrain Bourse
Bangladesh	Standard Chartered Bank	Bangladesh Bank
		Central Depository Bangladesh Limited
Belgium	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Brussels branch)	Euroclear Belgium
		National Bank of Belgium
Benin	Via Standard Chartered Bank Cote d'Ivoire S. A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Bermuda	HSBC Bank Bermuda Limited	Bermuda Securities Depository
Federation of Bosnia and Herzegovina	UniCredit bank d.d.	Registar vrijednosnih papira u Federaciji Bosne i Hercegovine, d.d.
Botswana	Standard Chartered Bank Botswana Limited	Bank of Botswana
		Central Securities Depository Company of Botswana Ltd.
Brazil	Citibank, N.A.	Central de Custódia e de Liquidação Financeira de Títulos Privados (CETIP)

		Companhia Brasileira de Liquidação e Custódia (CBLC)
		Sistema Especial de Liquidação e de Custódia (SELIC)
Bulgaria	Citibank Europe plc, Bulgaria Branch	Bulgarian National Bank
	UniCredit Bulbank AD	Central Depository AD
Burkina Faso	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Canada	State Street Trust Company Canada	The Canadian Depository for Securities Limited
Chile	Banco Itaú Chile S.A.	Depósito Central de Valores S.A.
People's Republic of China	HSBC Bank (China) Company Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	China Securities Depository and Clearing Corporation Limited, Shanghai Branch
	China Construction Bank Corporation (for A-share market only)	China Securities Depository and Clearing Corporation Limited, Shenzhen Branch
	Citibank N.A. (for Shanghai – Hong Kong Stock Connect market only)	China Central Depository and Clearing Co., Ltd.
	The Hongkong and Shanghai Banking Corporation Limited (for Shanghai – Hong Kong Stock Connect market only)	
Colombia	Cititrust Colombia S.A. Sociedad Fiduciaria	Depósito Central de Valores
		Depósito Centralizado de Valores de Colombia S.A. (DECEVAL)
Costa Rica	Banco BCT S.A.	Interclear Central de Valores S.A.

Croatia	Privredna Banka Zagreb d.d.	Središnje klirinško depozitarno društvo d.d.
	Zagrebacka Banka d.d.	
Cyprus	BNP Paribas Securities Services, S.C.A., Greece (operating through its Athens branch)	Central Depository and Central Registry
Czech Republic	Československá obchodní banka, a.s.	Centrální depozitář cenných papírů, a.s.
	UniCredit Bank Czech Republic and Slovakia, a.s.	Česká národní banka (Czech National Bank)
Denmark	Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Danmark A/S)	VP Securities A/S
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Copenhagen branch)	
Egypt	HSBC Bank Egypt S.A.E. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Misr for Central Clearing, Depository and Registry S.A.E.
		Central Bank of Egypt
Estonia	AS SEB Pank	AS Eesti Väärtpaberikeskus
Finland	Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Finland Plc.)	Euroclear Finland
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Helsinki branch)	

France	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its Paris branch)	Euroclear France
Republic of Georgia	JSC Bank of Georgia	Georgian Central Securities Depository
		National Bank of Georgia
Germany	State Street Bank GmbH	Clearstream Banking AG, Frankfurt
	Deutsche Bank AG	
Ghana	Standard Chartered Bank Ghana Limited	Central Securities Depository (Ghana) Limited
Greece	BNP Paribas Securities Services, S.C.A.	Bank of Greece, System for Monitoring Transactions in Securities in Book-Entry Form
		Hellenic Central Securities Depository
Guinea- Bissau	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Hong Kong	Standard Chartered Bank (Hong Kong) Limited	Central Moneymarkets Unit
		Hong Kong Securities Clearing Company Limited
Hungary	Citibank Europe plc Magyarországi Fióktelepe	KELER Központi Értéktár Zrt.
	UniCredit Bank Hungary Zrt.	
Iceland	Landsbankinn hf.	Nasdaq verðbréfamistöð hf.
India	Deutsche Bank AG	Central Depository Services (India) Limited
	The Hongkong and Shanghai Banking Corporation Limited	National Securities Depository Limited
		Reserve Bank of India
Indonesia	Deutsche Bank AG	Bank Indonesia

