

**If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the ICAV or the suitability for you of investing in the ICAV, you should consult your stock broker or other independent financial adviser. Prices for shares in the ICAV may fall as well as rise.**

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

## **OCEAN DIAL INVESTMENT FUNDS ICAV**

### **An umbrella fund with segregated liability between sub-funds**

An open-ended umbrella type Irish collective asset-management vehicle with variable capital and segregated liability between sub-funds registered and authorised by the Central Bank of Ireland to carry on business as an ICAV, pursuant to Part 2 of the Irish Collective Asset-management Vehicles Act 2015, as may be amended from time to time, by way of continuation and established as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 as amended.

## **PROSPECTUS FOR SWITZERLAND**

### **Ocean Dial Asset Management Limited**

#### **Investment Manager**

*This Prospectus is a consolidation of the Prospectus dated 22 May, 2019 and the Additional Information for Investors in Switzerland dated 18 June 2019. It is exclusively used for offer and distribution of the Shares in the Company in or from Switzerland. It may not be used for the offer or distribution of the Shares of the Company in any other jurisdiction. If you are in any doubt about the contents of this Prospectus, the risks involved in investing in the Company or the suitability of an investment in the Company you should consult your stock broker or other independent adviser. Prices for shares in the Company may fall as well as rise.*

**The date of this Prospectus for Switzerland is 13 July 2020**

## **IMPORTANT INFORMATION**

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

### **The Prospectus**

This Prospectus describes Ocean Dial Investment Funds ICAV (the "ICAV"), an umbrella type Irish collective asset-management vehicle with segregated liability between sub-funds incorporated with limited liability in Ireland and registered with and authorised by the Central Bank of Ireland (the "Central Bank") to carry on business as an ICAV pursuant to Part 2 of the Act by way of continuation. The ICAV has been authorised by the Central Bank as an Undertaking for Collective Investment in Transferable Securities ("UCITS") pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011, as amended.

The ICAV is structured as an umbrella fund and may comprise several portfolios of assets with each portfolio of assets being a Fund. The share capital of the ICAV ("Shares") may be divided into different classes of shares ("Classes").

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

The latest published annual and half yearly reports of the ICAV will be supplied to subscribers free of charge on request and will be available to the public as further described in the section of this Prospectus entitled "Report and Accounts".

### **Redemption Charge**

**The Directors are empowered to levy a redemption charge not exceeding 3% of the Net Asset Value per Share. Details of any such charge with respect to one or more Funds or Classes will be set out in the relevant Supplement.**

**The difference at any one time between the sale price (to which may be added a sales commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term.**

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

### **Authorisation by the Central Bank**

**The ICAV is both authorised and supervised by the Central Bank of Ireland (the "Central Bank"). Authorisation of the ICAV by the Central Bank shall not constitute a warranty as to the performance of the ICAV and the Central Bank shall not be liable for the performance or default of the ICAV. The authorisation of the ICAV is not an endorsement or guarantee of the**

**ICAV by the Central Bank and the Central Bank is not responsible for the contents of this Prospectus.**

### **Stock Exchange Listing**

Application may be made to Euronext Dublin (formerly the Irish Stock Exchange) for the Shares of any particular Class or Fund to be admitted to the Official List and to trading on its regulated market. The Class A US\$, Class B Euro, Class C GBP, Class D US\$, Class G GBP, Class H US\$, Class I Euro and Class J GBP Shares of the Ocean Dial Gateway to India Fund have been admitted to listing..

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

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

The Directors may restrict the ownership of Shares by any person, firm or corporation where such ownership would be in breach of any regulatory or legal requirement or may affect the tax status of the ICAV or may in the opinion of the Directors, result in the ICAV incurring any liability to taxation or suffering any tax, legal, pecuniary regulatory liability or disadvantage or material administrative disadvantage which the ICAV or its Members or any of them might otherwise have incurred or suffered. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who is holding Shares in contravention of the restrictions set out above or, by virtue of his holding, or is in breach of the laws and regulations of any competent jurisdiction shall indemnify the ICAV, the Directors, the Investment Manager, the Distributor, the Depositary, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the ICAV.

The Directors have the power under the Instrument to compulsorily redeem and/or cancel any Shares held or beneficially owned by a Member in contravention of the restrictions imposed by them as described in this Prospectus.

#### *United Kingdom*

The ICAV will provide the facilities required by the Collective Investment Schemes Sourcebook published by the Financial Conduct Authority governing such schemes at the offices of the Distributor in the United Kingdom.

The ICAV does not have a permanent place of business in the United Kingdom. In accordance with FCA rules, the ICAV will provide the following documents for inspection during normal business hours

at the offices of the Investment Manager, Distributor and Promoter as detailed in the Directory section of this prospectus:

- (a) The Instrument of the ICAV.
- (b) Once published, the latest annual and half yearly reports of the ICAV (copies of which may be obtained from the Administrator free of charge).
- (c) Copies of the Prospectus and Key Investor Information Document.

As against the ICAV, and any overseas agent thereof who is not a person authorised to carry on investment business in the United Kingdom, a United Kingdom investor will not benefit from most of the protections afforded by the United Kingdom regulatory system, and in particular will not benefit from rights under the Financial Services Compensation Scheme or access to the Financial Ombudsman Service which are designed to protect investors as described in the FSMA and the rules of the Financial Conduct Authority in the United Kingdom.

#### *United States of America*

None of the Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "1933 Act") and, except in a transaction which does not violate the 1933 Act or any other applicable United States securities laws (including without limitation any applicable law of any of the States of the United States), none of the Shares may be directly or indirectly offered or sold in the United States of America, or any of its territories or possessions or areas subject to its jurisdiction, or to or for the benefit of a US Person. None of the United States Securities and Exchange Commission (the "SEC") nor any U.S. state securities commission has passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense. Neither the ICAV nor any Fund is or will be registered under the United States Investment Company Act of 1940, as amended (the "1940 Act").

**Notwithstanding the foregoing prohibition on offers and sales in the United States or to or for the benefit of US Persons, the ICAV may make a private placement of its Shares to a limited number or category of US Persons. In the event that the ICAV makes a private placement of its Shares to qualified US Persons (as hereafter defined), then the ICAV will limit the beneficial ownership of its Shares by US Persons to US Persons who are both (i) "accredited investors", as defined in Rule 501 under Regulation D of the 1933 Act and (ii) "qualified purchasers", as defined in the 1940 Act.**

Notwithstanding anything herein to the contrary, in the event that the ICAV deals in commodities futures or options, the Investment Manager intends to operate the ICAV pursuant to an exemption from registration as a commodity pool operator set forth in U.S. Commodity Futures Trading Commission ("CFTC") Rule 4.13(a)(3). Pursuant to such Rule, the Investment Manager is not required to register, and is not registered, as a commodity pool operator under the U.S. Commodity Exchange Act, as amended (the "Exchange Act"). Consequently, unlike a registered commodity pool operator, the Investment Manager is not required to provide investors with a disclosure document or certified annual report meeting the requirements of the CFTC rules generally applicable to registered

commodity pool operators. This Prospectus has not been, and is not required to be, filed with the CFTC, and the CFTC has not reviewed or approved this Prospectus or the offering of Shares. To qualify for the exemption under CFTC Rule 4.13(a)(3), certain limitations will apply to the offering of Shares and to the ICAV's commodity interest trading activities. Generally, the exemption requires that, at all times, either (i) the ICAV commit no more than 5% of the liquidation value of its portfolio to establish commodity interest trading positions or (ii) the aggregate net notional value of the ICAV's commodity interest trading will not exceed 100% of the ICAV's liquidation value. The ICAV should not be viewed as a vehicle for trading in the commodity futures or commodity options markets.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the 1933 Act and the applicable state securities laws pursuant to registration or exemption therefrom. There will be no public market for the Shares and there is no obligation on the part of any person to register the Shares under any securities laws. Prospective investors are not to construe the contents of this Prospectus as legal, business, tax, investment or other advice, including advice with respect to the U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Each prospective investor should consult its own advisers as to the legal, business, tax, and ERISA aspects of an investment and any other advice concerning an investment in the Shares.

### **Reliance on this Prospectus**

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

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

**Risk Factors**

Investors should read and consider the section of this Prospectus entitled “Risk Factors” before investing in the ICAV.

**Translations**

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

## DIRECTORY

### OCEAN DIAL INVESTMENT FUNDS ICAV

#### Directors

David Hammond  
Simon O'Sullivan  
Maheshwar Doorgakant  
Robin Sellers

#### Registered Office

2nd Floor, Block 5  
Irish Life Centre  
Abbey Street Lower  
Dublin 1  
Ireland

#### Investment Manager, Distributor and Promoter

Ocean Dial Asset Management Limited  
13/14 Buckingham Street  
London WC2N 6DF  
United Kingdom

#### Auditors & Tax Advisors

Deloitte & Touche  
Deloitte & Touche House  
Earlsfort Terrace  
Dublin 2  
Ireland

#### Administrator

Apex Fund Services (Ireland)  
Ltd.  
2nd Floor, Block 5  
Irish Life Centre  
Abbey Street Lower  
Dublin 1  
Ireland

#### Depository

Société Générale S.A.  
3<sup>rd</sup> Floor, IFSC House  
The IFSC  
Dublin 1  
Ireland

#### Legal Advisers (Ireland) & Sponsoring Brokers

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

#### Secretary

Apex Fund Services (Ireland)  
Ltd.  
2nd Floor, Block 5  
Irish Life Centre  
Abbey Street Lower  
Dublin 1  
Ireland

#### Legal Advisers (England & Wales) to the Investment Manager

Charles Russell Speechlys  
5 Fleet Place  
London  
EC4M 7RD  
United Kingdom

#### Legal Advisers (United States)

Foley Hoag LLP  
155 Seaport Boulevard  
Boston, MA 02210  
United States

## TABLE OF CONTENTS

DEFINITIONS.....	11
1. THE ICAV.....	23
General .....	23
Investment Objective and Policies .....	24
Cross Investment.....	25
Eligible Assets and Investment Restrictions .....	25
Borrowing Powers .....	25
Changes to Investment and Borrowing Restrictions .....	25
Efficient Portfolio Management .....	26
Financial Derivative Instruments .....	26
Investment in Financial Indices .....	27
Dividend Policy.....	27
Unclaimed Dividends.....	28
Publication of Net Asset Value per Share.....	28
Risk Factors .....	29
Operation of Fund Cash Accounts .....	35
Tax Risk .....	44
Foreign Account Tax Compliance Act .....	45
Common Reporting Standard .....	45
2. MANAGEMENT AND ADMINISTRATION.....	49
Directors.....	49
Investment Manager, Distributor and Promoter .....	50
Administrator, Registrar and Secretary.....	51
Depository .....	51
Paying Agents/Representatives .....	53
Conflicts of Interest.....	54
Dealings with Connected Persons .....	55
Investment Manager Investment in Shares .....	56
Directors' Interests.....	56
Soft Commissions.....	56
3. FEES AND EXPENSES.....	57
Establishment Expenses.....	57
Operating Expenses and Fees.....	57
Investment Management Fees.....	58
Administrator and Depository Fees .....	58
Paying Agents Fees .....	58
Sales Commissions .....	58
Redemption Fee.....	59

Conversion Fee .....	59
Anti-Dilution Levy/Duties and Charges .....	59
Directors' Fees .....	59
Allocation of Fees and Expenses .....	59
Remuneration Policy of the ICAV .....	60
4. THE SHARES.....	66
General .....	61
Abusive Trading Practices/Market Timing .....	62
Operation of Fund Cash Accounts in the Name of each Fund .....	63
Application for Shares.....	63
The Treatment of Subscription Monies held in a Fund Cash Account .....	65
Data Protection.....	68
Redemption of Shares .....	69
The Treatment of Redemption Monies held in a Fund Cash Account.....	70
Conversion of Shares .....	72
Net Asset Value and Valuation of Assets .....	73
Suspension of Valuation of Assets .....	78
Taxation on the occurrence of certain events .....	79
5. TAXATION .....	80
Irish Taxation.....	80
The ICAV .....	80
Capital Acquisitions Tax .....	85
European Union – Taxation of Savings Income Directive .....	86
Compliance with US reporting and withholding requirements .....	86
Common Reporting Standards.....	87
United Kingdom Taxation.....	89
6. GENERAL INFORMATION .....	96
Incorporation, Registered Office and Share Capital .....	96
Variation of Share Rights and Pre-Emption Rights .....	97
Voting Rights .....	97
Meetings .....	98
Reports and Accounts .....	100
Communications and Notices to Shareholders .....	100
Transfer of Shares.....	100
Directors.....	101
Directors' Interests.....	103
Winding Up.....	104
Indemnities and Insurance .....	105
Material Contracts .....	106
Documents Available for Inspection .....	108

Appendix I - Permitted Investments and Investment Restrictions.....	109
Appendix II - Recognised Exchanges.....	114
Appendix III - Financial Derivative Instruments and Efficient Portfolio Management Techniques.....	119
Appendix IV - List of Sub-Custodial Agents Appointed by Société Générale S.A.....	121
SUPPLEMENT 1 - Ocean Dial Gateway to India Fund.....	125
Additional Information for Investors in Switzerland .....	157

## DEFINITIONS

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

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

“1933 Act”	means the U.S. Securities Act of 1933, as amended.
“1940 Act”	means the U.S. Investment Advisers Act of 1940, as amended.
“Accounting Date”	means 31 March in each year or such other date as the Directors may from time to time decide.
“Accounting Period”	means a period ending on the Accounting Date and commencing, on the day following expiry of the last Accounting Period.
“Act”	means the Irish Collective Asset-management Vehicle Act, 2015 and every amendment or re-enactment of the same.
“Administrator”	means Apex Fund Services (Ireland) Ltd. or any successor company approved by the Central Bank as administrator of the ICAV’s and of each Fund’s affairs.
“Administration Agreement”	means the Amended and Restated Administration Agreement made between the ICAV and the Administrator dated 01 October, 2015 as may be further amended from time to time in accordance with the requirements of the Central Bank.
“AIMA”	means the Alternative Investment Management Association.
“Anti-Dilution Levy”	means an adjustment in a Fund’s Net Asset Value for market spreads (the difference between the prices at which assets are valued and/or bought or sold), duties and charges and other dealing costs relating to the acquisition or disposal of assets, to preserve the value of the underlying assets of a Fund, the details of which are outlined under the heading “Anti-Dilution Levy/Duties and Charges”.

“Application Form”	means any application form to be completed by subscribers for Shares as prescribed by the ICAV from time to time.
“Auditors”	means Deloitte & Touche, Ireland.
“Base Currency”	means the currency of account of a Fund as specified in the relevant Supplement relating to that Fund.
“Business Day”	means in relation to a Fund such day or days as shall be so specified in the relevant Supplement for that Fund.
“CBI UCITS Regulations”	mean 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, replaced or consolidated from time to time.
“Central Bank”	means the Central Bank of Ireland or any successor body thereto.
“CFTC”	means the U.S. Commodities Futures Trading Commission.
“Class”	means a particular division of Shares representing a Fund.
“Commitment Approach”	means the methodology which may be used in the risk management process of certain Funds as disclosed in the relevant Supplement to calculate exposure to derivatives in accordance with the Central Bank’s requirements. The commitment approach calculates exposure as a result of the use of derivatives by converting the derivatives into the equivalent positions of the underlying assets.
“Country Supplement”	means a supplement to this Prospectus, issued from time to time, specifying certain information pertaining to the offer of Shares of the ICAV or a Fund or Class in a particular jurisdiction or jurisdictions.

“Data Protection Legislation”	means the GDPR and the Data Protection Acts, 1988 to 2018 as may be amended or consolidated from time to time.
“Dealing Day”	means in relation to a Fund such Business Day or Business Days as shall be specified in the relevant Supplement for that Fund and determined by the Directors from time to time provided that there shall be at least two Dealing Days per month which shall occur at regular intervals.
“Dealing Deadline”	means in relation to a Fund, such time on or with respect to any Dealing Day as shall be specified in the relevant Supplement for the Fund.
“Depositary”	means Société Générale S.A , Dublin Branch or any successor company approved by the Central Bank as depositary of the assets of the ICAV and of each Fund.
“Depositary Agreement”	means the depositary agreement made between the ICAV and the Depositary dated 12 December, 2016 as may be amended from time to time in accordance with the requirements of the Central Bank.
“Directors”	mean the directors of the ICAV or any duly authorised committee or delegate thereof.
“Distributor”	means Ocean Dial Asset Management Limited and/or such other person(s) duly appointed either in successor thereto or in addition thereto in accordance with the requirements of the Central Bank.
“EEA”	means the countries for the time being comprising the European Economic Area (being at the date of this Prospectus, (i) European Union Member States (ii) Norway, (iii) Iceland; and (iv) Liechtenstein).
“EMIR”	Regulation (EU) No 648/2012 on OTC derivatives, central counterparties and trade repositories.
“EUR”, “Euro” or “€”	means the lawful currency of the participating member states of the European Union which have adopted the single currency in accordance with the

EC Treaty of Rome dated 25th March 1957 as amended.

“Exchange Act”

means the U.S. Commodity Exchange Act, as amended.

“Exempt Irish Investor”

means

- a pension scheme which is an exempt approved scheme within the meaning of Section 774 of the Taxes Act or a retirement annuity contract or a trust scheme to which Section 784 or 785 of the Taxes Act applies;
- a company carrying on life business within the meaning of Section 706 of the Taxes Act;
- an investment undertaking within the meaning of Section 739B(1) of the Taxes Act;
- a special investment scheme within the meaning of Section 737 of the Taxes Act;
- a charity being a person referred to in Section 739D(6)(f) of the Taxes Act;
- a unit trust to which Section 731(5)(a) of the Taxes Act applies;
- a qualifying fund manager within the meaning of Section 784A(1)(a) of the Taxes Act where the Shares held are assets of an approved retirement fund or an approved minimum retirement fund;
- a qualifying management company within the meaning of Section 739B of the Taxes Act;
- an investment limited partnership within the meaning of Section 739J of the Taxes Act;
- a personal retirement savings account (“PRSA”) administrator acting on behalf of a person who is entitled to exemption from income tax and capital gains tax by virtue of Section 787I of the Taxes Act and the Shares are assets of a PRSA;
- a credit union within the meaning of Section 2 of the Credit Union Act, 1997;
- the National Treasury Management Agency or a fund investment vehicle (within the meaning of section 37 of the National Treasury Management Agency (Amendment) Act 2014) of which the Minister for Finance is the sole beneficial owner, or the State acting through the National Treasury Management Agency;

- the National Asset Management Agency;
- a company which is within the charge to corporation tax in accordance with Section 110(2) of the Taxes Act in respect of payments made to it by the ICAV; or
- any other Irish Resident or persons who are Ordinarily Resident in Ireland who may be permitted to own Shares under taxation legislation or by written practice or concession of the Revenue Commissioners without giving rise to a charge to tax in the ICAV or jeopardising tax exemptions associated with the ICAV giving rise to a charge to tax in the ICAV;

provided that they have correctly completed the Relevant Declaration.

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

“Fund Cash Account” means a cash account designated in a particular currency opened in the name of a Fund into which (i) subscription monies received from investors who have subscribed for Shares in the relevant Fund are deposited and held until Shares are issued as of the relevant Dealing Day; (ii) redemption monies due to investors who have redeemed Shares in the relevant Fund are deposited and held until paid to the relevant investors; and (iii) dividend payments owing to Shareholders of the relevant Fund are deposited and held until paid to such Shareholders.

“GBP” or “£” means the lawful currency of the United Kingdom.

“GDPR” means Regulation (EU) 2016/679 of the European Parliament and of the Council as amended, consolidated or substituted from time to time.

“ICAV” means Ocean Dial Investment Funds ICAV.

“Initial Price”	means the initial offer price payable for a Share as specified in the relevant Supplement for each Fund.
“Instrument”	means the Instrument of Incorporation of the ICAV as amended from time to time in accordance with the requirements of the Central Bank.
“Intermediary”	<p>means a person who:-</p> <ul style="list-style-type: none"> <li>- carries on a business which consists of, or includes, the receipt of payments from an investment undertaking on behalf of other persons; or</li> <li>- holds shares in an investment undertaking on behalf of other persons.</li> </ul>
“Investment Manager”	means Ocean Dial Asset Management Limited.
“Investment Management and Distribution Agreement”	means the Investment Management and Distribution Agreement made between the ICAV and the Investment Manager and Distributor dated 17 <sup>th</sup> August, 2012 as may be amended from time to time in accordance with the requirements of the Central Bank.
“IOSCO”	means the International Organisation of Securities Commissions.
“Ireland”	means the Republic of Ireland.
“Irish Resident”	<p>means</p> <ul style="list-style-type: none"> <li>- in the case of an individual, means an individual who is resident in Ireland for tax purposes.</li> <li>- in the case of a trust, means a trust that is resident in Ireland for tax purposes.</li> <li>- in the case of a company, means a company that is resident in Ireland for tax purposes.</li> </ul> <p>An individual will be regarded as being resident in Ireland for a tax year if he/she is present in Ireland: (1) for a period of at least 183 days in that tax year; or (2) for a period of at least 280 days in any two consecutive tax years, provided that the individual is present in Ireland for at least 31 days in each period.</p>

In determining days present in Ireland, an individual is deemed to be present if he/she is in Ireland at any time during the day. This test took effect from 1 January 2009 (previously in determining days present in Ireland an individual was deemed to be present if he/she was in Ireland at the end of the day (midnight)).

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

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

- the company or a related company carries on a trade in Ireland, and either the company is ultimately controlled by persons resident in EU Member States or in countries with which Ireland has a double taxation treaty, or the company or a related company are quoted companies on a recognised Stock Exchange in the EU or in a treaty country under a double taxation treaty between Ireland and that country. This exception does not apply where it would result in an Irish incorporated company that is managed and controlled in a relevant territory (other than Ireland), but would not be resident in that relevant territory as it is not incorporated there, not being resident for tax purposes in any territory.

or

- the company is regarded as not resident in Ireland under a double taxation treaty between Ireland and another country.

The Finance Act 2014 amended the above residency rules for companies incorporated on or after 1 January 2015. These new residency rules will ensure that companies incorporated in Ireland and also

companies not so incorporated but that are managed and controlled in Ireland, will be tax resident in Ireland except to the extent that the company in question is, by virtue of a double taxation treaty between Ireland and another country, regarded as resident in a territory other than Ireland (and thus not resident in Ireland). For companies incorporated before this date these new rules will not come into effect until 1 January 2021 (except in limited circumstances).

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

“Management Shares”	means a management non-participating share in the capital of the ICAV.
“Member”	means a Shareholder or a person who is registered as the holder of one or more Management Shares in the ICAV, the prescribed particulars of which have been recorded in the register of the ICAV.
“Member State”	means a member state of the European Union.
“Minimum Holding”	means the minimum number or value of Shares which must be held by Shareholders as specified in the relevant Supplement.
“Minimum Initial Subscription”	means the minimum value of an initial subscription for Shares as specified in the relevant Supplement.
“Minimum Transaction Size”	means the minimum value of subsequent subscriptions, redemptions, conversions or transfers of Shares in any Fund or Class as specified in the relevant Supplement.
“Net Asset Value”	means the Net Asset Value of a Fund or attributable to a Class (as appropriate) calculated as referred to in this Prospectus.
“Net Asset Value per Share”	means the Net Asset Value of a Fund determined as at the Valuation Point or with respect to the relevant Dealing Day divided by the number of Shares in issue

or deemed to be in issue in that Fund or the Net Asset Value attributable to a Class divided by the number of Shares issued in that Class or deemed to be in issue in that Class rounded to such number of decimal places as the Directors may determine as set out in this Prospectus.

“OECD Governments”

means a government of a country which is a member of the Organisation for Economic Co-Operation and Development, being at the date of this Prospectus each of Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Israel, Japan, Korea, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, United Kingdom and the United States or any other country that may join the OECD from time to time.

“Ordinarily Resident in Ireland”

means

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

An individual will be regarded as ordinarily resident for a particular tax year if he/she has been Irish Resident for the three previous consecutive tax years (i.e. he/she becomes ordinarily resident with effect from the commencement of the fourth tax year).

An individual will remain ordinarily resident in Ireland until he/she has been non-Irish Resident for three consecutive tax years. Thus, an individual who is resident and ordinarily resident in Ireland in the tax year 1 January 2019 to 31 December 2019 and departs from Ireland in that tax year will remain ordinarily resident up to the end of the tax year 1 January 2022 to 31 December 2022.

The concept of a trust's ordinary residence is somewhat obscure and linked to its tax residence.

“Ordinary Resolution”	a resolution of the Members of the ICAV or of the Shareholders of a particular Fund or Class passed by a simple majority of the votes cast in person or proxy at a general meeting of the ICAV, Fund or Class of Shares as the case may be.
“OTC”	means Over-the-Counter, a commonly used term for customised trades in securities, including derivative trades, that are not available for trading on an exchange and for which no secondary market may exist.
“Prospectus”	the prospectus of the ICAV and any Supplements and addenda thereto issued in accordance with the requirements of the UCITS Regulations.
“Recognised Clearing System”	means any clearing system listed in Section 246A of the Taxes Act (including, but not limited to, Euroclear, Clearstream Banking AG, Clearstream Banking SA and CREST) or any other system for clearing shares which is designated for the purposes of Chapter 1A in Part 27 of the Taxes Act, by the Irish Revenue Commissioners, as a recognised clearing system.
“Recognised Exchange”	means the stock exchanges or markets set out in Appendix II to this Prospectus.
“Relevant Declaration”	means the declaration relevant to the Shareholder as set out in Schedule 2B of the Taxes Act.
“Relevant Period”	means a period of 8 years beginning with the acquisition of a Share by a Shareholder and each subsequent period of 8 years beginning immediately after the preceding Relevant Period.
“Share”	means a participating share or, save as otherwise provided in this Prospectus, a fraction of a participating share in the capital of the ICAV.
“Shareholder”	means a person who is registered as the holder of Shares in the register of Shareholders for the time being kept by or on behalf of the ICAV.
“Special Resolution”	means a special resolution of the Members of the ICAV or the Shareholders of a particular Fund or

Class in general meeting passed by 75% of votes cast in person or by proxy at a general meeting of the ICAV, a Fund or Class of Shares as the case may be.

“Specified US Person”

means (i) a US citizen or resident individual, (ii) a partnership or corporation organized in the United States or under the laws of the United States or any State thereof (iii) a trust if (a) a court within the United States would have authority under applicable law to render orders or judgments concerning substantially all issues regarding administration of the trust, and (b) one or more US persons have the authority to control all substantial decisions of the trust, or an estate of a decedent that is a citizen or resident of the United States; excluding (1) a corporation the stock of which is regularly traded on one or more established securities markets; (2) any corporation that is a member of the same expanded affiliated group, as defined in section 1471(e)(2) of the U.S. Internal Revenue Code, as a corporation described in clause (i); (3) the United States or any wholly owned agency or instrumentality thereof; (4) any State of the United States, any US Territory, any political subdivision of any of the foregoing, or any wholly owned agency or instrumentality of any one or more of the foregoing; (5) any organization exempt from taxation under section 501(a) or an individual retirement plan as defined in section 7701(a)(37) of the U.S. Internal Revenue Code; (6) any bank as defined in section 581 of the U.S. Internal Revenue Code; (7) any real estate investment trust as defined in section 856 of the U.S. Internal Revenue Code; (8) any regulated investment company as defined in section 851 of the U.S. Internal Revenue Code or any entity registered with the Securities Exchange Commission under the Investment Company Act of 1940 (15 U.S.C. 80a-64); (9) any common trust fund as defined in section 584(a) of the U.S. Internal Revenue Code; (10) any trust that is exempt from tax under section 664(c) of the U.S. Internal Revenue Code or that is described in section 4947(a)(1) of the U.S. Internal Revenue Code; (11) a dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any State; or (12) a broker as defined in

section 6045(c) of the U.S. Internal Revenue Code. This definition shall be interpreted in accordance with the U.S. Internal Revenue Code.

“Supplement”	means a supplement to this Prospectus specifying certain information in respect of a Fund and/or one or more Classes.
“Taxes Act”	The Taxes Consolidation Act, 1997 (of Ireland) as amended.
“UCITS”	means an Undertaking for Collective Investment in Transferable Securities.
“UCITS Directive”	EC Council Directive 2009/65/EC of 13 July 2009 as amended, consolidated or substituted from time to time.
“UCITS Regulations”	means the European Communities Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (as amended, consolidated or substituted from time to time) and any regulations issued by the Central Bank pursuant thereto for the time being in force.
“United States”, “US” or “U.S.”	means the United States of America (including the States and the District of Columbia) its territories, possessions and all other areas subject to its jurisdiction.
“US Dollar”, “USD” or “US\$”	means United States Dollars, the lawful currency for the time being of the United States of America.
“US Person”	means (a) any person who is a “U.S. Person” as defined in Rule 902 of the United States Securities Act of 1933, as amended (the “Securities Act”); or (b) any person who is not a “Non-United States person” as defined in the United States Commodity Futures Trading Commission (the “CFTC”) Rule 4.7.
“Valuation Point”	means such time as shall be specified in the relevant Supplement for each Fund by reference to which the Net Asset Value shall be calculated or such other time as the Directors may determine and notify to Shareholders provided that the Valuation Point shall not be prior to the Dealing Deadline.

## 1. THE ICAV

### General

The ICAV is an umbrella type Irish collective asset management vehicle with variable capital and segregated liability between sub-funds, registered with and authorised by the Central Bank of Ireland on 22 May, 2019 pursuant to Part 2 of the Act, by way of continuation. The ICAV has been authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

The ICAV was formerly an open-ended investment company with variable capital and segregated liability between sub-funds incorporated in Ireland on 15 November, 2011 under the Act with registration number 506061.

The ICAV is structured as an umbrella fund consisting of different Funds each comprising one or more Classes. The Shares issued in each Fund will rank pari passu with each other in all respects provided that they may differ as to certain matters including currency of denomination, hedging strategies if any applied to the currency of a particular Class, dividend policy, the level of fees and expenses to be charged or the Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size applicable.

The assets of each Fund will be invested separately on behalf of each Fund in accordance with the investment objective and policies of each Fund. A separate portfolio of assets is not maintained for each Class. The investment objective and policies and other details in relation to each Fund are set out in the relevant Supplement which forms part of and should be read in conjunction with this Prospectus.

The Base Currency of each Fund is specified in the relevant Supplement. At the date of this Prospectus, the ICAV has established the Funds and Classes with the respective currencies listed below. Additional Funds in respect of which a Supplement or Supplements will be issued may be established by the Directors with the prior approval of the Central Bank. Additional Classes in respect of which a Supplement or Supplements will be issued may be established by the Directors and notified to and cleared in advance with the Central Bank or otherwise must be created in accordance with the requirements of the Central Bank.

<b>Name of Fund</b>	<b>Class</b>	<b>Currency</b>
<b>Ocean Dial Gateway to India Fund</b>	A US\$	US\$
	B Euro	EUR
	C GBP	GBP
	D US\$	US\$
	E US\$	US\$
	F Euro	EUR
	G GBP	GBP
	H US\$	US\$
	I Euro	EUR
	J GBP	GBP

## **Investment Objective and Policies**

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

Investors should be aware that the performance of certain Funds may be measured against a specified index or benchmark and in this regard, Shareholders are directed towards the relevant Supplement which will refer to any relevant performance measurement criteria. The ICAV may at any time change that reference index where, for reasons outside its control, that index has been replaced, or another index or benchmark may reasonably be considered by the ICAV to have become the appropriate standard for the relevant exposure. In such circumstances, any change in index must be disclosed in the annual or half-yearly report of the ICAV issued subsequent to such a change.

Unless otherwise disclosed in the relevant Supplement, any indices or benchmarks utilised by the Funds in accordance with Regulation (EU) 2016/1011 (the "Benchmarks Regulation") are, as at the date of this Prospectus, provided by benchmark administrators who are availing of the transitional or grandfathering arrangements afforded under the Benchmarks Regulation and accordingly do not appear on the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmarks Regulation.

As required under the Benchmarks Regulation, the ICAV has put in place appropriate contingency arrangements setting out the actions which will be taken in the event that a benchmark which is used by a Fund in accordance with the Benchmarks Regulation materially changes or ceases to be provided. A copy of the ICAV's policy on cessation or material change to a benchmark is available upon request from the ICAV.

The investment objective of a Fund may not be altered and material changes in the investment policy of a Fund may not be made without prior approval of Shareholders on the basis of a simple majority of votes cast at a meeting of the Shareholders of the particular Fund duly convened and held or with the prior written approval of all Shareholders of the relevant Fund. In accordance with the requirements of the Central Bank, "material" shall be taken to mean, although not exclusively, changes which would significantly alter the asset type, credit quality, borrowing limits or risk profile of a Fund. In the event of a change of the investment objective and/or any material change to the investment policy of a Fund on the basis of prior written approval or by way of a majority of votes cast at a meeting of the Shareholders of the particular Fund duly convened and held, Shareholders in the relevant Fund will be given reasonable notice of such change to enable them redeem their Shares prior to implementation of such a change.

## **Cross Investment**

Investors should note that, subject to the requirements of the Central Bank, each of the Funds may invest in the other Funds of the ICAV.

The Investment Manager may not charge investment management fees in respect of that proportion of the assets of a Fund which are invested in other Funds of the ICAV. In addition, no sales commission, redemption fee or conversion fee may be charged on the cross-investing Fund's

investment. Investment will not be made by a Fund in a Fund which itself cross-invests in another Fund within the ICAV.

### **Eligible Assets and Investment Restrictions**

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

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

### **Borrowing Powers**

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

### **Changes to Investment and Borrowing Restrictions**

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

### **Efficient Portfolio Management**

The ICAV may, on behalf of each Fund, subject to the requirements of the Central Bank engage in techniques and instruments (such as those set out in Appendix III to this Prospectus) relating to transferable securities and money market instruments for efficient portfolio management purposes provided that the exposure to the underlying assets does not exceed in aggregate the investment limits set out in Appendix I to this Prospectus.

Efficient portfolio management transactions (which may include transactions in financial derivative instruments) relating to the assets of the ICAV may be entered into by the Investment Manager with one of the following aims: i) the reduction or stabilisation of risk; ii) the reduction of cost with no increase or a minimal increase in risk; iii) the generation of additional capital or income for the Fund with a level of risk consistent with the risk profile of the Fund and the risk diversification requirements set out in the CBI's UCITS Regulations.

In relation to efficient portfolio management operations, the Investment Manager will seek to ensure

that the techniques and instruments entered into for the purposes of efficient portfolio management are realised in a cost effective manner.

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

### **Financial Derivative Instruments**

Subject to disclosure in the relevant Supplement, a Fund may invest in financial derivative instruments dealt in on a Recognised Exchange and/or in OTC derivative instruments in each case under and in accordance with conditions or requirements imposed by the Central Bank. Further information in this regard is set out in Appendix III to this Prospectus.

The financial derivative instruments which the Investment Manager may invest in on behalf of each Fund, and the expected effect of investment in such financial derivative instruments on the risk profile of a Fund are set out in the relevant Supplement. The extent to which a Fund may be leveraged through the use of financial derivative instruments will also be disclosed in the relevant Supplement. In addition, the attention of investors is drawn to the section of the Prospectus headed "Efficient Portfolio Management" and the risks described under the headings "Derivatives and Techniques and Instruments Risk" and "Currency Risk" in the Risk Factors Section of the Prospectus and, if applicable to a particular Fund, the relevant Supplement.

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

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

### **Investment in Financial Indices**

Where provided in the relevant Fund Supplement, a Fund may seek exposure to some or all of the assets referred to in the investment policy section of each Fund by obtaining exposure to financial indices, through financial derivative instruments such as futures or swaps on financial indices.

The Investment Manager shall only gain exposure to such a financial index which complies with the UCITS Regulations and the requirements of the Central Bank as set out in the CBI UCITS Regulations and the following provisions will apply to any such financial index:-

- (a) any such financial index will be rebalanced /adjusted on a periodic basis in accordance with the requirements of the Central Bank e.g. on a weekly, monthly, quarterly, semi-annual or annual basis;
- (b) the costs associated with gaining exposure to such a financial index will be impacted by the frequency with which the relevant financial index is rebalanced;
- (c) a list of such financial indices to which a Fund is exposed will be included in the annual financial statements of the ICAV;
- (d) details of any such financial index used by a Fund will be provided to Shareholders of that Fund by the Investment Manager on request;
- (e) where the weighting of a particular constituent in any such financial index exceeds the investment restrictions set down in the UCITS Regulations, the Investment Manager will as a priority objective look to remedy the situation taking into account the interests of the Shareholders of the relevant Fund.

Where a financial index comprised of Eligible Assets does not comply with the diversification rules set down in Regulation 71 of the UCITS Regulations, investment via a financial derivative on such an index by the ICAV on behalf of a Fund is not considered a derivative on a financial index but is regarded as a derivative on the combination of assets comprised in the index. A Fund may only gain exposure using a financial derivative instrument to such a financial index where on a “look through” basis, the Fund is in a position to comply with the risk spreading rules set down in the UCITS Regulations taking into account both direct and indirect exposure of the Fund to the constituents of the relevant index.

### **Dividend Policy**

The dividend policy and information on the declaration and payment of dividends for each Fund will be specified in the relevant Supplement. The Instrument of the ICAV empower the Directors to declare dividends in respect of any Shares in the ICAV out of the net income of the relevant Fund (i.e. income less accrued expenses) (whether in the form of dividends, interest or otherwise) and/or net realised gains (i.e. realised gains net of realised and unrealised losses) or net realised and unrealised gains (i.e. realised and unrealised gains net of realised and unrealised losses) during the Accounting Period, subject to certain adjustments.

Dividends declared shall not be paid to Shareholders until the original subscription application form and all documentation required by or on behalf of the ICAV (including any documents in connection with anti-money laundering procedures) have been received from the relevant Shareholder(s). Until the relevant anti-money laundering procedures have been completed and the Administrator has verified the Shareholder’s identity to its satisfaction, dividends payable to Shareholders shall remain an asset of the Fund and will not benefit from the application of any investor money protection rules (i.e. the distribution monies in such circumstance will not be held on trust for the relevant Shareholder). In such circumstance, the Shareholder will be an unsecured creditor of the relevant Fund with respect to the distribution amount held by the ICAV until paid to the Shareholder and the Shareholder entitled to such distribution amount will be an unsecured creditor of the Fund.

Subject to the dividend policy of each Fund as set out in the relevant Supplement and in particular where such policy provides that dividends may be declared, dividend payments pending payment to the relevant Shareholder will be held in the relevant Fund Cash Account and will be treated as an

asset of the Fund until paid to that Shareholder and will not benefit from the application of any investor money protection rules (i.e. the dividend monies in such circumstance will not be held on trust for the relevant Shareholder). In such circumstance, the Shareholder will be an unsecured creditor of the relevant Fund with respect to the dividend amount held in the relevant Fund Cash Account until paid to the Shareholder.

Your attention is drawn to the section of the Prospectus entitled “*Risk Factors*” –“*Operation of Fund Cash Accounts*” below.

The Directors may at any time determine to change the policy for each Fund with respect to dividends. If the Directors so determine, full details of any such change will be disclosed in an updated prospectus or supplement and Shareholders will be notified in advance.

### **Unclaimed Dividends**

Any dividends paid which are not claimed or collected within six years of payment shall revert to and form part of the assets of the relevant Fund. No dividends or other amount payable to Shareholders shall bear interest against the ICAV.

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

The Net Asset Value per Share and/or the subscription and redemption prices will be published daily in such publications as the Directors may determine in the jurisdictions in which the Shares are offered for sale and shall also be made available on the internet at [www.oceandial.com](http://www.oceandial.com) and updated following each calculation of Net Asset Value. In addition, the Net Asset Value per Share may be obtained from the Administrator during normal business hours in Ireland. The Net Asset Value of any Fund or attributable to a Class whose Shares are listed will also be notified to the Irish Stock Exchange by the Administrator without delay.

### **Employee Benefit Plans**

**The Directors intend to use commercially reasonable efforts to ensure that each Fund will not be deemed to hold ERISA “plan assets” under the plan asset regulations promulgated by the U.S. Department of Labor. Please refer to the paragraph “ERISA Considerations” in the “Taxation” section of this Prospectus for further details.**

### **Risk Factors**

#### *General*

**The risks described in this Prospectus should not be considered to be an exhaustive list of the risks which potential investors should consider before investing in a Fund. Potential investors should be aware that an investment in a Fund may be exposed to other risks of an exceptional nature from time to time. Investment in the ICAV carries with it a degree of risk. Different risks may apply to different Funds and/or Classes.**

**Details of specific risks attaching to a particular Fund or Class which are additional to those**

described in this section will be disclosed in the relevant Supplement.

Prospective investors should review this Prospectus and the relevant Supplement carefully and in its entirety and consult with their professional and financial advisers before making an application for Shares. Prospective investors are advised that the value of Shares and the income from them may go down as well as up and, accordingly, an investor may not get back the full amount invested and an investment should only be made by persons who can sustain a loss on their investment.

Past performance of the ICAV or any Fund should not be relied upon as an indicator of future performance. The difference at any one time between the sale price (to which may be added a sales commission) and the redemption price of Shares (from which may be deducted a redemption fee) means an investment should be viewed as medium to long term.

The securities and instruments in which the ICAV invests are subject to normal market fluctuations and other risks inherent in investing in such investments and there can be no assurance that any appreciation in value will occur.

The attention of potential investors is drawn to the taxation risks associated with investing in the ICAV. Please refer to the section of the Prospectus entitled "Taxation".

#### ***Business Risk***

There can be no assurance that a Fund will achieve its investment objective. The investment results of a Fund will be reliant on the success of the Investment Manager.

#### ***Market Capitalisation Risk***

Certain Funds may invest in the securities of small-to-medium-sized (by market capitalisation) companies, or financial instruments related to such securities. Such securities may have a more limited market than the securities of larger companies. Accordingly, it may be more difficult to effect sales of such securities at an advantageous time or without a substantial drop in price than securities of a company with a large market capitalisation and broad trading market. In addition, securities of small-to-medium-sized companies may have greater price volatility as they are generally more vulnerable to adverse market factors such as unfavourable economic reports.

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

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

The volume of transactions effected in certain international bond markets may be appreciably below

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

### ***Emerging Markets Risk***

Where a Fund invests in equities or securities of companies incorporated in or whose principal operations are in emerging markets, additional risks may be encountered. These include:

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

*Country Risk:* the value of the Fund's assets may be affected by political, legal, economic and fiscal uncertainties. Existing laws and regulations may not be consistently applied.

*Political Risk:* the risk of government intervention is particularly high in the emerging markets because of both the political climate in many of these countries and the less developed character of their markets and economies. Government intervention could result from political, economic or internal policies and could cause a complete loss of the Fund's investment in such countries.

*Market Characteristics/Liquidity and Settlement Risks:* 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 are not highly regulated. When seeking to sell emerging market securities, little or no market may exist for the securities. Settlement of transactions may be subject to delay and administrative uncertainties.

*Custody Risk:* sub-custodians appointed in certain Emerging Markets may not be able to offer the level of service and safe-keeping, settlement and administration of securities that is customary in more developed markets and there is a risk that the Fund will not be recognised as the owner of securities held on its behalf by a sub-custodian. For the avoidance of doubt, the Depositary will be responsible for the loss of Financial Instruments held in custody by a sub-custodian appointed by it, unless it can prove that that the loss has arisen as a result of an external event beyond the Depositary's reasonable control, the consequences of which would have been unavoidable despite all reasonable endeavours to the contrary.

*Disclosure:* less complete and reliable fiscal and other information may be available to investors.

*Accounting Standards:* in emerging markets there is an absence of uniform accounting, auditing and financial reporting standards and practices.

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

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

regulations of countries in which investment may be made including inter alia any changes to the UCITS Regulations. Furthermore, the legal infrastructure and accounting, auditing and reporting standards in certain countries in which investment may be made may not provide the same degree of investor protection or information to investors as would generally apply in major securities markets.

### ***Concentration of Investments***

Although it will be the policy of each Fund to diversify its investment portfolio in accordance with the UCITS Regulations, a Fund could be subject to significant losses if it holds a large position in a particular investment that declines in value or is otherwise adversely affected, including default of the issuer or counterparty. Additionally, historical correlations may undergo dramatic change, thereby reducing expected diversification protection.

### ***Geographical Concentration Risk***

Certain Funds with a geographical focus may be more volatile than a broad-based fund, such as a global equity fund, as they are more susceptible to fluctuations in value resulting from adverse conditions in the countries in which they invest.

### ***Market Risk***

Some of the Recognised Exchanges in which a Fund may invest may be less well-regulated than those in developed markets and may prove to be illiquid, insufficiently liquid or highly volatile from time to time. This may affect the price at which a Fund may liquidate positions to meet redemption requests or other funding requirements.

### ***Liquidity Risk***

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

### ***Currency Risk***

Assets of a Fund may mainly be denominated in a currency other than the Base Currency of the Fund and changes in the exchange rate between the Base Currency and the currency of the asset may lead to a depreciation of the value of the Fund's assets as expressed in the Base Currency. It may not be possible or practical to hedge against such exchange rate risk or, as disclosed in the relevant Supplement, it may be part of the investment policy of the Fund not to hedge exchange rate risk. The Fund's Investment Manager may, but is not obliged to, mitigate this risk by using financial instruments. In addition, foreign exchange control in any country may cause difficulties in the repatriation of funds from such countries.

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

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

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

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

### ***Redemption Risk***

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

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

A Class of Shares of a Fund may be designated in a currency other than the Base Currency of the Fund. Changes in the exchange rate between the Base Currency and such designated currency may lead to a depreciation of the value of such Shares as expressed in the designated currency.

### ***Changes in Interest Rates***

The value of Shares may be affected by substantial adverse movements in interest rates.

### ***Amortised Cost Method***

Some of the investments of certain Funds may be valued at amortised cost. Investors' attention is drawn to the section of the Prospectus entitled "Net Asset Value and Valuation of Assets" for further information.

In periods of declining short-term interest rates, the inflow of net new money to such Funds from the continuous issue of Shares will likely be invested in portfolio instruments producing lower yields than the balance of such Fund's portfolio, thereby reducing the current yield of the Fund. In periods of rising interest rates, the opposite can be true.

### ***Valuation Risk***

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

### ***Leverage***

A Fund may, as will be outlined in the relevant Supplement if applicable, engage in leverage for the purpose of making investments or hedging. The use of leverage creates special risks and may significantly increase a Fund's investment risk. Leverage will create an opportunity for greater yield and total return but, at the same time, will increase a Fund's exposure to capital risk and interest costs. Any investment income and gains earned on investments made through the use of leverage that are in excess of the interest costs associated therewith may cause the net asset value of the Shares to increase more rapidly than would otherwise be the case. Conversely, where the associated interest costs are greater than such income and gains, the net asset value of the Shares may decrease more rapidly than would otherwise be the case.

### ***Segregated Liability***

The ICAV is an umbrella type Irish collective asset-management vehicle with segregated liability between sub-funds. As a result, pursuant to the Act, the assets of one Fund are not available to satisfy the liabilities of, or attributable to, another Fund. Any liability incurred or attributable to a particular Fund may only be discharged out of the assets of that Fund and the assets of other Funds may not be used to satisfy the liability of that Fund. In addition, any contract entered into by the ICAV will by operation of law include an implied term to the effect that the counterparty to the contract may not have any recourse to assets of any of the Funds other than the Fund in respect of which the contract was entered into. These provisions are binding both on creditors and in any insolvency but do not prevent the application of any enactment or rule of law which would require the application of the assets of one Fund to discharge some, or all liabilities of another Fund on the grounds of fraud or misrepresentation. In addition, whilst these provisions are binding in an Irish court which would be the primary venue for an action to enforce a debt against the ICAV, these provisions have not been tested in other jurisdictions, and there remains a possibility that a creditor might seek to attach or seize assets of one Fund in satisfaction of an obligation owed in relation to another Fund in a jurisdiction which would not recognise the principle of segregation of liability between sub-funds.

### ***Limitation on liability of Shareholders***

The liability of Shareholders is limited to any unpaid amount on its Shares and all Shares in the ICAV will only be issued on a fully paid basis. However, under the Application Form and the Instrument, investors will be required to indemnify the ICAV and other parties as stated therein for certain matters, including losses incurred as a result of the holding or acquisition of Shares by an Ineligible Applicant, any liabilities arising due to any tax the ICAV is required to account for on an investor's behalf, such as any penalties and interest thereon, any losses incurred as a result of a mis-representation by an investor.

### ***Settlement Risk Relating To Receipt of Subscription Monies***

Save where otherwise disclosed in the relevant Supplement, payment in respect of subscriptions must be received in cleared funds by the Depositary no later than three Business Days after the relevant Dealing Day.