		PT Kustodian Sentral Efek Indonesia
Ireland	State Street Bank and Trust Company, United Kingdom branch	Euroclear UK & Ireland Limited
		Euroclear Bank S.A./N.V.
Israel	Bank Hapoalim B.M.	Tel Aviv Stock Exchange Clearing House Ltd. (TASE Clearing House)
Italy	Deutsche Bank S.p.A.	Monte Titoli S.p.A.
Ivory Coast	Standard Chartered Bank Côte d'Ivoire S.A.	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Jamaica	Scotia Investments Jamaica Limited	Jamaica Central Securities Depository
Japan	Mizuho Bank, Limited	Bank of Japan – Financial Network System
	The Hongkong and Shanghai Banking Corporation Limited	Japan Securities Depository Center (JASDEC) Incorporated
Jordan	Standard Chartered Bank	Central Bank of Jordan
		Securities Depository Center
Kazakhstan	JSC Citibank Kazakhstan	Central Securities Depository
Kenya	Standard Chartered Bank Kenya Limited	Central Bank of Kenya
		Central Depository and Settlement Corporation Limited
Republic of Korea	Deutsche Bank AG	Korea Securities Depository
	The Hongkong and Shanghai Banking Corporation Limited	
Kuwait	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Kuwait Clearing Company

Latvia	AS SEB banka	Latvijas Centrālais Depozitārijs (Latvian Central Depository)
Lebanon	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Banque du Liban
		Custodian and Clearing Center of Financial Instruments for Lebanon and the Middle East (Midclear) S.A.L.
Lithuania	AB SEB bankas	Lietuvos Centrinis Vertybinių Popierių Depozitoriumas (Central Securities Depository of Lithuania)
Malawi	Standard Bank Limited	Reserve Bank of Malawi
Malaysia	Deutsche Bank (Malaysia) Berhad	Bank Negara Malaysia
Mali	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Mauritius	The Hongkong and Shanghai Banking Corporation Limited	Bank of Mauritius
Mexico	Banco Nacional de México, S.A.	S.D. Indeval, S.A. de C.V.
Morocco	Citibank Maghreb	Maroclear
Namibia	Standard Bank Namibia Limited	Bank of Namibia
Netherlands	Deutsche Bank AG	Euroclear Nederland
New Zealand	The Hongkong and Shanghai Banking Corporation Limited	New Zealand Central Securities Depository Limited
Niger	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Nigeria	Stanbic IBTC Bank Plc.	Central Bank of Nigeria
		Central Securities Clearing System Limited

Norway	Nordea Bank AB (publ), Sweden (operating through its subsidiary, Nordea Bank Norge ASA)	Verdipapirsentralen
	Skandinaviska Enskilda Banken AB (publ), Sweden (operating through its Oslo branch)	
Oman	HSBC Bank Oman S.A.O.G. (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Muscat Clearing & Depository Company S.A.O.G.
Pakistan	Deutsche Bank AG	Central Depository Company of Pakistan Limited
		State Bank of Pakistan
Palestine	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Clearing, Depository and Settlement system, a department of the Palestine Exchange
Panama	Citibank, N.A.	Central Latinoamericana de Valores, S.A. (LatinClear)
Peru	Citibank del Perú, S.A.	CAVALI S.A. Institución de Compensación y Liquidación de Valores
Philippines	Deutsche Bank AG	Philippine Depository & Trust Corporation
		Registry of Scripless Securities (ROSS) of the Bureau of the Treasury
Poland	Bank Handlowy w Warszawie S.A.	Rejestr Papierów Wartościowych
	Bank Polska Kasa Opieki S.A.	Krajowy Depozyt Papierów Wartościowych, S.A.
Portugal	Deutsche Bank AG, Netherlands (operating through its Amsterdam branch with support from its	INTERBOLSA - Sociedad Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, S.A.