Notwithstanding this settlement period, Shares will be issued by the ICAV as of the relevant Dealing Day. In the event of a failure on the part of an investor to pay subscription monies within the required timeframe, the ICAV reserves the right to compulsorily redeem the Shares issued with respect to such transaction in accordance with the provisions of the Prospectus entitled "Compulsory Redemption of Shares/Deduction of Tax". In such circumstances, the relevant Fund may suffer a loss as a result of the ICAV being required to compulsorily redeem such Shares at the prevailing Net Asset Value per Share. Although the ICAV intends to pursue any such investor to recover such losses, there can be no assurances that the ICAV will be able to recover such losses successfully. In addition, where a Fund Cash Account is operated, monies held in that account may be used to settle late subscription payments and in such circumstances, investors should take note of the 'Operation of Fund Cash Accounts' risk factor set out below.

### ***Operation of Fund Cash Accounts***

The ICAV operates Fund Cash Account(s) opened in the name of each Fund. One or more Fund Cash Accounts, each designated in a particular currency, is operated for each Fund into which (i) subscription monies received from investors who have subscribed for Shares are deposited and held until Shares are issued as of the relevant Dealing Day; (ii) redemption monies due to investors who have redeemed Shares are deposited and held until paid to the relevant investors; and (iii) dividend payments owing to Shareholders are deposited and held until paid to such Shareholders. All subscriptions, redemptions or dividends payable to or from a Fund are channelled and managed through the relevant Fund Cash Account in respect of that Fund.

Certain risks associated with the operation of the Fund Cash Accounts are set out in the following sections / sub-sections of the Prospectus:-

- (i) "The Shares" – "The treatment of Subscription Monies held in a Fund Cash Account";
- (ii) "The Shares" – "Anti-Money Laundering and Countering Terrorist Financing Measures";

- (iii) “The Shares” - “The Treatment of Redemption Monies held in a Fund Cash Account”;
- (iv) “The ICAV” - “Dividend Policy”.

In circumstances where subscription monies are received from an investor in advance of a Dealing Day in respect of which an application for Shares has been, or expected to be, received and are held in the relevant Fund Cash Account, any such investor shall rank as a general creditor of the Fund until such time as Shares are issued as of the relevant Dealing Day. Therefore in the event that such monies are lost prior to the issue of Shares to the relevant investor as of the relevant Dealing Day, the ICAV on behalf of the Fund may be obliged to make good any losses which the Fund incurs in connection with the loss of such monies to the investor (in its capacity as a creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Fund.

Similarly in circumstances where redemption monies are payable to an investor subsequent to a Dealing Day of a Fund as of which Shares of that investor were redeemed or dividend monies are payable to an investor and such redemption / dividend monies are held in the relevant Fund Cash Account, any such investor /Shareholder shall rank as an unsecured creditor of the relevant Fund until such time as such redemption/ dividend monies are paid to the investor. Therefore in the event that such monies are lost prior to payment to the relevant investor/ Shareholder, the ICAV on behalf of the Fund may be obliged to make good any losses suffered by the investor/ Shareholder (in its capacity as a general creditor of the Fund), in which case such loss will need to be discharged out of the assets of the relevant Fund and therefore will represent a diminution in the Net Asset Value per Share for existing Shareholders of the relevant Fund.

In the event of an insolvency of the relevant Fund or the ICAV, there is no guarantee that the Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Investors who have forwarded subscription monies in advance of a Dealing Day and which are held in a Fund Cash Account and investors / Shareholders due redemption / dividend monies which are held in a Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor subscribing for Shares may not recover all monies originally paid into the Fund Cash Account in relation to the application for Shares and the redeeming investor entitled to redemption monies and the Shareholder entitled to a dividend payment may not recover all monies originally paid into the Fund Cash Account for onward transmission to that investor/Shareholder.

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

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

### ***Investment Manager Valuation Risk***

The Administrator may consult the Investment Manager with respect to the valuation of certain investments. Whilst there is an inherent conflict of interest between the involvement of the Investment Manager in determining the valuation price of each Fund's investments and the Investment Manager's other duties and responsibilities in relation to a Fund (particularly as the Investment Manager's fees may increase as the value of assets increases), the Investment Manager has in place pricing procedures which follows industry standard procedures for valuing unlisted investments.

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

#### *General*

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

#### *Credit Risk*

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

#### *Correlation Risk*

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

### *Legal Risk*

The use of OTC derivatives, such as forward contracts will expose the Funds to the risk that the legal documentation of the contract may not accurately reflect the intention of the parties.

### *Liquidity of Futures Contracts*

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

### *Forward Trading*

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

### *Foreign Exchange Transactions*

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

### *OTC Markets Risk*

Where any Fund acquires securities on OTC markets, there is no guarantee that the Fund will be able to realise the fair value of such securities due to their tendency to have limited liquidity and comparatively high price volatility.

### *Counterparty Risk*

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

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

#### *Absence of Regulation; Counterparty Default*

In general, there is less government regulation and supervision of transactions in the OTC markets (in which currencies, spot and option contracts and certain options on currencies are generally traded) than of transactions entered into on Recognised Exchanges. In addition, many of the protections afforded to participants on some Recognised Exchanges, such as the performance guarantee of an exchange clearing house, might not be available in connection with OTC transactions. In addition, a counterparty may not settle a transaction in accordance with its terms and conditions because the contract is not legally enforceable or because it does not accurately reflect the intention of the parties or because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Fund to suffer a loss. To the extent that a counterparty defaults on its obligation and the Fund is delayed or prevented from exercising its rights with respect to the investments in its portfolio, it may experience a decline in the value of its position, lose income and incur costs associated with asserting its rights. Counterparty exposure will be in accordance with the Fund's investment restrictions. Regardless of the measures the Fund may implement to reduce counterparty credit risk, however, there can be no assurance that a counterparty will not default or that the Fund will not sustain losses on the transactions as a result.

#### *Necessity for Counterparty Trading Relationships*

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

#### *Futures and Options Trading is Speculative and Volatile*

Substantial risks are involved in trading futures, forward and option contracts and various other instruments in which a Fund intends to trade. Certain of the instruments in which a Fund may invest are interest and foreign exchange rate sensitive, which means that their value and, consequently, the Net Asset Value, will fluctuate as interest and/or foreign exchange rates fluctuate. The Fund's performance, therefore, will depend in part on its ability to anticipate and respond to such fluctuations

in market interest rates, and to utilise appropriate strategies to maximize returns to the Fund, while attempting to minimize the associated risks to its investment capital. Variance in the degree of volatility of the market from the Fund's expectations may produce significant losses to the Fund.

### ***Performance Fees***

The payment of a performance fee to the Investment Manager may provide the Investment Manager with an incentive to cause the Fund to make more speculative investments than might otherwise be the case. The Investment Manager will have discretion as to the timing and the terms of the Fund's transactions in investments and may therefore have an incentive to arrange such transactions to maximise its fees.

### ***Risk of Litigation***

In the ordinary course of business, a Fund may be subject to litigation from time to time. The outcome of such proceedings, which may materially adversely affect the value of a Fund, may be impossible to anticipate, and such proceedings may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Investment Manager's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

### ***Investing in India***

An investment in a Fund is only suitable for financially sophisticated investors who are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may arise there from (which may be equal to the whole amount invested). Such an investment should be seen as complementary to existing investments in a wide spread of other financial assets and should not form a major part of an investment portfolio. Investors should not consider investing in the Shares unless they already have a diversified investment portfolio.

A Fund may as outlined in the relevant Supplement, invest primarily in a portfolio of Indian securities and as a result, may be exposed to the following risks.

#### ***Emerging Market Risk***

Where disclosed in the relevant Supplement, a Fund shall invest all or substantially all of its assets in the securities (or instruments thereto) of issuers located in India, which is an emerging market country.

The value of emerging market securities may often be drastically affected by political developments in the country of issuance. In addition, emerging market governments can take actions that could have a negative impact on the relevant Fund, including nationalisation, expropriation, imposition of confiscatory taxation or regulation or imposition of withholding taxes on interest payments.

The Indian economy is still in the stages of modern development and is subject to abrupt and unexpected changes. In many cases, the Indian Government retains a high degree of direct control over the economy and may take actions having sudden and widespread effects. Also, the economy has a high dependence on a small group of markets. India is prone to have periods of high inflation

and high interest rates as well as substantial volatility in interest rates, which could affect the relevant Fund adversely.

#### *Financial Instability in Other Countries may Cause Increased Volatility in Indian Financial Markets*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Financial turmoil in Asia, Russia, the United States, Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability may also have a negative impact on the Indian economy. Any such financial disruption in India may harm the portfolio companies' business or their future financial performance and the prices of their securities, which will in turn affect the relevant Fund's investments and returns.

#### *Indian Stock Exchanges & Securities Markets*

Indian securities markets are substantially smaller, less liquid and more volatile than those in the United States and certain other developed countries. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of securities of issuers listed. They have also experienced problems such as temporary exchange closures, broker defaults, settlement delays and broker strikes which, if they occur again, could affect the market price and liquidity of the securities of Indian companies in which the relevant Fund invests.

Indian stock markets are undergoing a period of growth and change, which may lead to greater volatility and difficulties in settlement and recording of transactions and in interpreting and applying the relevant regulations, in comparison to those of more developed countries. There can be no assurance that a Fund's objectives will be realised or that there will be any return of capital. The following considerations should be carefully evaluated before making an investment in a Fund.

- (a) Allegations of fraudulent transactions have led to a number of crises on Indian stock exchanges leading to a loss of confidence and temporary closure;
- (b) Indian stock exchanges are less liquid and experience greater volatility than more established markets; and
- (c) A disproportionately large percentage of market capitalisation and trading value in the Indian stock exchanges is represented by a relatively small number of issuers. Thus, when seeking to sell shares on Indian stock exchanges, little or no market may exist for the securities and settlement of transactions may be subject to delay and administrative uncertainties.

The above factors could negatively affect the Net Asset Value of the relevant Fund, the ability to sell the Indian securities and the price at which the Indian securities may be realised.

Additionally the Indian market regulator, the Securities and Exchange Board of India (SEBI), can impose restrictions on trading in certain securities, limitations on price movements and margin requirements. SEBI is also empowered to carry out various enforcement activities such as attaching properties to realise penalties, search and seize information, access special courts for speedy trials, etc. which can significantly affect the related companies. Consequently, an investment in Indian securities should be deemed potentially volatile.

#### *Indian Currency & Exchange Rate Risk*

India has experienced political, economic and/or social instability in the past which has resulted in dramatic swings in the value of the national currency. There can be no assurance that such instability or such fluctuations will not occur in the future and, if they do occur, that they will not have a substantial adverse effect on the performance of the relevant Fund.

Shareholders will pay subscriptions to the relevant Fund in the designated currency of the Class in which investment is proposed. Where investment is made in a Class which is denominated in a currency other than the Base Currency of that Fund, the Administrator will perform a currency conversion at prevailing exchange rates and the value of the Share expressed in the designated currency of the relevant Class will be subject to exchange rate risk in relation to the Base Currency of the relevant Fund.

In addition it is expected that, other than for working capital required to meet expenses which will be held in US Dollars, subscriptions of the relevant Fund will be converted to Indian Rupees for investment in India securities. Unless otherwise stated in the Supplement, the relevant Fund will not normally engage in any currency hedging. Accordingly, to the extent that the relevant Fund makes Indian Rupee denominated investments and the Indian Rupee depreciates against the US Dollar, the value of the Shares of the relevant Fund may depreciate for such Shareholders. Such Shareholders will incur a risk of currency devaluation from the time their funds are brought into India until Indian Rupees are repatriated to such Shareholders in US Dollars following an investment realisation of the Shareholder's Shares. The Indian Rupee has witnessed volatility in the recent past. In the future the Indian Rupee may also experience volatility and may further depreciate. Since many of the investments of the relevant Fund are expected to be in Indian Rupees, the ICAV is subject to the risk that depreciation of the Indian Rupee compared to the US Dollar may effectively reduce the return of the relevant Fund to the Shareholders. Any and all such risk would be passed on to such Shareholders.

The repatriation of capital, dividends, interest and other income may be hampered by changes in Indian regulations concerning exchange controls, tax or political circumstances. In the recent past, the Indian Government has tightened regulatory norms allowing remittance of foreign currency from India, and further limitations on repatriation of foreign currency earnings from India may be imposed in the future. Any amendments to Indian regulations and monetary policy may impact adversely on the relevant Fund's performance and any returns to the Shareholders.

#### *Indian Political and Economic Risks*

Changes in India's economic liberalisation and deregulation policies could adversely affect business and economic conditions in India generally. There could also be adverse effects if new restrictions in the private sector are introduced or if existing restrictions are not relaxed over time. Notwithstanding current policies of economic liberalisation, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. Government of India continues economic liberalisation policies and the pace of such liberalization could change, and specific laws and policies affecting taxation, foreign investment, currency exchange and other matters affecting the relevant Fund's investments could change as well. Further, the laws and policies affecting the various investments held by the Fund could change, adversely affecting the values or liquidity of securities.

Political, economic, and social factors, changes in Indian law or regulations and the status of India's relations with other countries may adversely affect the value of a Fund's assets. In addition, the Indian economy may differ favourably or unfavourably from other economies in several respects, including the rate of growth of GDP, the rate of inflation, currency fluctuation, resource self-sufficiency and balance of payments position. The ICAV does not intend to obtain political risk insurance. The Indian

Government has traditionally exercised and continues to exercise a significant influence over many aspects of the Indian economy. Further actions or changes in policy (including taxation) of the Indian Central Government or the respective Indian State Governments could have a significant effect on the Indian economy, which could adversely affect private sector companies, market conditions and prices and yields of the relevant Fund's investments.

Certain developments, beyond the control of the ICAV, such as the possibility of nationalisation, expropriations, or confiscatory taxation, political changes, government regulation, social instability, diplomatic disputes, or other similar developments could adversely affect the relevant Fund's assets. Thus, there can be no assurance that the Indian Government policies will continue and any significant change in the Indian Government's future policies could affect general business and economic conditions in India and could also affect the relevant Fund's business and investments. In addition, any political instability in India could adversely affect the Indian economy in general, which could also affect the value of the investments of the relevant Fund. India has in the past experienced periods of political instability and, in some cases, civil unrest and clashes.

Severe monsoons or drought conditions could hurt India's agricultural production and dampen momentum in some sectors of the Indian economy, which could adversely affect the performance of the companies in whose securities the relevant Fund invests. The liquidity of the assets and their value may be affected generally by changes in Indian Government policy, interest rates and taxation, social and religious instability and political, economic or other developments in or affecting India.

Further changes in the market, business, and economic conditions, including, for example, interest rates, foreign exchange rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, tax laws and numerous other factors, can affect substantially and adversely the performance of and the development to be undertaken by an Indian company in which the relevant Fund may have invested. None of these conditions will be within the control of the ICAV or Investment Manager.

### *Indian Regulatory Risks*

Indian regulatory standards and disclosure standards may be less stringent than standards in developed countries, and there may therefore be less publicly available information about Indian companies than is regularly available about companies located in developed countries. Securities law and regulations in India are still evolving.

The value and marketability of a Fund's investments may be affected by changes or developments in the legal and regulatory climate in India. SEBI regulates the securities market in India and legislates from time to time on matters affecting the stock market. SEBI has issued regulations that affect investment in India, including regulations on takeovers, raising funds and insider dealing. SEBI and/or the Government of India may make changes to regulations which may affect the ability of the relevant Fund to make, or exit, investments.

Any such change in the Indian Government's policies in the future could adversely affect business and economic conditions in India and could also adversely affect our business prospects, financial condition and results of operations. There can no assurance as to the interpretation or implementation of such changes in the law and are unable to determine the impact of such changes on the investments of the Fund.

### *Repatriation of Dividend, Interest and Sale Proceeds*

It may not be possible for the relevant Fund to repatriate capital, dividends, interest and other income from the securities in which the relevant Fund invest, or it may require Indian Government consent to do so. The relevant Fund could be adversely affected by the introduction of the requirement for any such consent, or delays in or the failure to grant any such consent, for the repatriation of funds or by any official intervention affecting the process of settlement of transactions, which may in turn affect the repatriation of funds. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

### *Inflationary Pressures*

High inflation, as has been seen historically in India, may lead to the adoption of corrective measures designed to moderate growth, regulate prices of staples and other commodities and otherwise contain inflation, and such measures could inhibit economic activity in India and thereby possibly adversely affect the investments of the relevant Fund. Inflation may also directly affect the investments of the relevant Fund by raising operating costs and, if rents at a particular project are fixed, reducing the returns on the investments of the relevant Fund.

### *Pricing Guidelines*

Pursuant to Foreign Exchange Management Act, 1999 and the rules and regulations of the Reserve Bank of India (“**RBI**”) issued thereunder, foreign investment in Indian companies is subject to certain minimum valuation and pricing guidelines. Such minimum valuation and pricing guidelines may restrict the ability of the relevant Fund to make investments in certain Indian companies at attractive prices. The RBI has also prescribed certain maximum valuation and pricing guidelines for persons and corporations resident outside India that sell securities of Indian companies to resident Indian persons and corporations. Such maximum valuation and pricing guidelines may restrict the ability of the relevant Fund to sell its investments in Indian companies at a price higher than the valuation arrived at in accordance with the stipulated pricing guidelines. In addition, there are similar pricing guidelines for issuing capital instruments in qualified institutional placements, for the issue of Global Depository Receipts and/or American Depository Receipts and for the private sale of listed and unlisted securities.

### *Regional Hostilities, Terrorist Attacks or Social Unrest in India or Abroad*

India has from time to time experienced instances of social, religious, civil unrest and hostilities and other acts of violence involving neighboring countries. India has also experienced instances of civil unrest, hostilities and military confrontations with its neighboring countries, including Pakistan. There have also been incidents in and near India, such as terrorist attacks and troop mobilisations along the border. Events of this nature in the future, as well as social and civil unrest within other countries in Asia, may influence the Indian economy and may have a material adverse effect on the investments by the relevant Fund in securities of Indian companies.

### *Indian Legal System*

The Indian civil judicial process to enforce remedies and legal rights is relatively less developed and subject to delays. Enforcement by the Fund of civil rights under the laws of a jurisdiction other than India may be adversely affected by the fact that it may have significant assets in India and the enforcement of the rights against such assets in India will be subject to the delays and other limitations of the Indian judicial system. Regulations regarding the trading in relatively new forms of securities such as derivatives are not fully developed in India, and where disclosed in the relevant

Supplement any investments held by or on behalf of a Fund in such securities may not be recognized as securities protected by the securities laws in India. In addition, such investments may be traded on exchanges with very little liquidity, thus adversely affecting the ability to liquidate these investments.

#### *Downgrading of India's debt rating risk*

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely affect the value of the investments of the relevant Fund.

#### **Tax Risk**

Any change in the taxation legislation or its interpretation in Ireland, or elsewhere, could affect (i) the ICAV or any Fund's ability to achieve its investment objective, (ii) the value of the ICAV or any Fund's investments or (iii) the ability to pay returns to Shareholders or alter such returns. Any such changes, which could also be retroactive, could have an effect on the validity of the information stated herein based on current tax law and practice. Prospective investors and Shareholders should note that the statements on taxation which are set out herein and in this Prospectus are based on advice which has been received by the Directors regarding the law and practice in force in the relevant jurisdiction as at the date of this Prospectus. As is the case with any investment, there can be no guarantee that the tax position or proposed tax position prevailing at the time an investment is made in the ICAV will endure indefinitely.

If, as a result of the status of a Shareholder, the ICAV or a Fund becomes liable to account for tax, in any jurisdiction, including any interest or penalties thereon, the ICAV or the Fund shall be entitled to deduct such amount from any payment(s) made to such Shareholder, and/or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares for the purposes of obtaining sufficient monies to discharge any such liability. The relevant Shareholder shall indemnify and keep the ICAV or the Fund indemnified against any loss arising to the ICAV or the Fund by reason of the ICAV or the Fund becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

Shareholders and prospective investors' attention is drawn to the taxation risks associated with investing in the ICAV. Please refer to the section headed "Taxation".

#### ***Foreign Account Tax Compliance Act***

The foreign account tax compliance provisions ("**FATCA**") of the Hiring Incentives to Restore Employment Act 2010 which apply to certain payments are essentially designed to require reporting of Specified US Person's direct and indirect ownership of non-US accounts and non-US entities to the US Internal Revenue Service, with any failure to provide the required information resulting in a 30% US withholding tax on direct US investments (and possibly indirect US investments). In order to avoid being subject to US withholding tax, both US investors and non-US investors are likely to be required to provide information regarding themselves and their investors. In this regard the Irish and US Governments signed an intergovernmental agreement ("**Irish IGA**") with respect to the implementation of FATCA (see section entitled "Compliance with US reporting and withholding requirements" for further detail) on 21 December 2012.

Under the Irish IGA (and the relevant Irish regulations and legislation implementing same), foreign financial institutions (such as the ICAV) should generally not be required to apply 30% withholding tax. To the extent the ICAV however suffers US withholding tax on its investments as a result of FATCA, or is not in a position to comply with any requirement of FATCA, the Administrator acting on behalf of the ICAV may take any action in relation to a Shareholder's investment in the ICAV to redress such non-compliance and/or ensure that such withholding is economically borne by the relevant Shareholder whose failure to provide the necessary information or to become a participating foreign financial institution or other action or inaction gave rise to the withholding or non-compliance, including compulsory redemption of some or all of such Shareholder's holding of shares in the ICAV.

Shareholders and prospective investors should consult their own tax advisor with regard to US federal, state, local and non-US tax reporting and certification requirements associated with an investment in the ICAV.

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

Drawing extensively on the intergovernmental approach to implementing FATCA, the OECD developed the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion on a global basis. Additionally, on 9 December 2014, the European Union adopted EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("**DAC2**").

The CRS and DAC2 provide a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS and DAC2, participating jurisdictions and EU member states will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges began in 2017. Ireland has legislated to implement the CRS and DAC2. As a result the ICAV will be required to comply with the CRS and DAC2 due diligence and reporting requirements, as adopted by Ireland. Shareholders may be required to provide additional information to the ICAV to enable the ICAV to satisfy its obligations under the CRS and DAC2. Failure to provide requested information may subject an investor to liability for any resulting penalties or other charges and/or compulsory redemption of their Shares in the ICAV.

Shareholders and prospective investors should consult their own tax advisor with regard to with respect to their own certification requirements associated with an investment in the ICAV.

### ***Cyber Security Risk***

The ICAV and the ICAV's service providers are susceptible to operational and information security and related risks of cyber security incidents. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber security attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber attacks also may be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make services unavailable to intended users). Cyber security incidents affecting the ICAV, Investment

Manager, Administrator or Depositary or other service providers such as financial intermediaries have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, including by interference with the Administrator's ability to calculate a Fund's NAV; impediments to trading for a Fund of the ICAV; the inability of Shareholders to transact business relating to the ICAV; violations of applicable privacy, data security or other laws; regulatory fines and penalties; reputational damage; reimbursement or other compensation or remediation costs; legal fees; or additional compliance costs. Similar adverse consequences could result from cyber security incidents affecting issuers of securities in which a Fund invests, counterparties with which the ICAV on behalf of a Fund engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. While information risk management systems and business continuity plans have been developed which are designed to reduce the risks associated with cyber security, there are inherent limitations in any cyber security risk management systems or business continuity plans, including the possibility that certain risks have not been identified.

### **GDPR**

Under the GDPR, data controllers, in the EU such as the ICAV, are subject to obligations of accountability and transparency requirements with regard to the use of personal data, which in the case of the ICAV, includes the names, addresses and other personal details of individual shareholders held by the ICAV. Under these rules, the ICAV is responsible for, and must be able to demonstrate compliance with the rules set down in the GDPR relating to the use of personal data and how it is processed by the ICAV and its service providers. Other obligations imposed on data controllers include the obligation to report any personal data breach to the relevant supervisory authority without undue delay. Under the GDPR, data subjects are afforded additional rights, including the right to have inaccurate personal data rectified, the right to have personal data held by a data controller erased in certain circumstances and the right to restrict or object to processing in a number of circumstances.

The implementation of the GDPR and ongoing compliance with the GDPR may result in increased operational and compliance costs being borne directly or indirectly by the ICAV. If there are breaches of these measures by the ICAV or any of its service providers, the ICAV or its service providers could face significant administrative fines and/or be required to compensate any data subject who has suffered damage as a result. Furthermore the ICAV may suffer reputational damage which may have a material adverse effect on its operations and financial conditions.

### ***Benchmarks Regulation Risk***

Subject to certain transitional and grandfathering arrangements, the Benchmarks Regulation which governs the provision of, contribution to and use of benchmarks, took effect from 1 January 2018. Subject to the applicable transitional arrangements, a Fund is no longer able to "use" a benchmark within the meaning of the Benchmarks Regulation which is provided by an EU index provider which is not registered or authorised pursuant to Article 34 of the Benchmarks Regulation. In the event that the relevant EU index provider does not comply with the Benchmarks Regulation in line with the transitional arrangements set down in the Benchmarks Regulation or if the benchmark materially changes or ceases to exist, the ICAV will be required to identify a suitable alternative benchmark if

available which may prove difficult or impossible. Failure to identify a suitable replacement benchmark may have an adverse impact on the relevant Fund, including in certain circumstances the ability of the Investment Manager to implement the investment strategy of the relevant Fund. Compliance with the Benchmarks Regulation may also result in additional costs being borne by the relevant Fund.

### ***United States***

#### *Lack of Regulation under the U.S. Investment Company Act.*

The ICAV is not subject to the provisions of the U.S. Investment Company Act, as amended (the “1940 Act”), except Section 12(d)(1) thereof, in reliance upon Sections 3(c)(7) of the 1940 Act. Section 3(c)(7) of the 1940 Act excludes from the definition of “investment company” any issuer the outstanding securities of which are beneficially owned by “qualified purchasers” (as defined in Section 2(a)(51) therein) and “accredited investors” as defined in Regulation D promulgated under the 1933 Act, and which meets the other conditions contained therein.

Due to this exemption, investors in the ICAV will not be afforded the protective measures provided by the 1940 Act and the regulations thereunder (which, among other things, require registered investment companies to have a majority of disinterested directors and which regulate the relationship between an investment adviser and the investment company).

#### *Lack of Regulation under the U.S. Investment Advisers Act*

The Investment Manager is not registered as an investment adviser under the U.S. Investment Advisers Act (the “Advisers Act”) with the SEC nor as an investment adviser with the regulator of any U.S. state. Accordingly, at this time, investors are not generally protected by the Advisers Act or similar regulations of any U.S. state and the Investment Manager is not generally subject to regulatory supervision or inspections by any regulatory agency, and the Investment Manager is not required to observe certain restrictions and requirements that would be applicable to registered investment advisers.

#### *Lack of Regulation under the U.S. Commodity Exchange Act*

The Investment Manager is not registered as a commodity pool operator and commodity trading advisor under the Exchange Act. In the event that the ICAV invests and trades in futures, the Investment Manager intends to limit such activity to items within the exemption contained in Section 4.13(a)(3) of the regulations under the Exchange Act, which exemption applies to pools that engage in only limited futures trading. Accordingly, this Prospectus is not required to be, and has not been, filed with the SEC.

#### *Lack of Regulation under the U.S. Securities Act*

The Shares have not been registered under the Securities Act and will be offered in reliance upon an exemption from said Act. The Shares have not been approved or disapproved by the SEC or any securities regulatory authority of any state, nor has any such government agency passed upon the accuracy or adequacy of this Prospectus.

#### *Possible Regulatory Changes*

Pursuant to the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), the U.S. Congress, the SEC, and other regulatory bodies are continuing to review the private investment fund (“hedge fund”) industry and its relationship to the securities markets and investors. Under the Dodd-Frank Act, certain investment managers to hedge funds are required to register with the SEC and are subject to certain reporting obligations and certain types of derivatives must be traded through clearinghouses rather than “over-the-counter.” The Investment Manager cannot currently predict the form that any additional regulations under the Dodd-Frank Act may take or whether they will have an impact on the ICAV or any Fund. In addition, other legislation may be passed or regulations adopted in the future that could negatively impact the ICAV or any Fund and its strategy.

#### *U.S. Anti-Money Laundering Regulation*

The ICAV and the Investment Manager may be subject to the U.S. PATRIOT Act or other anti-money laundering legislation. The ICAV may require investors to produce information to enable the ICAV and the Investment Manager to comply with any such regulations and may refuse to process a subscription or redemption in the event such information is not produced in a timely manner.

#### ***Risk Factors Not Exhaustive***

The investment risks set out in this Prospectus do not purport to be exhaustive and potential investors should be aware that an investment in the ICAV or any Fund may be exposed to risks of an exceptional nature from time to time.

## **2. MANAGEMENT AND ADMINISTRATION**

The Directors control the affairs of the ICAV and are responsible for the formulation of investment policy. The Directors have delegated certain of their duties to the Administrator, the Depository, the Investment Manager and the Distributor.

#### **Directors**

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

**David Hammond (Irish Resident):** Mr. David Hammond is formerly the Managing Director of Bridge Consulting Limited, which provides regulatory compliance and consulting services to funds and investment managers. Mr. Hammond has over 22 years' experience in the fund management industry, having formerly been employed as Chief Operating Officer of Sanlam Asset Management (Ireland) Limited, part of the Sanlam group of South Africa, and as a Director of Legal and Business Development with International Fund Managers (Ireland) Limited, the Irish fund administration subsidiary of Baring Asset Management which is now part of Northern Trust. Mr. Hammond is a CFA Charterholder and a solicitor and holds a law degree from Trinity College Dublin and an MBA from Smurfit Graduate School of Business, University College Dublin.

**Simon O’Sullivan (Irish Resident):** Mr. O’Sullivan has worked in the investment management sector since 1993. From April 2002 to April 2006 he was employed in Dublin by Pioneer Alternative Investments as a product specialist. In May 2006 he left Pioneer to join his family company as financial controller and in May 2013 he became a partner in Managing Funds Limited (trading as RiskSystem) a specialist provider of financial risk solutions to the investment funds industry. He has also previously worked for Fleming Investment Management as a fund manager in London, as well as Eagle Star and Merrion Capital, both in Dublin. He holds a Bachelor of Arts in Economics and Politics, a Master of Arts in Economics, a Master of Sciences in Investment & Treasury Management and a Diploma in Corporate Governance. Mr. O’Sullivan is Head of Sales and Business Development at RiskSystem as well as being a non-executive director of a number of investment funds.

**Maheshwar Doorgakant (Mauritian Resident):** Mr. Doorgakant is a fellow of the Institute of Chartered Accountants of England and Wales. He is the Deputy Managing Director of Apex Fund Services (Mauritius) Ltd (“Apex Mauritius”), Mr. Doorgakant holds a number of directorships on the board of directors of numerous India and Africa focused funds and companies through which he has acquired extensive experience and knowledge on key industries in India and its principal capital markets as well as Africa. Mr. Doorgakant is also a member of the executive committee of the Association of Trust and Management Companies of Mauritius. Prior to joining Apex Mauritius, he was the Group Financial Controller of a major listed group in Mauritius. He had also previously managed another Mauritian management company specialising in the management and administration of global business companies.

**Robin Sellers (UK Resident):** Mr. Sellers is Chief Executive Officer of Ocean Dial Asset Management Limited, the Investment Manager of the ICAV. Mr. Sellers has over 19 years’ of experience in the financial services industry, most of which was gained at Close Brothers Group plc where he was Head of Group Finance, Group Company Secretary and Finance Director of Close Brothers Limited, the group’s regulated bank. Mr. Sellers qualified as a Chartered Accountant in 1984 and spent early part of his professional career with international accountants, Coopers & Lybrand, both in the UK and Australia.

#### **Investment Manager, Distributor and Promoter**

The ICAV has appointed Ocean Dial Asset Management Limited as investment manager with discretionary powers pursuant to the Investment Management and Distribution Agreement dated 17<sup>th</sup> August, 2012 between the ICAV and the Investment Manager (the “Investment Management and Distribution Agreement”). Under the terms of the Investment Management and Distribution Agreement, the Investment Manager is responsible, subject to the overall supervision and control of the Directors, for managing the assets and investments of the ICAV and any wholly owned subsidiaries in accordance with the investment objective and policies of each Fund.

The Investment Manager is a UK registered investment management business, authorised and regulated by the Financial Conduct Authority in the United Kingdom, with a particular focus on investment in India. As at 31 May 2016 it had assets under management of over US\$300 million.

The Investment Manager also manages two other funds which invest in India; the Guernsey registered, London Stock Exchange AIM listed, India Capital Growth Fund which invests primarily in listed midcap equities in India; and Eredene Capital Limited, an English registered private equity

investment company which invested in property and logistics companies in India. Exclusive and non-binding investment advice and analysis is received from two advisory companies based in Mumbai, India, namely Ocean Dial Advisers Private Limited which has a team of analysts, headed by an experienced fund manager and Fortuna Capital which is represented by an experienced fund manager in the long only listed equities field in India.

The Investment Manager may delegate the discretionary investment management functions in respect of the assets of each or any Fund to a sub-investment manager in accordance with the requirements of the Central Bank. Where a sub-investment manager is appointed but not paid directly out of the assets of the relevant Fund, disclosure of such entity will be provided to the Shareholders on request and details thereof will be disclosed in the ICAV's periodic reports. Any references to the activities of the 'Investment Manager' in this Prospectus may therefore refer to the Investment Manager or to such sub-investment managers as the context allows. If a sub-investment manager's fee is payable out of the assets of a Fund, then details of such sub-investment manager shall be disclosed in the relevant Supplement.

The Investment Manager shall also act as Distributor of Shares in the ICAV pursuant to the Investment Management and Distribution Agreement with authority to delegate some or all of its duties as distributor to sub-distributors in accordance with the requirements of the Central Bank.

Ocean Dial Asset Management Limited also acts as the Promoter to the ICAV.

### **Administrator, Registrar and Secretary**

The ICAV has appointed Apex Fund Services (Ireland) Limited as administrator, registrar transfer agent and company secretary pursuant to the Administration Agreement dated 01 October, 2015 between the ICAV and the Administrator. The Administrator will have the responsibility for the administration of the ICAV's affairs including the calculation of the Net Asset Value and preparation of the accounts of the ICAV, subject to the overall supervision of the Directors.

The Administrator was incorporated in Ireland as a private limited company on 26 January 2007 with registration number 433608 pursuant to the Companies Act 2014 and is engaged in the business of administration of collective investment schemes.

The Administrator is responsible for providing administration services to the ICAV, including the calculation of the Net Asset Value and the Net Asset Value per Share, serving as the ICAV's agent for the issue and redemption of Shares and acting as registrar and transfer agent of the ICAV. The Administrator will also be responsible for calculating the performance fee payable to the Investment Manager, if any.

The Administrator is not involved directly or indirectly with the business affairs, organisation, sponsorship or management of the ICAV and is responsible and liable only for the administration services that it provides to the ICAV pursuant to the Administration Agreement. The Administrator will not participate in the ICAV's investment decision-making process.

The Administrator is a service provider to the ICAV and is not responsible for the preparation of this document and therefore accepts no responsibility for any information contained in this document other than the description of the Administrator contained in this section.

### **Depositary**

The ICAV has appointed Société Générale S.A., Dublin Branch to act as depositary in respect of the ICAV and each of its Funds pursuant to the terms of the Depositary Agreement. The Depositary is a branch of Société Générale S.A., a French public limited company founded in 1864 and which is one of France's leading commercial and investment banking institutions with operations throughout the world and with its head office at 29, boulevard Haussmann, 75009 Paris, France. The Depositary is registered with the Paris Trade and Companies Register under number 552 120 222, is an establishment approved by the French Prudential Control and Resolution Authority (ACPR) and supervised by the French Financial Markets Authority (AMF). Société Générale S.A. is actively engaged in asset management, private banking and corporate and investment financial services throughout the world. Société Générale S.A. provides global custody services to retail, institutional, industrial and corporate clients. As of the end of December 2015, it had approximately EUR 3,984 billion in assets under custody.

The duties of the Depositary are to provide safekeeping, oversight and asset verification services in respect of the assets of the ICAV and each of its Funds in accordance with the provisions of the UCITS Regulations. The Depositary also provides cash monitoring services in respect of each Funds' cash flows and subscriptions.

The Depositary is obliged, inter alia, to ensure that the sale, issue, repurchase and cancellation of Shares in the ICAV is carried out in accordance with relevant legislation and the Instrument. The Depositary will carry out the instructions of the ICAV unless they conflict with the UCITS Regulations or the Instrument. The Depositary is also obliged to enquire into the conduct of the ICAV in each financial year and report thereon to the Shareholders. The Depositary's report shall state, among other things, whether in the Depositary's opinion the ICAV has been managed in that period:

- (i) in accordance with the limitations imposed on the investment and borrowing powers of the ICAV and the Depositary by the Instrument and the UCITS Regulations; and
- (ii) otherwise in accordance with the provisions of the Instrument and the UCITS Regulations.

If the ICAV has not been managed in accordance with (i) or (ii) above, the Depositary must state why this is the case and outline the steps which the Depositary has taken to rectify the situation.

### Conflicts of Interest

Pursuant to the UCITS Regulations the Depositary must act in accordance with the best interests of the Shareholders of the ICAV.

Potential conflicts of interest may arise as between ICAV and the Depositary in circumstances, where in addition to providing depositary services to the ICAV, the Depositary or its affiliates may also

provide other services on a commercial basis to the ICAV including administration and transfer agency services, currency hedging services as well as acting as acting as counterparty to OTC transactions and providing credit facility arrangements.

To manage these situations, the Depositary has implemented, and keeps up to date, a conflicts of interest management policy intended to identify and analyse potential conflict of interest situations and record, manage and track conflict of interest situations by:

- (i) implementing permanent measures to manage conflicts of interest including the separation of tasks, the separation of reporting and functional lines, the tracking of insider lists and dedicated information technology environments;
- (ii) implementing, on a case-by-case basis:
  - (a) appropriate preventive measures including the creation of an ad hoc tracking list and new ethical wall arrangements, and by verifying that transactions are processed appropriately and/or by informing the clients in question; or
  - (b) by refusing to manage activities which may involve potential conflicts of interest.

Description of the safekeeping functions delegated by the Depositary, list of delegates and sub-custodians and identification of potential conflicts of interest resulting from delegation

In accordance with the Depositary Agreement and the requirements of the UCITS Regulations, the Depositary may delegate its safekeeping obligations provided that:

- (i) the services are not delegated with the intention of avoiding the requirements of the UCITS Regulations;
- (ii) the Depositary can demonstrate that there is an objective reason for the delegation; and
- (iii) the Depositary: (a) exercises all due, skill, care and diligence in the selection and the appointment of the sub-custodian; (b) carries out periodic reviews and ongoing monitoring of the sub-custodian and of the arrangements put in place by the sub-custodian in respect of the delegation; and (c) continues to exercise all due skill, care and diligence in carrying out such review and monitoring.

In accordance with the Depositary Agreement, the liability of the Depositary will not be affected by virtue of any such delegation.

In order to provide asset custody services in discharge of its safekeeping obligations in respect of financial instruments held in custody in a large number of countries and to enable the Funds to achieve their investment objectives, the Depositary has delegated its safe-keeping duties in respect of financial instruments in custody in countries where it does not have local representation to the third parties listed at Appendix IV an up-to-date list of which will be made available to Shareholders upon request and/or at the following website:

[http://www.securities-services.societegenerale.com/uploads/tx\\_bisgnews/Global\\_list\\_of\\_sub\\_custodians\\_for\\_SGSS\\_2016\\_05.pdf](http://www.securities-services.societegenerale.com/uploads/tx_bisgnews/Global_list_of_sub_custodians_for_SGSS_2016_05.pdf).

In accordance with the UCITS Regulations, the Depositary seeks to ensure that the process of appointing and supervising its sub-custodians meets the highest quality standards, including the management of potential conflicts of interest which may arise as a result of such appointments. The Depositary has established an effective conflict of interest identification, prevention and management policy in line with applicable laws, regulations and standards.

Delegation of the Depositary's safekeeping duties may entail potential conflicts of interest, which have been identified and will be monitored. The conflicts of interest policy implemented by the Depositary consists of a system which prevents conflicts of interest and enables the Depositary to exercise its activities in a way that ensures that the Depositary always acts in the best interests of the ICAV. The conflicts of interest prevention measures consist, specifically, of ensuring the confidentiality of the information exchanged, the physical separation of the main activities which may create potential conflicts of interest, the identification and classification of remuneration and monetary and non-monetary benefits, and the implementation of systems and policies for gifts and events.

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

### **Paying Agents/Representatives**

Local laws/regulations in certain jurisdictions may require the appointment of paying agents/representative agents/distributors/correspondent banks ("Paying Agents") and, in certain cases, maintenance of accounts by such Paying Agents through which subscription and redemption monies or dividends may be paid. Shareholders who choose or are obliged under local regulations to pay or receive subscription or redemption monies or dividends via an intermediate entity rather than directly to the Depositary (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 Depositary for the account of the ICAV or the relevant Fund and (b) redemption monies payable by such intermediate entity to the relevant Shareholder.

Fees and expenses of any Paying Agents appointed by the ICAV will be at normal commercial rates and will be borne by the ICAV or the Fund in respect of which a Paying Agent has been appointed. If fees of a Paying Agent are based on a percentage of the Net Asset Value of the ICAV or Fund, all Shareholders of the ICAV or the Fund on whose behalf such an agent is appointed may avail of the services provided by such an agent appointed by or on behalf of the ICAV or Fund. However if such fees of a Paying Agent are attributable to one or more Classes within a Fund, such fees will be payable only from the Net Asset Value attributable to those Class(es), all Shareholders of which are entitled to avail of the services of such agent. Details of any Paying Agent which will be entitled to a fee out of the assets of the ICAV, Fund or attributable to a Class based on a percentage of the Net Asset Value of the ICAV, Fund or Class as the case may be will be disclosed in the relevant Supplement or in a Country Supplement.

Country Supplements dealing with matters pertaining to Shareholders in jurisdictions in which Paying Agents are appointed may be prepared for circulation to such Shareholders and, if so, a summary of the material provisions of the agreements appointing the Paying Agents will be included in the relevant Country Supplements.

### **Conflicts of Interest**

The Directors, the Investment Manager, the Administrator and the Depositary and their respective affiliates, officers, directors and shareholders, employees and agents (collectively the “Parties”) are or may be involved in other financial, investment and professional activities which may on occasion cause a conflict of interest with the management of the ICAV and/or their respective roles with respect to the ICAV. These activities may include foreign exchange services, managing or advising other funds, purchases and sales of securities, banking and investment management services, currency hedging services, brokerage services, valuation of unlisted securities and OTC derivatives (in circumstances in which fees payable to the entity valuing such securities may increase as the value of assets increases) and serving as directors, officers, advisers or agents of other funds or companies, including funds or companies in which the ICAV may invest. In particular, the Investment Manager may advise or manage other investment funds and other collective investment schemes in which a Fund may invest or which have similar or overlapping investment objectives to or with the ICAV or its Funds.

The Investment Manager and/or its affiliates may invest, directly or indirectly, or manage or advise other investment funds or accounts which invest in assets which may also be purchased or sold by the ICAV. Neither the Investment Manager nor any of its affiliates is under any obligation to offer investment opportunities of which any of them becomes aware to the ICAV or to account to the ICAV in respect of (or share with the ICAV or inform the ICAV of) any such transaction or any benefit received by any of them from any such transaction, but will allocate any such opportunities on an equitable basis between the ICAV and other clients.

The Investment Manager may be consulted by the Administrator in relation to the valuation of investments. There is a conflict of interest between any involvement of the Investment Manager in this valuation process and with the Investment Manager’s entitlement to any proportion of a management fee or performance fee which are calculated on the basis of the Net Asset Value.

Each of the Parties will use its reasonable endeavours to ensure that the performance of their respective duties will not be impaired by any such involvement they may have and that any conflicts which may arise will be managed in accordance with the ICAV’s conflicts of interest policy.

### **Dealings with Connected Persons**

There is no prohibition on transactions between the ICAV and the Depositary or the delegates or sub-delegates of the Depositary or the ICAV (excluding any non-group sub-delegates appointed by the Depositary) or any associated or group company of the Depositary or delegate of the ICAV or any delegate or sub-delegate of such entities (“**Connected Persons**”) including, without limitation, holding, disposing or otherwise dealing with Shares issued by, or property of the ICAV and none of them shall have any obligation to account to the ICAV for any profits or benefits made by or derived from or in connection with any such transaction provided that such transactions are consistent with

the best interests of Shareholders and dealings are conducted at arm's length.

Any transaction between the ICAV and any Connected Persons must comply with one of the following conditions;

- (a) the value of the transaction is certified by a person approved by the Depositary (or, in the case of a transaction entered into by the Depositary, the Directors) as independent and competent; or
- (b) execution is on best terms on an organised investment exchanges under the rules of the relevant exchange; or
- (c) where (a) and (b) are not practical, execution is on terms which the Depositary is (or, in the case of a transaction involving the Depositary, the Directors are) satisfied is conducted at arm's length and in the best interests of the Shareholders.

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

The periodic reports of the ICAV will confirm (i) whether the Directors are satisfied that there are arrangements (evidenced by written procedures) in place to ensure that the obligations set out above are applied to all transactions with Connected Persons and (ii) whether the Directors are satisfied that the transactions with Connected Persons entered into during the period complied with the obligations outlined above.

### **Investment Manager Investment in Shares**

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

### **Directors' Interests**

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

### **Soft Commissions**

The Investment Manager does not provide soft commissions.

### **3. FEES AND EXPENSES**

#### **Establishment Expenses**

All fees and expenses relating to the establishment and organisation of the UCITS when it was previously incorporated as a variable capital company and authorised by the Central Bank as a UCITS have been discharged. All fees and expenses relating to the conversion of the UCITS to an ICAV will be borne by the ICAV and are estimated not to exceed €35,000 and may be amortised over the first five Accounting Periods of the ICAV or such other period as the Directors may determine and in such manner as the Directors in their absolute discretion deem fair and shall be subject to such adjustment following the establishment of new Funds as the Directors may determine.

The fees and expenses relating to the establishment of any additional Funds will be set out in the relevant Supplement.

#### **Operating Expenses and Fees**

The ICAV will pay all its operating expenses and the fees hereinafter described as being payable by the ICAV. Expenses paid by the ICAV throughout the duration of the ICAV, in addition to fees and expenses payable to the Administrator, the Depositary, the Investment Manager and any Paying Agent appointed by or on behalf of the ICAV include but are not limited to brokerage and banking commissions and charges, legal fees, regulatory and compliance consultancy fees and other professional advisory fees, company secretarial fees, Companies Registration Office filings and statutory fees, regulatory fees, auditing fees, translation and accounting expenses, interest on borrowings, taxes and governmental expenses applicable to the ICAV, costs of preparation, translation, printing and distribution of reports and notices, all marketing material and advertisements and periodic updates of the Prospectus, stock exchange listing fees, all expenses in connection with registration, listing and distribution of the ICAV and Shares issued or to be issued, all expenses in connection with obtaining and maintaining a credit rating for any Funds or Classes of Shares, expenses of Shareholders' meetings, Directors' insurance premia, expenses of the publication and distribution of the Net Asset Value, clerical costs of issue or redemption of Shares, postage, telephone, fax expenses, any costs and expenses associated with terminating a Fund or winding up the ICAV and any other expenses in each case together with any applicable value added tax. Any such expenses may be deferred and amortised by the ICAV at the discretion of the Directors provided it is permissible to do so in accordance with standard accounting practice. An estimated accrual for operating expenses of the ICAV will be provided for in the calculation of the Net Asset Value of each Fund. Operating expenses and the fees and expenses of service providers which are payable by the ICAV shall be borne by all Funds in proportion to the Net Asset Value of the relevant Fund or attributable to the relevant Class provided that fees and expenses directly or indirectly attributable to a particular Fund or Class shall be borne solely by the relevant Fund or Class.

Ongoing country specific costs (including inter alia registration and tax-reporting costs) will be borne by all Shareholders in the applicable Fund and not just Shareholders in any one or more Classes that are registered for sale in that country as all Shareholders in the relevant Fund will benefit through economies of scale where additional subscriptions arise from marketing in that country.

### **Investment Management Fees**

The Investment Manager shall be entitled to receive from the ICAV a fee in relation to each Fund or Class as specified in the relevant Supplement. The Investment Manager may be paid different fees for investment management in respect of individual Classes as disclosed in the relevant Supplement which may be higher or lower than the fees applicable to other Classes. The Investment Manager may waive or reduce the annual investment management fees charged to certain Shareholders at its discretion. Fees payable to the Investment Manager shall be calculated and accrued at each Valuation Point and payable monthly in arrears. The ICAV shall bear the cost of any value added tax applicable to any fees or other amounts payable to or by the Investment Manager in the performance of its duties.

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

### **Administrator and Depositary Fees**

The ICAV shall pay to the Administrator out of the assets of the relevant Fund(s) an annual fee applicable to each Fund as set out in the relevant Supplement. The Administrator shall also be entitled to fees for the preparation of financial statements and provision of company secretary services and transaction fees in respect of transfer agency services and fees in respect of any other services as may be engaged in by agreement with the ICAV from time to time. Such fees shall be at normal commercial rates.