	Lisbon branch)	
Puerto Rico	Citibank N.A.	see U.S. depositories
Qatar	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Qatar Central Securities Depository
Romania	Citibank Europe plc, Dublin – Romania Branch	National Bank of Romania
		S.C. Depozitarul Central S.A.
Russia	AO Citibank	National Settlement Depository
Saudi Arabia	HSBC Saudi Arabia Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Saudi Arabian Monetary Agency
		Tadawul Central Securities Depository
Senegal	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Serbia	UniCredit Bank Serbia JSC	Central Securities Depository and Clearinghouse
Singapore	Citibank N.A.	Monetary Authority of Singapore
	United Overseas Bank Limited	The Central Depository (Pte.) Limited
Slovak Republic	UniCredit Bank Czech Republic and Slovakia a.s.	Centrálny depozitár cenných papierov SR, a.s.
Slovenia	UniCredit Banka Slovenija d.d.	KDD – Centralna klirinško depotna družba d.d.
South Africa	FirstRand Bank Limited	Strate (Pty) Ltd.
	Standard Bank of South Africa Limited	

Spain	Deutsche Bank S.A.E.	IBERCLEAR
Sri Lanka	The Hongkong and Shanghai Banking Corporation Limited	Central Bank of Sri Lanka
		Central Depository System (Pvt) Limited
Republic of Srpska	UniCredit Bank d.d.	Central Registry of Securities in the Republic of Srpska JSC
Swaziland	Standard Bank Swaziland Limited	Central Bank of Swaziland
Sweden	Nordea Bank AB (publ)	Euroclear Sweden
	Skandinaviska Enskilda Banken AB (publ)	
Switzerland	Credit Suisse AG	SIX SIS AG
	UBS Switzerland AG	
Taiwan R.O.C.	Deutsche Bank AG	Central Bank of the Republic of China (Taiwan)
	Standard Chartered Bank (Taiwan) Limited	Taiwan Depository and Clearing Corporation
Tanzania	Standard Chartered Bank (Tanzania) Limited	Central Depository System (CDS), a department of the Dar es Salaam Stock Exchange
Thailand	Standard Chartered Bank (Thai) Public Company Limited	Thailand Securities Depository Company Limited
Togo	via Standard Chartered Bank Côte d'Ivoire S.A., Abidjan, Ivory Coast	Dépositaire Central – Banque de Règlement
		Banque Centrale des Etats d'Afrique de l'Ouest
Tunisia	Banque Internationale Arabe de Tunisie	Tunisie Clearing
Turkey	Citibank, A.Ş.	Central Bank of Turkey
	Deutsche Bank A.Ş.	Central Registry Agency
Uganda	Standard Chartered Bank Uganda Limited	Bank of Uganda
		Securities Central Depository

Ukraine	PJSC Citibank	National Depository of Ukraine
United Arab Emirates Dubai Financial Market	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Clearing, Settlement and Depository Division, a department of the Dubai Financial Market
United Arab Emirates Dubai International Financial Center	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Central Securities Depository, owned and operated by NASDAQ Dubai Limited
United Arab Emirates Abu Dhabi	HSBC Bank Middle East Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Clearing, Settlement, Depository and Registry department of the Abu Dhabi Securities Exchange
United Kingdom	State Street Bank and Trust Company, United Kingdom branch	Euroclear UK & Ireland Limited
United States	State Street Bank and Trust Company	Depository Trust & Clearing Corporation
		Federal Reserve Bank
Uruguay	Banco Itaú Uruguay S.A.	Banco Central del Uruguay
Venezuela	Citibank, N.A.	Banco Central de Venezuela
		Caja Venezolana de Valores
Vietnam	HSBC Bank (Vietnam) Limited (as delegate of The Hongkong and Shanghai Banking Corporation Limited)	Vietnam Securities Depository
Zambia	Standard Chartered Bank Zambia Plc.	Bank of Zambia
		LuSE Central Shares Depository Limited

Zimbabwe	Stanbic Bank Zimbabwe Limited (as delegate of Standard Bank of South Africa Limited)	Chengetedzai Depository Company Limited
		Reserve Bank of Zimbabwe
Argentina	Citibank, N.A.*	Caja de Valores S.A.

* Effective April 13, 2015, State Street began closing all securities accounts with Citibank, N.A. in Argentina that have no holdings. This action was taken due to circumstances with respect to our local custodial arrangements with Citibank, N.A. in Argentina, which no longer fully meets a standard of care such that, in State Street's determination, assets would be subject to reasonable care, based on the standards applicable to custodians in Argentina.

Transnational		Euroclear Bank S.A./N.V.
		Clearstream Banking, S.A.