The Depositary shall be entitled to receive out of the assets of the ICAV an annual fee applicable to each Fund as set out in the relevant Supplement.

The Administrator shall also be entitled to be repaid out of the assets of the ICAV all of its reasonable out-of-pocket expenses incurred on behalf of the ICAV. Each Fund will bear its proportion of the expenses of the Administrator.

The Depositary shall also be entitled to be repaid all of its reasonable disbursements and out of pocket expenses out of the assets of the relevant Fund, including the fees, transaction charges and expenses of any sub-custodian appointed by it which shall be at normal commercial rates together with VAT, if any, thereon. Each Fund will bear its proportion of the fees and expenses of the Depositary.

### **Paying Agents Fees**

Fees and expenses of any Paying Agents appointed by the ICAV which will be at normal commercial rates together with VAT, if any, thereon will be borne by the ICAV or the Fund in respect of which a Paying Agent has been appointed.

### **Sales Commissions**

Shareholders may be subject to a sales commission calculated as a percentage of subscription monies as specified in the relevant Supplement. Such commission may be charged as a preliminary

once off charge or as an annual commission payable over the term of investment by a Shareholder in a Fund or Class or as a contingent deferred sales charge. Details of any sales commission payable shall be specified in the relevant Supplement.

### **Redemption Fee**

Shareholders may be subject to a redemption fee calculated as a percentage of redemption monies as specified in the relevant Supplement.

### **Conversion Fee**

Shareholders may be subject to a conversion fee on the conversion of Shares in any Fund to Shares in another Fund calculated as a percentage of the Net Asset Value of the Shares in the New Fund outlined below under the heading "Conversion of Shares" as specified in the relevant Supplement.

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

The Directors reserve the right to impose an Anti-Dilution Levy to cover dealing costs and to preserve the value of the underlying assets of the Fund in the event of receipt for processing of net subscription or redemption requests exceeding 1% of the Net Asset Value of a Fund including subscriptions and/or redemptions which would be effected as a result of requests for conversion from one Fund into another Fund. Any such levy which will be up to 3% of the Net Asset Value of the Shares affected will be added to the price at which Shares will be issued in the case of net subscription requests exceeding 1% of the Net Asset Value of a Fund and deducted from the price at which Shares will be redeemed in the case of net redemption requests exceeding 1% of the Net Asset Value of a Fund including the price of Shares issued or redeemed as a result of requests for conversion.

The Directors may, in addition, where an Anti-Dilution Levy is not imposed, apply a provision for market spreads and duties and charges in any other case where it considers such a provision to be in the best interests of a Fund and in accordance with the requirements of the Central Bank. Any such sum will be paid into the account of the relevant Fund.

### **Directors' Fees**

The Instrument authorises the Directors to charge a fee for their services at a rate determined by the Directors. Such fee shall be up to a maximum fee per Director of EUR 30,000 per annum (adjusted on an ongoing basis for inflation by reference to the Irish Consumer Price Index). All Directors will be entitled to reimbursement by the ICAV of expenses properly incurred in connection with the business of the ICAV or the discharge of their duties.

### **Allocation of Fees and Expenses**

All fees, expenses, duties and charges will be charged to the relevant Fund and within such Fund to the Classes in respect of which they were incurred. Where an expense is not considered by the Directors to be attributable to any one Fund, the expense will normally be allocated to all Funds in proportion to the Net Asset Value of the Funds or otherwise on such basis as the Directors deem fair and equitable. In the case of any fees or expenses of a regular or recurring nature, such as audit

fees, the Directors may calculate such fees or expenses on an estimated figure for yearly or other periods in advance and accrue them in equal proportions over any period.

### **Remuneration Policy of the ICAV**

The ICAV has designed and implements a remuneration policy which is consistent with and promotes sound and effective risk management by having a business model which by its nature does not promote excessive risk taking that is inconsistent with the risk profile or the Instrument of the ICAV. The ICAV's remuneration policy is consistent with the business strategy, objectives, values and interests of the ICAV and the Shareholders of the ICAV and includes measures to avoid conflicts of interest.

The ICAV's remuneration policy applies to those categories of staff, including senior management, risk takers, control functions and any employee receiving total remuneration that falls into the remuneration bracket of senior management and risk takers, whose professional activities have a material impact on the risk profiles of the ICAV.

In line with the provisions of the UCITS Directive and ESMA Guidelines on Sound Remuneration Policies under the UCITS Directive and AIFMD (ESMA/2016/411) (the "**ESMA Remuneration Guidelines**"), the ICAV applies its remuneration policy and practices in a way and to the extent that is proportionate to its size, its internal organisation and the nature, scope and complexity of its activities.

Where the ICAV delegates certain portfolio management functions in respect of the Funds, which it does to the Investment Manager, it will in accordance with the requirements of the ESMA Remuneration Guideline's ensure that;

- a. the entities to which investment management activities have been delegated are subject to regulatory requirements on remuneration that are equally as effective as those applicable under the ESMA Remuneration Guidelines; or
- b. appropriate contractual arrangements are put in place to ensure that there is no circumvention of the remuneration rules set out in the ESMA Remuneration Guidelines.

Details of the remuneration policy of the ICAV including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits including the composition of the remuneration committee, where such a committee exists, will be available at [www.oceandial.com](http://www.oceandial.com) and a paper copy will be made available free of charge upon request.

## 4. THE SHARES

### General

Shares may be issued on any Dealing Day at the Net Asset Value per Share as of the Valuation Day applicable to that Dealing Day. Shares issued in a Fund or Class will be in registered form and denominated in the Base Currency specified in the relevant Supplement for the relevant Fund or a currency attributable to the particular Class. Where a Class of Shares is denominated in a currency other than the Base Currency of a Fund, that Class may be hedged or unhedged as disclosed in the relevant Supplement for the relevant Class. Where a Class is to be unhedged, the Administrator will perform a currency conversion on subscriptions, redemptions and distributions at prevailing exchange rates and the value of the Share expressed in the designated currency of the relevant Class will be subject to exchange rate risk in relation to the Base Currency of the relevant Fund. Where a Class of Shares is to be hedged, the ICAV shall employ the hedging policy as more particularly set out in this Prospectus. Shares will have no par value and will first be issued by close of business of the initial offer period specified in the relevant Supplement at the Initial Price as specified in the relevant Supplement.

Title to Shares will be evidenced by the entering of the investor's name on the ICAV's register of Members and no certificates will be issued. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

The Directors may decline to accept any application for Shares without giving any reason and may restrict the ownership of Shares by any person, firm or corporation in certain circumstances including where such ownership would be in breach of any regulatory or legal requirement or might affect the tax status of the ICAV or might result in the ICAV suffering certain disadvantages which it might not otherwise suffer. Any restrictions applicable to a particular Fund or Class shall be specified in the relevant Supplement for such Fund or Class. Any person who holds Shares in contravention of restrictions imposed by the Directors or, by virtue of his holding, is in breach of the laws and regulations of any applicable jurisdiction or whose holding could, in the opinion of the Directors, cause the ICAV to incur any liability to taxation or to suffer any pecuniary disadvantage which it or the Shareholders or any or all of them might not otherwise have incurred or sustained or otherwise in circumstances which the Directors believe might be prejudicial to the interests of the Shareholders, shall indemnify the ICAV, the Investment Manager, the Depositary, the Administrator and Shareholders for any loss suffered by it or them as a result of such person or persons acquiring or holding Shares in the ICAV.

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

While Shares will generally not be issued or transferred to any US Person, the Directors may authorise the purchase by or transfer to a US Person in their discretion. The Directors will seek reasonable assurances that such purchase or transfer does not violate United States securities laws, e.g., require the Shares to be registered under the 1933 Act or the ICAV or any Fund to be registered under the 1940 Act or result in adverse tax consequences to the ICAV or the non-US Shareholders.

Each investor who is a US Person will be required to provide such representations, warranties or documentation as may be required to ensure that these requirements are met prior to the issue of Shares.

None of the ICAV, the Investment Manager, the Administrator or the Depositary or any of their respective directors, officers, employees or agents will be responsible or liable for the authenticity of instructions from Shareholders reasonably believed to be genuine and shall not be liable for any losses, costs or expenses arising out of or in conjunction with any unauthorised or fraudulent instructions. The Administrator shall, however, endeavour to employ procedures in so far as is reasonably practicable to establish, in good faith, that instructions are genuine, or are signed by properly authorised persons.

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

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

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

- (i) to the extent that there is a delay between a change in the value of a Fund’s portfolio holdings and the time when that change is reflected in the Net Asset Value per Share, a Fund is exposed to the risk that investors may seek to exploit this delay by purchasing or redeeming Shares at a Net Asset Value which does not reflect appropriate fair value prices. The Directors seek to deter and prevent this activity, sometimes referred to as “stale price arbitrage”, by the appropriate use of its power to adjust the value of any investment having regard to relevant considerations in order to reflect the fair value of such investment.
- (ii) the Directors may monitor Shareholder account activities in order to detect and prevent excessive and disruptive trading practices and reserve the right to exercise their discretion to reject any subscription or conversion transaction without assigning any reason therefore and without payment of compensation if, in their judgement, the transaction may adversely affect the interest of a Fund or its Shareholders. The Directors may also monitor Shareholder account activities for any patterns of frequent purchases and sales that appear to be made in response to short-term fluctuations in the Net Asset Value per Share and may take such action as they deem appropriate to restrict such activities including, if it so determines, levying a redemption fee of up to 1% per cent of the Net Asset Value of Shares the subject of a redemption request.

There can be no assurances that abusive trading practices can be mitigated or eliminated. For example nominee accounts in which purchases and sales of Shares by multiple investors may be aggregated for dealing with the Fund on a net basis and conceal the identity of underlying investors in

a Fund which makes it more difficult for the Directors and their delegates to identify abusive trading practices.

### **Operation of Fund Cash Accounts in the Name of each Fund**

The ICAV operates Fund Cash Account(s) opened in the name of each Fund. One or more Fund Cash Accounts each designated in a particular currency is operated for each Fund into which (i) subscription monies received from investors who have subscribed for Shares are deposited and held until Shares are issued as of the relevant Dealing Day; (ii) redemption monies due to investors who have redeemed Shares are deposited and held until paid to the relevant investors and (iii) dividend payments owing to Shareholders are deposited and held until paid to such Shareholders. All subscriptions, redemptions and dividends payable to or from a Fund are channeled and managed through the relevant Fund Cash Account in respect of that Fund.

Further information relating to such accounts is set out in the following sections / sub-sections of the Prospectus:-

- i. "The Shares" – "The treatment of Subscription Monies held in a Fund Cash Account";
- ii. "The Shares" – "*Anti-Money Laundering and Countering Terrorist Financing Measures*";
- iii. "The Shares" - "The Treatment of Redemption Monies held in a Fund Cash Account";
- iv. "The ICAV" - "Dividend Policy"; and
- v. "Risk Factors" – "Operation of Fund Cash Accounts".

### **Application for Shares**

Applications for Shares may be made through the Administrator or through a duly appointed sub-distributor for onward transmission to the Administrator. Applications received by the Administrator or duly appointed sub-distributor prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any applications received after the Dealing Deadline for a particular Dealing Day will be processed on the following Dealing Day unless the Directors in their absolute discretion, in exceptional circumstances, otherwise determine to accept one or more applications received after the Dealing Deadline for processing on that Dealing Day provided that such application(s) have been received prior to the Valuation Point for the particular Dealing Day.

Initial applications should be made using an Application Form obtained from the Administrator which should be submitted in original form but may, if the Directors so determine, be made by fax (or such other means as may be prescribed by the Directors from time to time), subject to prompt transmission to the Administrator of the original Application Form and such other papers (such as documentation relating to money laundering prevention checks) as may be required by the Directors or their delegate. No redemption payments may be made from that holding until the original Application Form and such other papers as may be required by the Directors have been received and all anti-money laundering procedures have been completed. Subsequent orders to purchase Shares following the initial subscription may be made to the Administrator by fax (or such other means as may be

prescribed by the Directors from time to time) and such orders should contain such information as may be specified from time to time by the Directors or their delegate. Amendments to a Shareholder's registration details and payment instructions will only be made following receipt of original written instructions from the relevant Shareholder.

The Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size for Shares are set out in the Supplement for each Fund.

The ICAV or the Administrator on behalf of the ICAV may reject any application in whole or in part without giving any reason for such rejection in which event the subscription monies or any balance thereof will be returned without interest, expenses or compensation to the applicant by transfer to the applicant's designated account or by post at the applicant's risk. Notwithstanding the ICAV's right to refuse a subscription request, such request may not be withdrawn save in the Directors' absolute discretion.

#### *Withdrawal of Subscription Requests*

Requests for subscription of Shares may not be withdrawn save with the written consent of the ICAV or in the event of suspension of calculation of the Net Asset Value of the relevant Fund.

#### *Fractions*

Subscription monies representing less than the subscription price for a Share will not be returned to the investor. Fractions of Shares will be issued where any part of the subscription monies for Shares represents less than the subscription price for one Share, provided however, that fractions shall not be less than 0.0001 of a Share.

Subscription monies, representing less than 0.0001 of a Share will not be returned to the investor but will be retained by the ICAV in order to defray administration costs.

#### *Method of Payment*

Subscription payments net of all bank charges should be paid by CHAPS, SWIFT or telegraphic or electronic transfer to the bank account specified in the Application Form. Other methods of payment are subject to the prior approval of the Directors or their delegate. No interest will be paid in respect of payments received in circumstances where the application is held over until a subsequent Dealing Day.

#### *Currency of Payment*

Subscription monies are payable in the denominated currency of the Share class. However, the ICAV may accept payment in such other currencies as the Directors may agree at the prevailing exchange rate quoted by the Administrator. The cost and risk of converting currency will be borne by the investor.

### *In Specie Subscriptions*

The Directors may, at their discretion, accept payment for Shares in a Fund by a transfer in specie of assets, the nature of which shall be within the investment policy and restrictions of the relevant Fund and the value of which shall be determined by the Directors or their delegate, having consulted with the Investment Manager, in accordance with the valuation principles governing the ICAV and applicable law. Any prospective investor wishing to subscribe for Shares by a transfer in specie of assets will be required to comply with any administrative and other arrangements for the transfer specified by the Depositary and the Administrator. Any in specie transfer will be at the investor's risk and the costs of such a transfer will be borne by the 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 and the number of Shares to be issued will not exceed the amount that would be issued if cash equivalent of 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.

### *Timing of Payment*

Save where otherwise disclosed in the relevant Supplement, payment in respect of subscriptions must be received in cleared funds by the Depositary no later than three Business Days after the relevant Dealing Day. The ICAV reserves the right to defer the issue of Shares until receipt of cleared subscription monies by the relevant Fund. If payment in cleared funds in respect of a subscription has not been received by the time specified above, any allotment of Shares made in respect of such application may be cancelled and subject to the requirements of the Act, any alteration may be made in the Register of Members. In the event of the non-clearance of subscription monies, any allotment in respect of an application may be cancelled. In either event and notwithstanding cancellation of the application, the ICAV may charge the applicant for any expense incurred by it or the relevant Fund or for any loss to the Fund arising out of such non-receipt or non-clearance. In addition, the ICAV will have the right to sell all or part of the applicant's holding of Shares in the relevant class or any other Fund in order to meet those charges.

### **The Treatment of Subscription Monies held in a Fund Cash Account**

Subscription monies received from an investor in advance of a Dealing Day (notwithstanding that settlement may not be required until subsequent to the Dealing Day) in respect of which an application for Shares has been, or is expected to be, received will be deposited and held in the relevant Fund Cash Account and will be treated as an asset of the relevant Fund upon receipt and will not benefit from the application of any investor money protection rules (i.e. the subscription monies in such circumstance will not be held on trust as investor monies for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the amount subscribed and held in the relevant Fund Cash Account until such Shares are issued as of the relevant Dealing Day.

In the event of an insolvency of the Fund or the ICAV, there is no guarantee that the Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Investors who have forwarded subscription monies in advance of a Dealing Day as detailed above and which are held in a Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-

rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor may not recover all monies originally paid into a Fund Cash Account in relation to the application for Shares.

Your attention is drawn to the section of the Prospectus titled “*Risk Factors*” –“*Operation of Fund Cash Accounts*”.

#### *Confirmation of Ownership*

Shares shall be issued in registered form only and title to Shares will be evidenced by the entering of the investor’s name on the ICAV’s register of Members and no certificates will be issued.

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

Measures aimed at the prevention of money laundering and terrorist financing require a detailed verification of the investor's identity and where applicable the beneficial owner on a risk sensitive basis and the ongoing monitoring of the business relationship. 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, 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), 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. This exception will only apply if the intermediary referred to above is located within a country recognised in Ireland as having equivalent anti-money laundering and counter terrorist financing regulations or satisfies other applicable conditions and the investor produces a letter of undertaking from the recognised intermediary. Intermediaries cannot rely on third parties to meet the obligation to monitor the ongoing business relationship with an investor which remains their ultimate responsibility.

The details given above are by way of example only and regardless of the documentation produced by an applicant or its representatives, the Administrator will request such additional information and documentation as it, in its absolute discretion, considers it necessary to fully verify the identity or source of funds of an applicant and to establish the circumstances of the application.

In the event of delay or failure by an investor or applicant to produce any information required for verification purposes, the Administrator or the ICAV may refuse to accept the application and subscription monies and return all subscription monies or compulsorily repurchase such Shareholder's Shares and/or payment of repurchase proceeds may be delayed (no repurchase proceeds will be paid if the Shareholder fails to produce such information). None of the ICAV, 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. If an application

is rejected, the Administrator will return application monies or the balance thereof by telegraphic transfer in accordance with any applicable laws to the account from which it was paid at the cost and risk of the applicant.

The Administrator may refuse to pay or delay payment of repurchase proceeds where the requisite information for verification purposes has not been produced by a Shareholder. Each applicant for Shares acknowledges that the ICAV and the Administrator shall be held harmless against any loss arising as a result of a failure to process its application for Shares if such information and documentation as has been requested by the Administrator has not been provided by the applicant.

Each applicant for Shares will be required to make such representations as may be required by the Directors in connection with anti-money laundering programmes, including, without limitation, representations that such applicant is not a prohibited country, territory, individual or entity listed on the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") website and that it is not directly or indirectly affiliated with any country, territory, individual or entity named on an OFAC list or prohibited by any OFAC sanctions programmes. Each applicant will also be required to represent that subscription monies are not directly or indirectly derived from activities that may contravene United States federal or state, or international, laws and regulations, including anti-money laundering laws and regulations.

Any failure to supply the ICAV with any documentation requested by it for anti-money laundering and terrorist financing procedures may result in a delay in the settlement of redemption proceeds or dividend monies. In circumstances where a redemption request is received, the ICAV will process any redemption request received by a Shareholder, however the proceeds of that redemption will be held in the relevant Fund Cash Account and therefore shall remain an asset of the Fund. The redeeming Shareholder will rank as a general creditor of the relevant Fund until such time as the ICAV is satisfied that its anti-money laundering and terrorist financing procedures have been fully complied with, following which redemption proceeds will be released.

Your attention is drawn to the section of the Prospectus titled "*Risk Factors*" – "*Operation of Fund Cash Accounts*" which includes inter alia the risk that in the event of insolvency an investor/ Shareholder may not recover all monies originally paid into a Fund Cash Account for onward transmission to that investor / Shareholder.

Therefore a Shareholder is advised to ensure that all relevant documentation requested by the ICAV in order to comply with anti-money laundering and terrorist financing procedures is submitted to the ICAV promptly on subscribing for Shares in the ICAV

#### *Eligible Investors*

Each prospective investor is required to certify that the Shares of the relevant Fund are not being acquired directly or indirectly for the account or benefit of a "Restricted Person" and such applicants will not sell or offer to transfer or sell Shares of the relevant Fund to a Restricted Person unless the ICAV gives its prior approval. "Restricted Person" as used in this Prospectus currently means inter alia any (i) US Person (other than pursuant to an exemption available under the 1933 Act) and (ii) any person whose holding of Shares might result in legal, pecuniary, tax, regulatory, fiscal or material

administrative disadvantage to the ICAV or Fund or their respective Shareholders as a whole.

The ICAV reserves the right to accept applications for Shares from a limited number or category of US Persons if the ICAV receives evidence satisfactory to it that the sale of Shares to such an investor is exempt from registration under the securities laws of the United States, including, but not limited to, the 1933 Act, that such sale will not require the ICAV to register under the 1940 Act, and, in all events, that there will be no adverse tax or other regulatory consequences to the ICAV or its shareholders as a result of such sale. If and when permitted, US Persons subscribing on this basis should receive a supplemental disclosure document and will be required to complete a set of additional subscription documents.

## **Data Protection**

Prospective investors should note that by completing the Application Form they are providing personal information to the ICAV, which may constitute personal data within the meaning of the GDPR. This data will be used for the purposes of client identification, administration, statistical analysis, market research, to comply with any applicable legal or regulatory requirements and, if an applicant's consent is given, for direct marketing purposes. Data may be disclosed to third parties including regulatory bodies, tax authorities, delegates, advisers and service providers of the ICAV and their or the ICAV's duly authorised agents and any of their respective related, associated or affiliated companies wherever located (including outside the EEA) for the purposes specified. By signing the Application Form, investors consent to the obtaining, holding, use, disclosure and processing of data for any one or more of the purposes set out in the Application Form.

Investors have a right to obtain a copy of their personal data kept by the ICAV, the right to rectify any inaccuracies in personal data held by the ICAV and in a number of circumstances a right to be forgotten and a right to restrict or object to processing. In certain limited circumstances a right to data portability may apply.

The ICAV as a Data Controller and the Administrator as a Data Processor, within the meaning of Data Protection Legislation, undertake to hold any personal information provided by investors in confidence and in accordance with Data Protection Legislation.

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

The ICAV and the Administrator will retain all documentation provided by a Shareholder in relation to its investment in the ICAV for such period of time as may be required by Irish legal and regulatory requirements, but for at least six years after the period of investment has ended or the date on which a Shareholder has had its last transaction with the ICAV.

A copy of the data privacy statement of the ICAV is available upon request from the Secretary.

## **Redemption of Shares**

Shareholders may redeem their Shares on and with effect from any Dealing Day at the Net Asset Value per Share for that Class calculated on or with respect to the relevant Dealing Day (save during any period when the calculation of Net Asset Value is suspended). If the redemption of part only of a Shareholder's shareholding would leave the Shareholder holding less than the Minimum Holding for the relevant Fund, the Directors or their delegate may, if they/it thinks fit, redeem the whole of that Shareholder's holding.

Shares will not receive or be credited with any dividend declared on or after the Dealing Day on which they were redeemed.

Requests for the redemption of Shares should be made to the Administrator on behalf of the ICAV and may be submitted in original form or by fax (or by such other means as may be prescribed by the Directors from time to time) and should include such information as may be specified from time to time by the Directors or their delegate. Requests for redemption received prior to the Dealing Deadline for any Dealing Day will be processed on that Dealing Day. Any requests for redemption received after the Dealing Deadline for a Dealing Day will be processed on the next Dealing Day unless the Directors in their absolute discretion determine otherwise in exceptional circumstances provided that such application has been received prior to the Valuation Point for that particular Dealing Day. Redemption requests will only be accepted for payment where cleared funds and completed documents including documentation relating to money laundering prevention checks are in place from original subscriptions. No redemption payment will be made from an investor holding until the original subscription Application Form and all documentation required by or on behalf of the ICAV (including any documents in connection with anti-money laundering procedures) has been received from the investor and the anti-money laundering procedures have been completed. In such circumstances, the Administrator will process any redemption request received by a Shareholder, however the proceeds of that redemption shall remain an asset of the relevant Fund, which will be held in the relevant Fund Cash Account and the Shareholder will rank as a general creditor of the ICAV until such time as the Administrator is satisfied that its anti-money laundering and anti-fraud procedures have been fully complied with, following which redemption proceeds will be released.

The minimum value of Shares which a Shareholder may redeem in any one redemption transaction is the Minimum Transaction Size as specified in the relevant Supplement. In the event of a Shareholder requesting a redemption which would, if carried out, leave the Shareholder holding Shares having a Net Asset Value less than the Minimum Holding, the ICAV may, if it thinks fit, redeem the whole of the Shareholder's holding.

The redemption price per Share shall be the Net Asset Value per Share.

### *Method of Payment*

Redemption payments will be made to the bank account detailed on the Application Form or as subsequently notified to the Administrator in writing. Redemption payments following processing of

instruments received by fax or such other means as may be prescribed by the Directors from time to time will only be made to the account of record of a Shareholder.

#### *Currency of Payment*

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

#### *Timing of Payment*

Redemption proceeds in respect of Shares will be paid within 10 Business Days of the Dealing Deadline for the relevant Dealing Day provided that all the required documentation has been furnished to and received by the Administrator.

#### **The Treatment of Redemption Monies held in a Fund Cash Account**

Redemption monies payable to an investor subsequent to a Dealing Day of a Fund as of which Shares of that investor were redeemed (and consequently the investor is no longer a Shareholder of the Fund as of the relevant Dealing Day) will be held in the relevant Fund Cash Account and will be treated as an asset of the Fund until paid to that investor and will not benefit from the application of any investor money protection rules (i.e. the redemption monies in such circumstance will not be held on trust for the relevant investor). In such circumstance, the investor will be an unsecured creditor of the relevant Fund with respect to the redemption amount held in the relevant Fund Cash Account until paid to the investor.

In the event of an insolvency of the Fund or the ICAV, there is no guarantee that the Fund or the ICAV will have sufficient funds to pay unsecured creditors in full. Investors due redemption monies which are held in a Fund Cash Account will rank equally with all other unsecured creditors of the relevant Fund and will be entitled to a pro-rata share of monies which are made available to all unsecured creditors by the insolvency practitioner. Therefore in such circumstances, the investor may not recover all monies originally paid into an Umbrella Cash Account for onward transmission to that investor.

Your attention is drawn to the section of the Prospectus titled “*Risk Factors*” –“*Operation of Fund Cash Accounts*”.

#### *Withdrawal of Redemption Requests*

Requests for redemption may not be withdrawn save with the written consent of the ICAV or its authorised agent or in the event of suspension of calculation of the Net Asset Value of the Fund.

### *Deferred Redemptions*

If the number of Shares to be redeemed on any Dealing Day equals 10% or more of the total number of Shares of a Fund in issue or 10% or more of the Net Asset Value of the Fund on that day, the Directors or their delegate may at their discretion refuse to redeem any Shares in excess of 10% of the total number of Shares in issue or any Shares in excess of 10% of the Net Asset Value of the Fund as aforesaid and, if they so refuse, the requests for redemption on such Dealing Day shall be reduced pro rata and Shares which are not redeemed by reason of such refusal shall be treated as if a request for redemption had been made in respect of each subsequent Dealing Day until all Shares to which the original request related have been redeemed.

### *In Specie Redemptions*

The Directors may, with the consent of the individual Shareholders, satisfy any request for redemption of Shares by the transfer in specie to those Shareholders of assets of the relevant Fund having a value equal to the redemption price for the Shares redeemed as if the redemption proceeds were paid in cash less any redemption charge and other expenses of the transfer. A determination to provide redemption in specie may be solely at the discretion of the Directors where the redeeming Shareholder requests redemption of a number of Shares that represents 5% or more of the Net Asset Value of the relevant Fund provided that any such Shareholder requesting redemption shall be entitled to request the sale of any asset or assets proposed to be distributed in specie and the distribution to such Shareholder of the cash proceeds of such sale less the costs of such sale which shall be borne by the relevant Shareholder. The nature and type of assets to be transferred in specie to each Shareholder shall be determined by the Directors (subject to the approval of the Depositary as to the allocation of assets) on such basis as the Directors in their discretion shall deem equitable. The redemption of Shares on an in specie basis may only be accepted if the Depositary is satisfied that the terms of the exchange will not be such as are likely to result in any material prejudice to the Shareholders in the relevant Fund.

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

Shareholders are required to notify the Administrator or Distributor through whom Shares have been purchased immediately if they become US Persons or persons who are otherwise subject to restrictions on ownership as set out in this Prospectus and such Shareholders may be required to redeem or transfer their Shares. The ICAV may redeem any Shares which are or become owned, directly or indirectly, by or for the benefit of any person in breach of any restrictions on ownership from time to time as set out in this Prospectus or if the holding of Shares by any person is unlawful or is likely to result or results in any tax, fiscal, legal, regulatory, pecuniary liability or disadvantage or material administrative disadvantage to the ICAV, the relevant Fund or the Shareholders as a whole. The ICAV may also redeem any Shares held by any person who holds less than the Minimum Holding or does not, within seven days of a request by or on behalf of the Directors, supply any information or declaration required under the terms hereof to be furnished. Any such redemption will be effected on a Dealing Day at the Net Asset Value per Share calculated on or with respect to the relevant Dealing Day on which the Shares are to be redeemed. The ICAV may apply the proceeds of such compulsory redemption in the discharge of any taxation or withholding tax arising as a result of the holding or beneficial ownership of Shares by a Shareholder including any interest or penalties payable thereon.

The attention of investors in relation to the section of the Prospectus entitled "Taxation" and in particular the section headed "Irish Taxation" which details circumstances in which the ICAV shall be entitled to deduct from payments to Shareholders who are resident or ordinarily resident in Ireland amounts in respect of liability to Irish taxation including any penalties and interest thereon and/or compulsorily redeem Shares to discharge such liability. Relevant Shareholders will indemnify and keep the ICAV indemnified against loss arising to the ICAV by reason of the ICAV becoming liable to account for tax on the happening of an event giving rise to a charge to taxation.

#### *Total Redemption of Shares*

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

- (a) on the giving by the ICAV of not less than four nor more than twelve weeks' notice expiring on a Dealing Day to Shareholders of the relevant Fund or Class of its intention to redeem such Shares; or
- (b) if the holders of 75% in value of the relevant Class or Fund resolve at a meeting of the Shareholders duly convened and held that such Shares should be redeemed.

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

#### **Conversion of Shares**

Subject to the Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size requirements of the relevant Fund or Classes and save where otherwise provided in the relevant Supplement, Shareholders may request conversion of some or all of their Shares in one Fund or Class ("the Original Fund") to Shares in another Fund or Class or another Class in the same Fund ("the New Fund") in accordance with the formula and procedures specified below.

Requests for conversion of Shares should be made to the Administrator on behalf of the ICAV and may be submitted in original form, by fax (or such other means as may be prescribed by the Directors from time to time) and should include such information as may be specified from time to time by the Directors or their delegate. Requests for conversion should be received prior to the earlier of the Dealing Deadline for redemptions in the Original Fund and the Dealing Deadline specified herein for subscriptions in the New Fund. Any applications received after such time will be dealt with on the next Dealing Day which is a Dealing Day for the relevant Funds, unless the Directors in their absolute discretion otherwise determine in exceptional circumstances, provided such applications are received prior to the Valuation Point. Conversion requests will only be accepted where cleared funds and completed original documents are in place from initial subscriptions.

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

Fractions of Shares which shall not be less than 0.0001 of a Share may be issued by the ICAV on conversion where the value of Shares converted from the Original Fund are not sufficient to purchase an integral number of Shares in the New Fund and any balance representing less than 0.0001 of a Share will be retained by the ICAV in order to defray administration costs.

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

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

where

S is the number of Shares of the New Fund to be allotted.

R is the number of Shares in the Original Fund to be converted.

NAV is the Net Asset Value per Share of the Original Fund at the Valuation Point in respect of the relevant Dealing Day.

ER is the currency conversion factor (if any) as determined by the Administrator.

F is the conversion charge (if any) of up to 5% of the Net Asset Value of the Shares to be issued in the New Fund or Class.

SP is the Net Asset Value per Share of the New Fund at the Valuation Point in respect of the relevant Dealing Day.

#### *Withdrawal of Conversion Requests*

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

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

The Net Asset Value of each Fund or, if there are different Classes within a Fund, each Class will be calculated by the Administrator as at each Valuation Point for each Fund in accordance with the Instrument.

The Net Asset Value of a Fund shall be determined as at each Valuation Point by valuing the assets of the relevant Fund (including income accrued but not collected) and deducting the liabilities of the relevant Fund (including a provision for duties and charges, accrued expenses and fees and other liabilities). The Net Asset Value attributable to a Class shall be determined as at the Valuation Point by calculating that portion of the Net Asset Value of the relevant Fund attributable to the relevant Class subject to adjustment to take account of assets and/or liabilities attributable to the Class. The Net Asset Value of a Fund will be expressed in the Base Currency of the Fund, or in such other currency as the Directors may determine either generally or in relation to a particular Class in a specific case.

The Net Asset Value per Share shall be calculated as at each Valuation Point by dividing the Net Asset Value of the relevant Fund or attributable to a Class by the total number of Shares in issue in the Fund or Class at the relevant Valuation Point and rounding the resulting total to 4 decimal places or such other number of decimal places as may be determined by the Directors from time to time.

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

- (a) Securities which are quoted, listed or traded on a Recognised Exchange save as hereinafter provided at (d), (e), (f), (g), and (h) will be valued at last traded prices if available, or otherwise, latest mid-market prices. Where a security is listed or dealt in on more than one Recognised Exchange the relevant exchange or market shall be the principal stock exchange or market on which the security is listed or dealt on or the exchange or market which the Directors determine provides the fairest criteria in determining a value for the relevant investment. Investments listed or traded on a Recognised Exchange, but acquired or traded at a premium or at a discount outside or off the relevant exchange or 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 security which is not quoted, listed or dealt in on a Recognised Exchange or which is so quoted, listed or dealt but for which no such quotation or value is available or the available quotation or value is not representative of the fair market value shall be the probable realisation value as estimated with care and good faith by (i) the Directors or (ii) a competent person, firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary. Where reliable market quotations are not available for fixed income securities the value of such securities may be determined using matrix methodology compiled by the Directors whereby such securities are valued by reference to the valuation of other securities which are comparable in rating, yield, due date and other characteristics.
- (c) Cash in hand or on deposit will be valued at its nominal/face value plus accrued interest, where applicable, to the end of the relevant day on which the Valuation Point occurs.
- (d) Derivative contracts traded on a regulated market including without limitation futures and options contracts and index futures shall be valued at the settlement price as determined by the market. If the settlement price is not available, the value shall be the probable realisation value estimated with care and in good faith by (i) the Directors or (ii) a competent person firm or corporation (including the Investment Manager) selected by the Directors and approved for the purpose by the Depositary or (iii) any other means provided that the value is approved by the Depositary. Subject to Article 11 of EMIR and the related Commission Delegated Regulation No. 149/2013 as may be amended from time to time, OTC derivative contracts including without limitation swap contracts and swaptions will be valued daily either (i) on the basis of a quotation provided by the relevant counterparty and such valuation shall be approved or verified at least weekly by a party who is approved for the purpose by the Depositary and who is independent of the counterparty (the "Counterparty Valuation"); or

(ii) using an alternative valuation provided by a competent person appointed by the Directors and approved for the purpose by the Depositary or a valuation by any other means provided that the value is approved by the Depositary (the "Alternative Valuation"). Where such Alternative Valuation method is used the ICAV will follow international best practise and adhere to the principles on valuation of OTC instruments established by bodies such as IOSCO and AIMA and will be reconciled to the Counterparty Valuation on a monthly basis. Where significant differences arise these will be promptly investigated and explained.

- (e) Forward foreign exchange contracts and interest rate swaps shall be valued in the same manner as OTC derivative contracts or by reference to freely available market quotations.
- (f) Notwithstanding paragraph (a) above units in collective investment schemes shall be valued at the latest available net asset value per unit or bid price as published by the relevant collective investment scheme or, if listed or traded on a Recognised Exchange, in accordance with (a) above.
- (g) The Directors may use the amortised cost method of valuation in relation to short-term money market funds which comply with the Central Banks' requirements for short-term money market funds and where a review of the amortised cost valuation vis a vis market valuation will be carried out in accordance with the Central Bank's requirements.
- (h) In the case of a Fund which is not a money market fund, the Directors may value money market instruments using the amortised cost method of valuation in accordance with the requirements of the Central Bank.
- (i) The Directors may, with the approval of the Depositary, adjust the value of any investment if having regard to its currency, marketability, applicable interest rates, anticipated rates of dividend, maturity, liquidity or any other relevant considerations, they consider that such adjustment is required to reflect the fair value thereof.
- (j) Any value expressed otherwise than in the Base Currency of the relevant Fund shall be converted into the Base Currency of the relevant Fund at the prevailing exchange rate which the Directors or their delegate shall determine to be appropriate.
- (k) Where the value of any investment is not ascertainable as described above, the value shall be the probable realisation value estimated by the Directors with care and in good faith or by a competent person appointed by the Directors and approved for the purpose by the Depositary.
- (l) If the Directors deem it necessary a specific investment may be valued under an alternative method of valuation approved by the Depositary.

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

- (a) in determining the value of the assets of a Fund (a) the Directors may value the assets of a Fund (i) at lowest market dealing bid prices where on any Dealing Day the value of all

redemption requests received exceeds the value of all applications for Shares received for that Dealing Day or at highest market dealing offer prices where on any Dealing Day the value of all applications for Shares received for that Dealing Day exceeds the value of all redemption requests received for that Dealing Day, in each case in order to preserve the value of the Shares held by existing Shareholders; (ii) at bid and offer prices where a bid and offer value is used to determine the price at which Shares are issued and redeemed in accordance with the requirements of the Central Bank; or (iii) at last traded prices; provided in each case that the valuation policy selected by the Directors shall be applied consistently with respect to the ICAV and, as appropriate, individual Funds for so long as the ICAV or Funds, as the case may be, are operated on a going concern basis and provided that the valuation policy selected by the Directors shall be applied consistently with respect to the ICAV and with respect to all of the assets of the ICAV or relevant Fund. Every Share agreed to be issued by the Directors with respect to a Dealing Day shall not be taken into account in calculating the Net Asset Value of the relevant Class until the Valuation Point in respect of the following Dealing Day and the assets of the relevant Fund shall not be deemed to include until the Valuation Point in respect of the following Dealing Day the amount of any cash or other property received or to be received in respect of those Shares agreed to be issued after deducting therefrom (in the case of Shares agreed to be issued for cash) or providing for preliminary charges;

- (b) where investments have been agreed to be purchased or sold but such purchase or sale has not been completed, such investments shall be included or excluded and the gross purchase or net sale consideration excluded or included as the case may require as if such purchase or sale had been duly completed unless the Directors have reason to believe such purchase or sale will not be completed;
- (c) there shall be added to the assets of the relevant Fund any actual or estimated amount of any taxation of a capital nature which may be recoverable by the ICAV which is attributable to that Fund;
- (d) there shall be added to the assets of each relevant Fund a sum representing any interest, dividends or other income accrued but not received and a sum representing unamortised expenses unless the Directors are of the opinion that such interest, dividends or other income are unlikely to be paid or received in full in which case the value thereof shall be arrived at after making such discount as the Directors or their delegate (with the approval of the Depositary) may consider appropriate in such case to reflect the true value thereof;
- (e) there shall be added to the assets of each relevant Fund the total amount (whether actual or estimated by the Directors or their delegate) of any claims for repayment of any taxation levied on income or capital gains including claims in respect of double taxation relief;
- (f) where notice of the redemption of Shares has been received by the ICAV with respect to a Dealing Day and the cancellation of such Shares has not been completed, the Shares to be redeemed shall be deemed to be in issue at the Valuation Point and the value of the assets of the relevant Fund shall be deemed to include the amount payable upon such redemption;

- (g) there shall be deducted from the assets of the relevant Fund:
- (i) the total amount of any actual or estimated liabilities properly payable out of the assets of the relevant Fund including any and all outstanding borrowings of the ICAV in respect of the relevant Fund, interest, fees and expenses payable on such borrowings and any estimated liability for tax and such amount in respect of contingent or projected expenses as the Directors consider fair and reasonable as of the relevant Valuation Point;
  - (ii) such sum in respect of tax (if any) on income or capital gains realised on the investments of the relevant Fund as in the estimate of the Directors will become payable;
  - (iii) the amount (if any) of any distribution declared but not distributed in respect thereof;
  - (iv) the remuneration, fees and expenses of the Directors, the Administrator, the Depositary, the Investment Manager, any Distributor any Paying Agent or sub-distributor and any other providers of services to the ICAV accrued but remaining unpaid together with a sum equal to the value added tax chargeable thereon (if any);
  - (v) the total amount (whether actual or estimated by the Directors) of any other liabilities properly payable out of the assets of the relevant Fund (including all establishment, operational and ongoing administrative fees, costs and expenses) as of the relevant Valuation Point;
  - (vi) an amount as of the relevant Valuation Point representing the projected liability of the relevant Fund in respect of costs and expenses to be incurred by the relevant Fund in the event of a subsequent liquidation;
  - (vii) an amount as of the relevant Valuation Point representing the projected liability of the relevant calls on Shares in respect of any warrants issued and/or options written by the relevant Fund or Class of Shares; and
  - (viii) any other liability which may properly be deducted.

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

*Fund Cash Account; Fund Asset Classification*

Notwithstanding subscription monies, redemption monies and dividend amounts will be held in one or more Fund Cash Account(s) in the name of a Fund and treated as assets of and attributable to a Fund:-

- (a) any subscription monies received from an investor prior to the Dealing Day of a Fund

(notwithstanding that settlement may not be required until subsequent to the Dealing Day) in respect of which an application for Shares has been, or is expected to be, received will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of that Fund until the Valuation Point for the relevant Dealing Day as of which Shares of the Fund are agreed to be issued to that investor;

- (b) any redemption monies payable to an investor subsequent to the Dealing Day of a Fund as of which Shares of that investor were redeemed will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of that Fund; and
- (c) any dividend amount payable to a Shareholder will not be taken into account as an asset of the Fund for the purpose of determining the Net Asset Value of that Fund.

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

The Directors may at any time and from time to time temporarily suspend the determination of the Net Asset Value of any Fund or attributable to a Class and the issue, conversion and redemption of Shares in any Fund or Class, in the following instances:

- a) during the whole or part of any period (other than for ordinary holidays or customary weekends) when any of the Recognised Exchanges on which the relevant Fund's investments are quoted, listed, traded or dealt are closed or during which dealings therein are restricted or suspended or trading is suspended or restricted; or
- b) during the whole or part of any period when circumstances outside the control of the Directors exist as a result of which any disposal or valuation of investments of the Fund is not reasonably practicable or would be detrimental to the interests of Shareholders or it is not possible to transfer monies involved in the acquisition or disposition of investments to or from the relevant account of the ICAV; or
- c) during the whole or any part of any period when any breakdown occurs in the means of communication normally employed in determining the value of any of the relevant Fund's investments; or
- d) during the whole or any part of any period when for any reason the value of any of the Fund's investments cannot be reasonably, promptly or accurately ascertained;
- e) during the whole or any part of any period when subscription proceeds cannot be transmitted to or from the account of any Fund or the ICAV is unable to repatriate funds required for making redemption payments or when such payments cannot, in the opinion of the Directors, be carried out at normal rates of exchange;
- f) upon mutual agreement between the ICAV and the Depositary for the purpose of winding up the ICAV or terminating any Fund;

if any other reason makes it impossible or impracticable to determine the value of any portion of the investments or the ICAV or any Fund;

- g) when considered by the Directors, in their discretion, for any reason other than those outlined above, to be in the best interests of the Shareholders of the ICAV or any Fund.

Notice of any such suspension and notice of the termination of any such suspension shall be published by the ICAV in such manner as the Directors may deem appropriate to notify the persons likely to be affected thereby and given immediately without delay to the Central Bank and the Irish Stock Exchange. Where possible, all reasonable steps will be taken to bring any period of suspension to an end as soon as possible.

#### **Taxation on the occurrence of certain events**

The attention of investors is drawn to the section of the Prospectus headed "Taxation" and in particular the taxation liability arising on the occurrence of certain events such as the encashment, redemption or transfer of Shares by or payment of dividends to Shareholders. If the ICAV becomes liable to account for tax including any interest or penalties thereon if an event giving rise to a tax liability occurs, the ICAV shall be entitled to deduct such amount from the payment arising on such event or to compulsorily redeem or cancel such number of Shares held by the Shareholder or the beneficial owner of the Shares as have a value sufficient after the deduction of any redemption charges to discharge any such liability. The relevant Shareholder shall indemnify and keep the ICAV indemnified against any loss arising to the ICAV by reason of the ICAV becoming liable to account for tax and any interest or penalties thereon on the happening of an event giving rise to a tax liability including if no such deduction, appropriation or cancellation has been made.

## 5. TAXATION

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

***The following is a brief summary of certain aspects of Irish taxation law and practice and of certain other jurisdictions relevant to the transactions contemplated in this Prospectus. It is based on the law and practice and official interpretation currently in effect, all of which are subject to change.***

Dividends, interest and capital gains (if any) which the ICAV or any of the Funds receive with respect to their investments (other than securities of Irish issuers) may be subject to taxes, including withholding taxes, in the countries in which the issuers of investments are located. It is anticipated that the ICAV may not be able to benefit from reduced rates of withholding tax in double taxation agreements between Ireland and such countries. If this position changes in the future and the application of a lower rate results in a repayment to the ICAV the Net Asset Value will not be re-stated and the benefit will be allocated to the existing Shareholders rateably at the time of repayment.

### **Irish Taxation**

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

### **The ICAV**

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

The Directors have been advised that the ICAV qualifies as an investment undertaking as defined in Section 739B(1) of the Taxes Act. Under current Irish law and practice, the ICAV is not chargeable to Irish tax on its income and gains.

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

Resident in Ireland. A chargeable event does not include:

- i. An exchange by a Shareholder, effected by way of an arm's length bargain where no payment is made to the Shareholder, of Shares in the ICAV for other Shares in the ICAV;
- ii. Any transactions (which might otherwise be a chargeable event) in relation to shares held in a Recognised Clearing System as designated by order of the Irish Revenue Commissioners;
- iii. A transfer by a Shareholder of the entitlement to Shares where the transfer is between spouses and former spouses, subject to certain conditions;
- iv. An exchange of Shares arising on a qualifying amalgamation or reconstruction (within the meaning of Section 739H of the Taxes Act) of the ICAV with another investment undertaking.

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

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

### ***Stamp Duty***

No stamp duty is payable in Ireland on the issue, transfer, repurchase or redemption of Shares in the ICAV. Where any subscription for or redemption of Shares is satisfied by the in specie transfer of securities, property or other types of assets, Irish stamp duty may arise on the transfer of such assets.

No Irish stamp duty will be payable by the ICAV on the conveyance or transfer of stock or marketable securities provided that the stock or marketable securities in question have not been issued by a company registered in Ireland and provided that the conveyance or transfer does not relate to any immovable property situated in Ireland or any right over or interest in such property or to any stocks or marketable securities of a company (other than a company which is an investment undertaking within the meaning of Section 739B (1) of the Taxes Act (that is not an IREF within the meaning of Section 739K of the Taxes Act) or a "qualifying company" within the meaning of Section 110 of the Taxes Act) which is registered in Ireland.

### **Shareholders Tax**

*Shares which are held in a Recognised Clearing System*

Any payments to a Shareholder or any encashment, redemption, cancellation or transfer of Shares held in a Recognised Clearing System will not give rise to a chargeable event in the ICAV (there is however ambiguity in the legislation as to whether the rules outlined in this paragraph with regard to Shares held in a Recognised Clearing System, apply in the case of chargeable events arising on a deemed disposal, therefore, as previously advised, Shareholders should seek their own tax advice in this regard). Thus the ICAV will not have to deduct any Irish taxes on such payments regardless of whether they are held by Shareholders who are Irish Residents or Ordinarily Resident in Ireland, or whether a non-resident Shareholder has made a Relevant Declaration. However, Shareholders who are Irish Resident or Ordinarily Resident in Ireland or who are not Irish Resident or Ordinarily Resident in Ireland but whose Shares are attributable to a branch or agency in Ireland may still have a liability to account for Irish tax on a distribution or encashment, redemption or transfer of their Shares.

To the extent any Shares are not held in a Recognised Clearing System at the time of a chargeable event (and subject to the discussion in the previous paragraph relating to a chargeable event arising on a deemed disposal), the following tax consequences will typically arise on a chargeable event.

#### *Shareholders who are neither Irish Residents nor Ordinarily Resident in Ireland*

The ICAV will not have to deduct tax on the occasion of a chargeable event in respect of a Shareholder if (a) the Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland, (b) the Shareholder has made a Relevant Declaration on or about the time when the Shares are applied for or acquired by the Shareholder and (c) the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct. In the absence of either a Relevant Declaration (provided in a timely manner) or the ICAV satisfying and availing of equivalent measures (see paragraph headed "*Equivalent Measures*" below) tax will arise on the happening of a chargeable event in the ICAV regardless of the fact that a Shareholder is neither Irish Resident nor Ordinarily Resident in Ireland. The appropriate tax that will be deducted is as described below.

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

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

Where tax is withheld by the ICAV on the basis that no Relevant Declaration has been filed with the

ICAV by the Shareholder, Irish legislation provides for a refund of tax only to companies within the charge to Irish corporation tax, to certain incapacitated persons and in certain other limited circumstances.

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

Unless a Shareholder is an Exempt Irish Investor and makes a Relevant Declaration to that effect and the ICAV is not in possession of any information which would reasonably suggest that the information contained therein is no longer materially correct or unless the Shares are purchased by the Courts Service, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will be required to be deducted by the ICAV from a distribution (where payments are made annually or at more frequent intervals) to a Shareholder who is Irish Resident or Ordinarily Resident in Ireland. Similarly, tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) will have to be deducted by the ICAV on any other distribution or gain arising to the Shareholder (other than an Exempt Irish Investor who has made a Relevant Declaration) on an encashment, redemption, cancellation, transfer or deemed disposal (see below) of Shares by a Shareholder who is Irish Resident or Ordinarily Resident in Ireland.

The Finance Act 2006 introduced rules (which were subsequently amended by the Finance Act 2008) in relation to an automatic exit tax for Shareholders who are Irish Resident or Ordinarily Resident in Ireland in respect of Shares held by them in the ICAV at the ending of a Relevant Period. Such Shareholders (both companies and individuals) will be deemed to have disposed of their Shares (“deemed disposal”) at the expiration of that Relevant Period and will be charged to tax at the rate of 41% (25% where the Shareholder is a company and an appropriate declaration is in place) on any deemed gain (calculated without the benefit of indexation relief) accruing to them based on the increased value (if any) of the Shares since purchase or since the previous exit tax applied, whichever is later.

For the purposes of calculating if any further tax arises on a subsequent chargeable event (other than chargeable events arising from the ending of a subsequent Relevant Period or where payments are made annually or at more frequent intervals), the preceding deemed disposal is initially ignored and the appropriate tax calculated as normal. Upon calculation of this tax, credit is immediately given against this tax for any tax paid as a result of the preceding deemed disposal. Where the tax arising on the subsequent chargeable event is greater than that which arose on the preceding deemed disposal, the ICAV will have to deduct the difference. Where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal, the ICAV will refund the Shareholder for the excess (subject to the paragraph headed “*15% threshold*” below).

#### 10% Threshold

The ICAV will not have to deduct tax (“exit tax”) in respect of this deemed disposal where the value of the chargeable shares (i.e. those Shares held by Shareholders to whom the declaration procedures do not apply) in the ICAV (or Fund being an umbrella scheme) is less than 10% of the value of the total Shares in the ICAV (or the Fund) and the ICAV has made an election to report certain details in respect of each affected Shareholder to Revenue (the “Affected Shareholder”) in each year that the de minimus limit applies. In such a situation the obligation to account for the tax on any gain arising on

a deemed disposal will be the responsibility of the Shareholder on a self- assessment basis (“self-assessors”) as opposed to the ICAV or Fund (or their service providers). The ICAV is deemed to have made the election to report once it has advised the Affected Shareholders in writing that it will make the required report.

#### 15 % Threshold

As previously stated where the tax arising on the subsequent chargeable event is less than that which arose on the preceding deemed disposal (e.g. due to a subsequent loss on an actual disposal), the ICAV will refund the Shareholder the excess. Where however immediately before the subsequent chargeable event, the value of chargeable shares in the ICAV (or Fund being an umbrella scheme) does not exceed 15% of the value of the total Shares, the ICAV may elect to have any excess tax arising repaid directly by Revenue to the Shareholder. The ICAV is deemed to have made this election once it notifies the Shareholder in writing that any repayment due will be made directly by Revenue on receipt of a claim by the Shareholder.

#### *Other*

To avoid multiple deemed disposal events for multiple units an irrevocable election under Section 739D(5B) can be made by the ICAV to value the Shares held at the 30<sup>th</sup> June or 31<sup>st</sup> December of each year prior to the deemed disposal occurring. While the legislation is ambiguous, it is generally understood that the intention is to permit a fund to group shares in six month batches and thereby make it easier to calculate the exit tax by avoiding having to carry out valuations at various dates during the year resulting in a large administrative burden.

The Irish Revenue Commissioners have provided updated investment undertaking guidance notes which deal with the practical aspects of how the above calculations/objectives will be accomplished.

Shareholders (depending on their own personal tax position) who are Irish Resident or Ordinarily Resident in Ireland may still be required to pay tax or further tax on a distribution or gain arising on an encashment, redemption, cancellation, transfer or deemed disposal of their Shares. Alternatively they may be entitled to a refund of all or part of any tax deducted by the ICAV on a chargeable event.

#### *Equivalent Measures*

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

Resident in Ireland and the investment undertaking has received approval from the Revenue Commissioners in this regard.

### *Personal Portfolio Investment Undertaking*

The Finance Act 2007 introduced provisions regarding the taxation of Irish Resident individuals or Ordinarily Resident in Ireland individuals who hold shares in investment undertakings. These provisions introduced the concept of a personal portfolio investment undertaking ("PPIU"). Essentially, an investment undertaking will be considered a PPIU in relation to a specific investor where that investor can influence the selection of some or all of the property held by the investment undertaking either directly or through persons acting on behalf of or connected to the investor. Depending on individuals' circumstances, an investment undertaking may be considered a PPIU in relation to some, none or all individual investors i.e. it will only be a PPIU in respect of those individuals' who can "influence" selection. Any gain arising on a chargeable event in relation to an investment undertaking which is a PPIU in respect of an individual on or after 20<sup>th</sup> February 2007, will be taxed at the rate of 60%. Specific exemptions apply where the property invested in has been widely marketed and made available to the public or for non-property investments entered into by the investment undertaking. Further restrictions may be required in the case of investments in land or unquoted shares deriving their value from land.

### **Reporting**

Pursuant to Section 891C of the TCA and the Return of Values (Investment Undertakings) Regulations 2013, the ICAV is obliged to report certain details in relation to Shares held by investors to the Irish Revenue Commissioners on an annual basis. The details to be reported include the name, address and date of birth if on record of, and the value of the Shares held by, a Shareholder. In respect of Shares acquired on or after 1 January 2014, the details to be reported also include the tax reference number of the Shareholder (being an Irish tax reference number or VAT registration number, or in the case of an individual, the individual's PPS number) or, in the absence of a tax reference number, a marker indicating that this was not provided. No details are to be reported in respect of Shareholders who are;

- Exempt Irish Investors (as defined above);
- Shareholders who are neither Irish Resident nor Ordinarily Resident in Ireland (provided the relevant declaration has been made); or
- Shareholders whose Shares are held in a Recognised Clearing System.

### **Capital Acquisitions Tax**

The disposal of Shares may be subject to Irish gift or inheritance tax (Capital Acquisitions Tax). However, provided that the ICAV falls within the definition of investment undertaking (within the meaning of Section 739B(1) of the Taxes Act), the disposal of Shares by a Shareholder is not liable to Capital Acquisitions Tax provided that (a) at the date of the gift or inheritance, the donee or successor is neither domiciled nor Ordinarily Resident in Ireland; (b) at the date of the disposition, the Shareholder disposing ("disponer") of the Shares is neither domiciled nor Ordinarily Resident in Ireland; and (c) the Shares are comprised in the gift or inheritance at the date of such gift or

inheritance and at the valuation date.

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

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

### **Compliance with US reporting and withholding requirements**

The foreign account tax compliance provisions (“**FATCA**”) of the Hiring Incentives to Restore Employment Act 2010 represent an expansive information reporting regime enacted by the United States (“**US**”) aimed at ensuring that Specified US Persons with financial assets outside the US are paying the correct amount of US tax. FATCA will generally impose a withholding tax of up to 30% with respect to certain US source income (including dividends and interest) and gross proceeds from the sale or other disposal of property that can produce US source interest or dividends paid to a foreign financial institution (“**FFI**”) unless the FFI enters directly into a contract (“**FFI agreement**”) with the US Internal Revenue Service (“**IRS**”) or alternatively the FFI is located in a IGA country (please see below). An FFI agreement will impose obligations on the FFI including disclosure of certain information about US investors directly to the IRS and the imposition of withholding tax in the case of non-compliant investors. For these purposes the ICAV would fall within the definition of a FFI for the purpose of FATCA.

In recognition of both the fact that the stated policy objective of FATCA is to achieve reporting (as opposed to being solely the collecting of withholding tax) and the difficulties which may arise in certain jurisdictions with respect to compliance with FATCA by FFIs, the US developed an intergovernmental approach to the implementation of FATCA. In this regard the Irish and US Governments signed an intergovernmental agreement (“**Irish IGA**”) on the 21<sup>st</sup> December 2012 and provisions were included in Finance Act 2013 for the implementation of the Irish IGA and also to permit regulations to be made by the Irish Revenue Commissioners with regard to registration and reporting requirements arising from the Irish IGA. In this regard, the Revenue Commissioners (in conjunction with the Department of Finance) have issued Regulations – S.I. No. 292 of 2014 which is effective from 1 July 2014. Supporting Guidance Notes (which will be updated on an ad-hoc basis) were first issued by the Irish Revenue Commissioners on 1 October 2014 with the most recent version being issued in May 2018.

The Irish IGA is intended to reduce the burden for Irish FFIs of complying with FATCA by simplifying the compliance process and minimising the risk of withholding tax. Under the Irish IGA, information about relevant US investors will be provided on an annual basis by each Irish FFI (unless the FFI is exempted from the FATCA requirements) directly to the Irish Revenue Commissioners. The Irish Revenue Commissioners will then provide such information to the IRS (by the 30<sup>th</sup> September of the following year) without the need for the FFI to enter into a FFI agreement with the IRS. Nevertheless, the FFI will generally be required to register with the IRS to obtain a Global Intermediary Identification Number commonly referred to as a GIIN.

Under the Irish IGA, FFI's should generally not be required to apply 30% withholding tax. To the extent the ICAV does suffer US withholding tax on its investments as a result of FATCA, the Directors may take any action in relation to an investor's investment in the ICAV to ensure that such withholding is economically borne by the relevant investor whose failure to provide the necessary information or to become a participating FFI gave rise to the withholding.

### **Common Reporting Standard**

On 14 July 2014, the OECD issued the Standard for Automatic Exchange of Financial Account Information ("the Standard") which therein contains the Common Reporting Standard. This has been applied in Ireland by means of the relevant international legal framework and Irish tax legislation. Additionally, on 9 December 2014, the European Union adopted EU Council Directive 2014/107/EU, amending Directive 2011/16/EU as regards mandatory automatic exchange of information in the field of taxation ("DAC2") which, in turn, has been applied in Ireland by means of the relevant Irish tax legislation.

The main objective of the Common Reporting Standard and DAC2 (collectively referred to herein as "CRS") is to provide for the annual automatic exchange of certain financial account information between relevant tax authorities of participating jurisdictions or EU Member States.

CRS draws extensively on the intergovernmental approach used for the purposes of implementing FATCA and, as such, there are significant similarities between the reporting mechanisms. However, whereas FATCA essentially only requires reporting of specific information in relation to Specified US Persons to the IRS, CRS has significantly wider ambit due to the multiple jurisdictions participating in the regimes.

Broadly speaking, CRS will require Irish Financial Institutions to identify Account Holders (and, in particular situations, Controlling Persons of such Account Holders) resident in other participating jurisdictions or EU Member States and to report specific information in relation to these Account Holders (and, in particular situations, specific information in relation to identified Controlling Persons) to the Irish Revenue Commissioners on an annual basis (which, in turn, will provide this information to the relevant tax authorities where the Account Holder is resident). In this regard, please note that the ICAV will be considered an Irish Financial Institution for the purposes of CRS.

For further information on CRS requirements of the ICAV, please refer to the below "CRS Data Protection Information Notice".

#### *CRS Data Protection Information Notice*

The ICAV hereby confirms that it intends to take such steps as may be required to satisfy any obligations imposed by (i) the Standard and, specifically, the Common Reporting Standard therein, as applied in Ireland by means of the relevant international legal framework and Irish tax legislation and (ii) DAC2, as applied in Ireland by means of the relevant Irish tax legislation, so as to ensure compliance or deemed compliance (as the case may be) with CRS from 1 January 2016.

In this regard, the ICAV is obliged under Section 891F and Section 891G of the Taxes Act and

regulations made pursuant to those sections to collect certain information about each Shareholder's tax arrangements (and also collect information in relation to relevant Controlling Persons of specific Shareholders).

In certain circumstances, the ICAV may be legally obliged to share this information and other financial information with respect to a Shareholder's interests in the ICAV with the Irish Revenue Commissioners (and, in particular situations, also share information in relation to relevant Controlling Persons of specific Shareholders). In turn, and to the extent the account has been identified as a Reportable Account, the Irish Revenue Commissioners will exchange this information with the country of residence of the Reportable Person(s) in respect of that Reportable Account.

In particular, information that may be reported in respect of a Shareholder (and relevant Controlling Persons, if applicable) includes name, address, date of birth, place of birth, account number, account balance or value at year end (or, if the account was closed during such year, the balance or value at the date of closure of the account), any payments (including redemption and dividend/interest payments) made with respect to the account during the calendar year, tax residency(ies) and tax identification number(s).

Shareholders (and relevant Controlling Persons) can obtain more information on the ICAV's tax reporting obligations on the website of the Revenue Commissioners (which is available at <http://www.revenue.ie/en/business/aeoi/index.html>) or the following link in the case of CRS only: <http://www.oecd.org/tax/automatic-exchange/>.

All capitalised terms above, unless otherwise defined above, shall have the same meaning as they have in the Standard or DAC2 (as applicable).

### **Mandatory Disclosure Rules – (DAC6)**

The DAC6 Directive, which is effective from 25 June 2018, requires Member States to introduce a common mandatory disclosure regime by 1 January 2020 and to share all reports received with each other. DAC6 imposes mandatory reporting requirements on EU-based tax advisors, accountants, lawyers, banks, financial advisors and other intermediaries who design, market, organise, make available for implementation or manage the implementation of potentially aggressive cross-border tax-planning schemes. It also covers persons who provide aid, assistance or advice in relation to potentially aggressive cross-border tax-planning schemes, where they can be reasonably expected to know that they have performed that function. If the intermediary is located outside the EU or is bound by legal professional privilege, the obligation to report passes to the taxpayer.

The transactions contemplated under the prospectus may fall within the scope of mandatory disclosure rules under EU Directive 2018/822 or an equivalent provision under Irish law and thus may qualify as reportable (cross-border) arrangement within the meaning of such provisions. If that were the case Dillon Eustace, the Investment Manager, the Administrator or any other person that falls within the definition of an "intermediary" may have to report the transactions to fiscal authorities under these provisions. As the EU Directive 2018/822 still needs to be implemented in the domestic laws of the respective EU member states the actual scope of the mandatory disclosure rules remains currently unclear.

## **United Kingdom Taxation**

The following summary, which should be read as a whole, is intended to offer general guidance on the United Kingdom tax treatment of the ICAV and of an investment in the ICAV or any Fund to persons who are resident and domiciled in and only in the United Kingdom for tax purposes and who hold their Shares legally and beneficially as an investment. It does not address all possible United Kingdom tax consequences relating to an investment in the ICAV or any Fund or to particular categories of investor (such as dealers in securities and insurance companies), save where expressly mentioned below, some of which may be subject to specific United Kingdom tax rules. It is based on current law and generally published HM Revenue & Customs ("HMRC") practice, each of which is subject to change, possibly with retroactive effect. The summary is believed to be correct as at 30 November 2018.

The tax treatment of a particular investor in the ICAV or Fund will depend on the individual circumstances of such investor and may be subject to change. Potential investors should seek appropriate independent professional advice on the tax consequences for them of making, holding and disposing of and receiving distributions or other payments in respect of an investment in the ICAV or any Fund under the laws of the jurisdictions in which they are liable to taxation including the United Kingdom, to the extent that they are in any doubt about the tax consequences for them of acquiring, holding and disposing of Shares. None of the ICAV, the Investment Manager, the Administrator, the Depositary or the Distributor or any of their officers, directors, members, employees, advisers or agents can take any responsibility in this regard. Levels and bases of taxation in relevant jurisdictions are subject to change.

### *The ICAV*

On the basis that the central management and control of the ICAV is not undertaken in the United Kingdom and provided that the ICAV does not carry on a trade in the United Kingdom through a permanent establishment situated therein, the ICAV and the Funds should not be liable to United Kingdom income or corporation tax on its income or capital gains.

If the ICAV or any Fund should invest in the United Kingdom, any United Kingdom source income may be received subject to the deduction of withholding tax at source.

### *The Shareholders*

Each Class of Shares of each Fund of the ICAV should be treated as an "offshore fund" for the purposes of the Taxation (International and Other Provisions) Act 2010. Under this legislation, any gain arising on the sale, disposal or redemption of an interest in an offshore fund (including by the exchange of Shares in one Fund for Shares in a different Fund) will be taxed at the time of such sale, disposal or redemption as income and not as a capital gain. This does not apply, however, where an offshore fund is accepted by HMRC as a "reporting fund" throughout the period during which interests in the Fund have been held. At the date of this Prospectus each Class of Share of each Fund has been accepted by HMRC as a reporting fund.

Each Class of Share of each Fund will continue to be a reporting fund whilst it meets all of the qualifying conditions, unless notice is given to HMRC that it intends to leave the regime or HMRC

excludes it from participation. A reporting fund must report to each United Kingdom tax resident investor such investor's share of the income of the offshore fund each year. This will be taxable in the hands of such investor as income (and, subject to what is said below regarding offshore funds that invest more than 60% of their assets in debt and debt-like investments), as a dividend), regardless of whether or not it is distributed to the investor.

Under the rules for the taxation of corporate debt contained in the Corporation Tax Act 2009, Shareholders who are subject to United Kingdom corporation tax and who invest in an offshore fund which itself invests more than 60% of its value in, broadly, debt or debt-like investments must treat their investment in that offshore fund as a "loan relationship" subject to tax on the basis of fair value accounts.

Accordingly, for United Kingdom corporation tax purposes, such Shareholders must bring into account debits and credits in relation to this "loan relationship" in accordance with the rules on loan relationships which will result in such Shareholders being taxed on an annual basis by reference to the "fair value" of their interest in the offshore fund at the end of each accounting period. The time at which the Shareholder holds the Shares does not have to be at the same time as the Class of Shares in the Fund satisfies the 60% test, provided that the test is satisfied at some time during the Shareholder's accounting period.

In addition, where an offshore fund (such as a Class of Share of a Fund) invests more than 60% of its value in debt or debt-like investments, distributions by that offshore fund are treated as interest rather than dividends for United Kingdom income tax purposes.

Subject to the above, the disposal of Shares (including by the exchange of Shares in one Fund for Shares in another Fund) should be subject to capital gains tax or corporation tax on chargeable gains. Individuals may have their gains reduced by capital losses and annual exemptions, and companies subject to United Kingdom corporation tax may have their gains reduced by capital losses and indexation allowance (up to 31 December 2017), where applicable. Where Shares are denominated in a currency other than sterling, any gain is calculated by reference to the sterling equivalent of the purchase price and the disposal price using the appropriate exchange rates at the time of purchase and disposal. The tax position for Shareholders who are not holding Shares as an investment (for example, any Shareholders that act as dealers) will be subject to different rules.

Subject to their personal circumstances, and subject to the above in relation to Classes of Shares of Funds which have more than 60% of their value in debt or debt-like investments, Shareholders resident in the United Kingdom for taxation purposes will be liable to United Kingdom income tax or corporation tax in respect of dividends or other distributions of income by the ICAV, as a distribution from a non-UK ICAV. No credit will be available against a Shareholder's United Kingdom taxation liability in respect of income distributions of the ICAV for any taxes suffered or paid by the ICAV on its own income.

With effect from 6 April 2018, the first £2,000 of dividends received (or deemed to be received) by an individual Shareholder who is resident in the United Kingdom for tax purposes will not be subject to income tax. Above this level, the tax rates applying to dividends will be 7.5 per cent for basic rate taxpayers, 32.5 per cent for higher rate taxpayers and 38.1 per cent for additional rate taxpayers. Tax

credits (equal to one ninth of the distribution) which had previously been available to certain Shareholders subject to income tax on distributions received (or treated as received) will no longer be available.

Shareholders subject to corporation tax will be exempt from corporation tax on distributions from the ICAV provided that the conditions for exemption contained in Part 9A of the Corporation Tax Act 2009 are met. To the extent that they are not, such Shareholders will be subject to corporation tax on any distribution made (or treated as made) by the ICAV.

The attention of individuals resident in the United Kingdom for taxation purposes is drawn to Chapter 2 of Part 13 of the Income Tax Act 2007 (the “transfer of assets abroad” rules), which may render them liable to income tax in respect of the undistributed income or profits of the ICAV.

The attention of companies resident in the United Kingdom for taxation purposes is drawn to the fact that the “controlled foreign companies” provisions contained in Part 9A of the Taxation (International and Other Provisions) Act 2010 could apply if any United Kingdom resident company is, either alone or together with certain other persons associated with it for taxation purposes, deemed to be interested in 25 per cent. or more of any chargeable profits of the ICAV arising in an accounting period, if at the same time the ICAV is controlled by persons (whether companies, individuals or others) who are resident in the United Kingdom for taxation purposes and certain other criteria are met. The effect of these provisions could be to render such a Shareholder liable to United Kingdom corporation tax in respect of income of the ICAV. The “chargeable profits” of the ICAV do not include any of its capital gains or distributions received by the ICAV that would be exempt from corporation tax were the ICAV resident for tax purposes in the United Kingdom.

The attention of persons resident in the United Kingdom for taxation purposes (and who, if individuals, are also domiciled in the United Kingdom for those purposes) is drawn to the provisions of section 13 of Taxation of Chargeable Gains Act 1992 (“section 13”). Section 13 could be material to any such person who has an interest in the ICAV as a “participator” for United Kingdom taxation purposes (which term includes a Shareholder) at a time when any gain arises to the ICAV (such as on a disposal of any of its investments) which constitutes a chargeable gain for those purposes if, at the same time, the ICAV is itself controlled in such a manner and by a sufficiently small number of persons as to render the ICAV a body corporate that would, were it to have been resident in the United Kingdom for taxation purposes, be a “close” company for those purposes (taking into account that two or more persons who are associated with each other for taxation purposes constitute a single person for the purpose of determining the total number of persons by which the ICAV is controlled). The provisions of section 13 could, if applied, result in any such person who is a “participator” in the ICAV being treated for the purposes of United Kingdom taxation of chargeable gains as if a part of any chargeable gain accruing to the ICAV had accrued to that person directly, that part being equal to the proportion of the gain that corresponds to that person’s proportionate interest in the ICAV as a “participator”. No liability under section 13 could be incurred by such a person, however, in respect of a chargeable gain accruing to the ICAV if the aggregate proportion of that gain that could be attributed under section 13 both to that person and to any persons “connected” with him for United Kingdom taxation purposes does not exceed one-quarter of the gain. It should be noted that the double tax treaty between the United Kingdom and Ireland may apply in certain circumstances to prevent section 13 applying to certain gains arising to the ICAV.

The attention of Shareholders within the charge to United Kingdom corporation tax is drawn to Part 15 of the Corporation Tax Act 2010 and the attention of Shareholders within the charge to income tax is drawn to Chapter 1 of Part 13 of the Income Tax Act 2007, which can operate to counteract “income tax advantages” obtained by Shareholders from transactions in securities in certain circumstances.

Please refer to the paragraph under the heading “European Union – Taxation of Savings Income Directive” above for information on the repeal of the EU Directive on the Taxation of Savings Income (2003/48/EC) and the introduction of the Common Reporting Standards.

### **Stamp Duty and Stamp Duty Reserve Tax (“SDRT”)**

The following comments are intended as a guide to the general United Kingdom stamp duty and SDRT position and may not relate to persons such as market makers, brokers, dealer, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

No United Kingdom stamp duty should be payable on the issue of the Shares. Legal instruments transferring Shares in the ICAV should not be within the scope of United Kingdom stamp duty provided that such instruments are executed outside the United Kingdom. SDRT should not apply to agreements to transfer Shares in the ICAV provided that the Shares are not registered in any register of the ICAV kept in the United Kingdom and the Shares are not paired with shares issued by a body corporate incorporated in the United Kingdom.

### **United States Taxation**

The following summary, which should be read as a whole, is intended to offer general guidance on the United States tax treatment of the ICAV and of an investment in the ICAV or any Fund to persons who are non-US persons for US federal income tax purposes and who hold their Shares legally and beneficially as a capital asset for US federal income tax purposes. For purposes of this summary, a “non-US person” generally is any person other than: a US citizen or US resident individual (as determined for US federal income tax purposes); a corporation (or entity treated as a corporation for US federal income tax purposes) organized under US law; an estate the income of which is includable in its gross income for US federal income tax purposes regardless of source; and a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust. If an entity treated as a partnership (or otherwise as transparent) for US federal income tax purposes is a Shareholder, the tax treatment of a member of such entity will depend upon the circumstances of the member and the activities of the entity. Members of such a tax transparent entity that is a Shareholder should consult their own tax advisors.

The following discussion is based upon statutes, regulations, case law and administrative pronouncements, all as in effect on the date of this Prospectus, and all of which are subject to prospective and retroactive changes which could affect the tax consequences of an investment in the ICAV or a Fund. It is not intended as a complete analysis of all possible tax considerations relevant to acquiring, holding, or disposing of Shares.

The summary does not consider the circumstances of any particular investor, and potential investors should note that the tax consequences of an investment in the Fund may not be the same for all investors. This summary does not discuss all of the complex US federal income tax rules that may be relevant to a particular investor or to certain investors subject to special treatment under the US federal income tax laws (such as banks and certain other financial institutions, insurance companies, trusts, securities brokers or dealers, investors who invest in the portfolio through a feeder fund that is treated as a corporation for US federal income tax purposes), and it does not address any tax considerations of investors other than “non-US persons.” In addition, this summary does not address any of the US state, local, estate or non-US tax considerations that may be implicated by an investment in the ICAV or any Fund. Each potential investor should also note that, except as otherwise provided herein, this summary does not address the interaction of US federal tax laws and any income or estate tax treaties between the United States and any other jurisdiction. The ICAV has not sought a ruling from the IRS or any other US federal, state, local, or non-US agency with respect to any of the tax issues affecting the ICAV or any Fund.

### *The Funds*

Each Fund will elect to be treated as a partnership for US federal income tax purposes. Each investor, by subscribing for Shares, agrees not to take any position inconsistent with this intended treatment, unless otherwise required by applicable law. Currently, there is no authority directly on point that addresses the classification of a sub-fund of an umbrella-type collective asset-management vehicle with segregated liability between sub-funds incorporated with limited liability in Ireland for US federal income tax purposes. As a result, the treatment of the Funds for US federal income tax purposes as separate business entities cannot be free from doubt. The ICAV, however, believes that the election to treat each Fund as a separate partnership will be respected for US federal income tax purposes. Accordingly, the following discussion assumes (except where otherwise expressly indicated) that each Fund will be treated as a partnership for US federal income tax purposes.

As a partnership, each Fund itself generally will not be responsible for the payment of any US federal income taxes associated with its operations. Instead, the taxable income or loss of the Fund for a taxable year generally will pass through and be included in the computation of the taxable income and loss of the Shareholders of such Fund (subject to certain limitations), regardless of whether the Fund distributes any amounts to such Shareholders. Accordingly, it is possible that a Shareholder will have a greater amount of taxable income allocable to it from the Fund for a taxable year than the amount of cash distributed to it from the Fund, and may be required to pay taxes on its share of the Fund’s taxable income using cash from other sources.

### *The Shareholders*

In general, and subject to the FATCA rules discussed above, the tax treatment of a non-US Shareholder in a Fund will depend on whether the Fund is deemed to be engaged in a US trade or business for US federal income tax purposes.

To the extent the Fund’s income is not effectively connected with a US trade or business for US federal income tax purposes, such income would be subject to different treatment for US federal income tax purposes. For example, the Fund and its non-US Shareholders generally would not be

subject to US tax withholding on the Fund's capital gain that is not ECI to its non-US Shareholders, except in the limited circumstances discussed below. In addition, the Fund and its non-US Shareholders generally would not be subject to US tax withholding on the Fund's portfolio interest (as defined for US federal income tax purposes). However, the Fund would be subject to US tax withholding at the rate of 30% on other US source interest, dividends and income that is not effectively connected with a US trade or business, unless a lower treaty rate is applicable. The availability of a lower treaty rate would depend on a variety of factors, including the tax treatment of the Fund in the non-US jurisdiction to which the treaty relates and upon the completion of certain filings by the non-US Shareholders. Non-US Shareholders who believe they may qualify for relief under a tax treaty with the United States should consult their own tax advisors.

If the Fund is engaged (or deemed to be engaged) in a US trade or business, the income effectively connected with such trade or business ("**ECI**") will be subject to US taxation, and the Fund generally will be subject to US tax withholding on the non-US Shareholders' share of such income at a rate equal to the highest marginal US federal income tax rate applicable to individuals or corporations, as applicable. In such case, each non-US Shareholder will be obligated to file a US federal income tax return reporting such income. In addition, if the Fund is engaged (or deemed to be engaged) in a US trade or business, the gain realized by a non-US Shareholder on a transfer of its Shares in the Fund generally will be treated as ECI (and subject to a US withholding tax) to the extent the non-US Shareholder would be allocated ECI by the Fund upon a sale of the Fund's assets. A non-US Shareholder that is a non-US corporation may, in certain circumstances, be subject to a US federal "branch profits" tax of 30% on such non-US Shareholder's share of adjusted effectively connected earnings and profits of the Fund (as determined under applicable tax rules), unless a lower income tax treaty rate is available. Non-US Shareholders are urged to consult their own tax advisors about other potential consequences of being considered engaged in a trade or business in the United States.

Regardless of whether gain is effectively connected with a US trade or business for US federal income tax purposes, any gain from the disposition of a "US real property interest," as defined for US federal income tax purposes, will be treated as gain effectively connected with a US trade or business with the result that the non-US Shareholder generally will be subject to full US taxation (initially collected by means of withholding) on its allocable share of such gain and will be required to file a US federal income tax return reporting such income.

Further, even though no US federal income taxation (including withholding) would normally apply to a non-US Shareholder's share of capital gain realized by the Fund that is not ECI, the non-US Shareholder will be subject to US taxation if the Shareholder is an individual who was present in the United States for 183 days or more during the taxable year in which the gain was realized and certain other conditions are satisfied.

### **ERISA Considerations**

If a Fund offers Shares to fiduciaries of pension, profit-sharing or other employee benefit plans subject to ERISA, or to fiduciaries of independent retirement accounts ("IRAs") and other arrangements that are subject to section 4975 of the U.S. Internal Revenue Code, (each such employee benefit plan,

account or arrangement referred to herein as a (“Plan”)) those fiduciaries should, before authorizing an investment in the Fund, consider whether such investment is in accordance with the documents and instruments governing the Plan and the applicable provisions of ERISA, the U.S. Internal Revenue Code or any other applicable law relating to a fiduciary’s duty to the Plan including, without limitation, the prudence, diversification, delegation of control and prohibited transaction provisions of ERISA, the U.S. Internal Revenue Code and any other applicable law.

The fiduciary responsibility provisions of ERISA and the related provisions of the U.S. Internal Revenue Code generally apply to the management and investment of “plan assets.” Under regulations promulgated under ERISA, if immediately after the acquisition of any Shares, 25 percent or more of the value of any class of Shares (excluding those held by the Investment Manager or its affiliates) is held by “benefit plan investors”, then the Fund’s assets will be deemed “plan assets” and both ERISA’s general standards of conduct and the prohibited-transaction provisions of ERISA and the U.S. Internal Revenue Code will extend to the activities of the Fund. Under ERISA, the term “benefit plan investor” is defined to include: (i) an “employee benefit plan” (as defined in Section 3(3) of ERISA) that is subject to the provisions of Part 4 of Title I of ERISA; (ii) any plan, account or arrangement subject to the prohibited transaction provisions of section 4975 of the U.S. Internal Revenue Code; and (iii) any entity the assets of which are treated as “plan assets” by reason of investment therein by benefit plan investors (generally because 25 percent or more of a class of equity interests in the entity is owned by benefit plan investors). Accordingly, the Application Form for each Fund provides that if the assets of an investor are plan assets or become plan assets subsequent to its investment in the Fund, the investor must notify the Directors promptly and redeem such Shares as the Directors deem necessary or desirable. In addition, a Fund may, in its discretion, impose limits on the aggregate percentage of the value of any class of Shares that may be held by benefit plan investors, and the Directors may require that benefit plan investors redeem such Shares as the Directors may deem necessary or desirable to ensure that neither the ICAV’s or any Fund’s assets are deemed “plan assets.”

### **Cayman Islands Taxation**

In the event that Shares are issued to an entity established under the laws of the Cayman Islands, the Government of the Cayman Islands will not, under existing legislation, impose any income, corporate or capital gains tax, estate duty, inheritance tax, gift tax or withholding tax upon that entity or its owners in relation to the acquisition or disposal of the Shares. The Cayman Islands are not party to any double taxation treaties.

## 6. GENERAL INFORMATION

### Registration, Registered Office and Share Capital

- (a) The ICAV was registered in Ireland by way of continuation on 22 May, 2019 as an umbrella type Irish collective asset-management vehicle with segregated liability between sub-funds and is registered with and authorised by the Central Bank with registration number [ ] pursuant to Part 2 of the Act. The ICAV has no subsidiaries.
- (b) The registered office of the ICAV is as stated in the Directory at the front of the Prospectus.
- (c) Clause 2.01 of the Instrument of the ICAV provides that the ICAV's sole object is the collective investment of its funds in property and giving members the benefit of the results of the management of its funds. The ICAV may take any measure and carry out any operations which it may deem useful or necessary to the accomplishment and development of its purpose to the full extent permitted by applicable law.
- (d) The Instrument provides that the share capital of the ICAV shall be equal to the value for the time being of the issued share capital of the ICAV. The actual value of the paid up share capital of the ICAV shall at all times be equal to the value of the assets of the ICAV after deduction of its liabilities. The share capital of the ICAV is to be divided into a specified number of shares without assigning any nominal value to them.
- (e) The Instrument provides that shares of the ICAV shall be divided into ordinary participating shares of no nominal value ("**Shares**") and ordinary management shares of no nominal value ("**Management Shares**"). The ICAV may issue shares as fully paid up, or subscribed and partly paid up, in accordance with the Instrument, the requirements of the Central Bank, the CBI UCITS Regulations and the Act. The liability of Members in respect of payment on their shares shall be limited to the amount, if any, unpaid, on the shares respectively held by them. The authorised share capital of the ICAV is 300,000 Shares of no nominal value and 500,000,000,000 Management Shares of no nominal value provided however that any shares that have been redeemed shall be deemed never to have been issued for the purpose of calculating the maximum amount of shares to be issued.
- (f) Subject to the provisions of the Instrument, Shareholders have the right to participate in or receive profits or income arising from the acquisition, holding, management or disposal of investments of the relevant Fund, to vote at any general meeting of the ICAV or at any meeting of the relevant Fund or Class of Shares in respect of which such Shares have been issued and such other rights as may be provided in respect of Shares of a particular Fund or Class in each case as more particularly described in the Prospectus and/or relevant Supplement subject always to the requirements of the Central Bank, the CBI UCITS Regulations and the Act. Holders of Management Shares shall have the right to receive an amount not to exceed the consideration paid for such Management Shares and to vote at any general meeting of the ICAV in accordance with the provisions of the Instrument.

- (g) The Directors are authorised to exercise all the powers of the ICAV to issue shares in the ICAV on such terms and in such manner as they may think fit.

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

- (a) The rights attaching to the Shares issued in any Class or Fund may, whether or not the ICAV is being wound up, be varied or abrogated with the consent in writing of the Shareholders of holders of three-fourths of the issued Shares of that Class or Fund, or with the sanction of an Ordinary Resolution passed at a general meeting of the Shareholders of that Class or Fund.
- (b) A resolution in writing signed by all the Members of the ICAV, Fund or Class for the time being entitled to attend and vote on such resolution at a general meeting shall be as valid and effective for all purposes as if the resolution had been passed at a general meeting of the ICAV, Fund or Class duly convened and held and may consist of several instruments in the like form each executed by or on behalf of one or more Members.
- (c) Subject to the Central Bank's requirements, notwithstanding anything to the contrary in the Instrument, a resolution in writing that is described as being an Ordinary Resolution or a Special Resolution which is signed by a Member or Members who, at the time of the signing of the resolution concerned, represent more than 50%, in the case of an Ordinary Resolution or 75%, in the case of a Special Resolution, of the total voting rights of all the Members who, at that time, would have the right to attend and vote at a general meeting of the ICAV or relevant Fund or Class and in respect of which all Members of the ICAV or relevant Fund or Class (as the case may be) concerned entitled to attend and vote on the resolution have been circulated by the Directors (or other person proposing it) with the proposed text of the resolution, shall be as valid and effective for all purposes as if the Ordinary Resolution or Special Resolution, as the case may be, had been passed at a general meeting of the ICAV or relevant Fund or Class duly convened and held.
- (d) The rights conferred upon the holders of the shares of any Class of the ICAV issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that Class of the ICAV, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith or by the liquidation of the ICAV or of any Fund and distribution of its assets to its Members in accordance with their rights or the vesting of assets in trustees for its Members in specie.
- (e) There are no rights of pre-emption upon the issue of Shares in the ICAV.

### **Voting Rights**

The following rules relating to voting rights apply:-

- (a) Fractions of Shares do not carry voting rights.

- (b) On a show of hands every Shareholder (with applicable voting rights) present in person or by proxy shall be entitled to one vote and a holder of Management Shares shall be entitled to one vote in respect of all Management Shares.
- (c) At a general meeting of the ICAV a poll may be demanded by (a) the chairman or (b) at least three Members present in person or by proxy or (c) any Member or Members present in person or by proxy and representing not less than 10% of the total voting rights of all the Members having the right to vote at the meeting; or (d) a Member or Members holding shares of the ICAV conferring the right to vote at the meeting, being shares on which an aggregate sum has been paid up equal to not less than 10% of the total sum paid up on all the shares conferring that right.
- (d) On a poll every Shareholder present in person or by proxy shall be entitled to one vote in respect of each Share held by him and every holder of Management Shares shall be entitled to one vote in respect of all Management Shares held by him. A Shareholder entitled to more than one vote need not cast all his votes or cast all the votes he uses in the same way.
- (e) In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall be entitled to a second or casting vote.
- (f) Any person (whether a Member or not) may be appointed to act as a proxy; a Member may appoint more than one proxy to attend on the same occasion.
- (g) The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, must be deposited at the registered office, or at such other place as is specified for that purpose in the notice of meeting or in the instrument of proxy issued by the ICAV not less than such minimum time specified before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote and in default the instrument of proxy shall not be treated as valid. The Directors may at the expense of the ICAV send by post or otherwise to the Members instruments of proxy for use at any general meeting or at any meeting of any Class of Members, either in blank or nominating in the alternative any one or more of the Directors or any other person to act as proxy.
- (h) To be passed, Ordinary Resolutions of the Members or of the Shareholders of a particular Fund or Class will require a simple majority of the votes cast by the Members or Shareholders voting in person or by proxy at the meeting at which the resolution is proposed. Special Resolutions of the Members or of the Shareholders of a particular Fund or Class will require a majority of not less than 75% of the Members or Shareholders present in person or by proxy and voting in general meeting in order to pass a Special Resolution including a resolution to amend the Instrument.

## **Meetings**

- (a) The Directors may convene extraordinary general meetings of the ICAV at any time. The Directors shall convene an annual general meeting each calendar year and not more than 15

months shall elapse between the date of one annual general meeting of the ICAV and that of the next provided that so long as the ICAV holds its first annual general meeting within eighteen months of its incorporation it need not hold it in the year of its incorporation or in the following year.

- (b) The Directors, in accordance with the provisions of the Instrument, may elect to dispense with the holding of an annual general meeting by giving 60 days' written notice to all of the ICAV's Members.
- (c) One or more Members of the ICAV holding, or together holding, at any time not less than 50 per cent of the voting rights in the ICAV may convene an extraordinary general meeting of the ICAV. The Directors of the ICAV shall, at the request of one or more Members holding, or together holding, at the date of the making of the request, not less than 10 per cent of the voting rights in the ICAV, proceed to convene an extraordinary general meeting of the ICAV. The request shall state the objects of the meeting and shall be signed by those making the request and deposited at the registered office of the ICAV and may consist of several documents in like form each signed by one or more of those making the request. If the Directors do not within 21 days after the date of the deposit of the request proceed to convene a meeting to be held within 2 months after that date, those making the request, or any of them representing more than 50 per cent of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held more than 3 months after the date the request was first made.
- (d) Not less than twenty one clear days' notice of every annual general meeting and any extraordinary meeting and convened for the passing of a Special Resolution must be given to the Members and in the case of any other general meeting, such notice as required pursuant to the Act.
- (e) Two Members present either in person or by proxy shall be a quorum for a general meeting provided that the quorum for a general meeting convened to consider any alteration to the Class rights of Shares shall be two Shareholders holding or representing by proxy at least one third of the issued Shares of the relevant Fund or Class. If within half an hour after the time appointed for a meeting a quorum is not present the meeting, if convened on the requisition of or by Shareholders, shall be dissolved. In any other case it shall stand adjourned to the same time, day and place in the next week or to such other day and at such other time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present shall be a quorum and in the case of a meeting of a Fund or Class convened to consider the variation of rights of Shareholders in such Fund or Class the quorum shall be one Shareholder holding Shares of the Fund or Class in question or his proxy. All general meetings will be held in Ireland.
- (d) The foregoing provisions with respect to the convening and conduct of meetings shall save as otherwise specified with respect to meetings of Funds or Classes and, subject to the Act, have effect with respect to separate meetings of each Fund or Class except that where a resolution varying the rights of Shareholders in such Fund or Class is tabled at such a meeting (a) the necessary quorum at any such meeting, other than an adjourned meeting, shall be two

Shareholders holding or representing by proxy at least one-third in nominal value of the issued Shares of the Fund or Class in question and at an adjourned meeting one Shareholder holding Shares of the Fund or Class in question or his or her proxy; and (b) any holder of Shares of the Fund or Class in question present in person or by proxy may demand a poll.

**Reports and Accounts**

The ICAV 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 audited annual report and accounts will be published within four months of the ICAV’s financial year end and its semi-annual report will be published within 2 months of the end of the half year period and in each case will be offered to subscribers before conclusion of a contract and supplied to Shareholders free of charge on request and will be available to the public at the office of the Administrator.

**Communications and Notices to Shareholders**

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

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

**Transfer of Shares**

- (a) Transfers of Shares may be effected by transfer in writing or such other form as determined by the Directors accompanied by such evidence of ownership as the Directors may reasonably require to show the right of the transferor to make the transfer (“Instrument of Transfer”), signed by or on behalf of the transferor and every transfer shall state the full name and address of the transferor and transferee.

- (b) The Directors may from time to time specify a fee for the registration of Instruments of Transfer provided that the maximum fee may not exceed 3% of the Net Asset Value of the Shares on the Dealing Day immediately preceding the date of the transfer.

The Directors may before the end of the period of two months commencing with the date of receipt of the Instrument of Transfer decline to register any transfer of Shares in the following circumstances:-

- (i) in consequence of such transfer the transferor or the transferee would hold a number of Shares less than the Minimum Holding or the transferee would hold less than the Minimum Initial Subscription;
  - (ii) all applicable taxes and/or stamp duties have not been paid in respect of the Instrument of Transfer;
  - (iii) the Instrument of Transfer is not deposited at the registered office of the ICAV or such other place as the Directors may reasonably require, accompanied by the certificate for the Shares to which it relates, such evidence as the Directors may reasonably require to show the right of the transferor to make the transfer, such relevant information and declarations as the Directors may reasonably require from the transferee including, without limitation, information and declarations of the type which may be requested from an applicant for Shares in the ICAV and such fee as may from time to time be specified by the Directors for the registration of any Instrument of Transfer;
  - (iv) unless the Instrument of Transfer is deposited with the Administrator together with such evidence as is required by the Administrator to satisfy the Administrator as to its or the ICAV's requirements to prevent money laundering;
  - (v) if the registration of such transfer would result in a contravention of any provision of law; or
  - (vii) where the Directors are aware or reasonably believe the transfer would result in the beneficial ownership of such Shares by a person in contravention of any restrictions on ownership imposed by the Directors or might result in legal, regulatory, pecuniary, taxation or material administrative disadvantage to the ICAV or the relevant Fund or the Shareholders as a whole.
- (c) The registration of transfers may be suspended for such periods as the Directors may determine provided always that each registration may not be suspended for more than 30 days in any year.

## **Directors**

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

- (a) The number of Directors shall not be less than two.

- (b) A Director need not be a Member but may be appointed only in accordance with Central Bank's Requirements.
- (c) The Instrument contains no provisions requiring Directors to retire on attaining a particular age or to retire on rotation.
- (d) A Director may vote and be counted in the quorum at a meeting to consider the appointment or the fixing or variation of the terms of appointment of any Director to any office or employment with the ICAV or any company in which the ICAV is interested, but a Director may not vote or be counted in the quorum on a resolution concerning his own appointment.
- (e) The Directors of the ICAV for the time being are entitled to such remuneration as may be determined by the Directors and disclosed in this Prospectus and may be reimbursed all reasonable travel, hotel and other expenses incurred in connection with the business of the ICAV or the discharge of their duties and may be entitled to additional remuneration if called upon to perform any special or extra services to or at the request of the ICAV.
- (f) The provisions of the Act relating to restrictions on directors of an insolvent company or disqualifying persons from being appointed or acting as a director or other officer, statutory auditor, receiver or liquidator, or being in any way (directly or indirectly) concerned or taking part in the promotion, formation or management of a company apply to the ICAV.
- (g) Save as provided in the Instrument, a Director shall not vote in respect of any contract or arrangement or any proposal whatsoever in which he has any material interest otherwise than by virtue of his interests in shares or debentures or other securities of or otherwise in or through the ICAV. A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is debarred from voting. A Director shall in the absence of some material interest other than that indicated below, be entitled to vote and be counted in the quorum in respect of any resolution concerning any of the following matters, namely:-
  - (i) the giving of any security or indemnity to him in respect of money lent or obligations incurred by him at the request of or for the benefit of the ICAV or any of its subsidiaries 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 ICAV or any of its subsidiaries or associated companies for which he himself has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
  - (iii) any proposal concerning an offer of shares or other securities of or by the ICAV or any of its subsidiaries or associated companies for subscription or purchase in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting thereof; or
  - (iv) any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever PROVIDED THAT he is not the

holder of or beneficially interested in five per cent or more of the issued shares of any class of such company, or of any third company through which his interest is derived, or of any of the voting rights available to shareholders of the relevant company (any such interest being deemed for the purposes of this Clause to be a material interest in all circumstances).

- (v) any proposal concerning the purchase of any policy of insurance against directors' and officers' liability.
- (h) The office of a Director must be vacated in any of the following events namely:-
  - (a) if he resigns his office by notice in writing signed by him and left at the registered office of the ICAV;
  - (b) if he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (c) if he becomes of unsound mind;
  - (d) if he is absent from meetings of the Directors for six successive months without leave expressed by a resolution of the Directors and the Directors resolve that his office be vacated;
  - (e) if he ceases to be a Director by virtue of, or becomes prohibited or restricted from being a Director by reason of, an order made under the provisions of any law or enactment;
  - (f) if he is requested by a majority of the other Directors (not being less than two in number) to vacate office; or
  - (g) if he is removed from office by Ordinary Resolution of the ICAV.
  - (h) if he ceases to be approved to act as a director by the Central Bank.
- (i) The ICAV may by ordinary resolution remove a Director before the end of that Director's period of office despite anything in the Instrument or in any contract between the ICAV and the Director, in accordance with the provisions of the Act.

#### **Directors' Interests**

- (a) None of the Directors has or has had any direct interest in the promotion of the ICAV or in any transaction effected by the ICAV which is unusual in its nature or conditions or is significant to the business of the ICAV up to the date of this Prospectus or in any contracts or arrangements of the ICAV subsisting at the date hereof other than:
  - Robin Sellers is a director and employee of Ocean Dial Asset Management Limited, the Investment Manager to the ICAV.

- Mr. Doorgakant is a director and employee of Apex Funds Services (Mauritius) Limited, which is an associate company to the Administrator.
- (b) No present Director or any connected person has any interests beneficial or non-beneficial in the share capital of the ICAV.

### **Winding Up**

- (a) The ICAV may be wound up if:
- (i) at any time the Net Asset Value of the ICAV falls below USD 1 million on each Dealing Day for a period of six consecutive weeks and the Members of the ICAV resolve by Ordinary Resolution to wind up the ICAV and the provisions of the ICAV Act relating to a winding up on the occurrence of an event are complied with;
  - (ii) Within a period of ninety days from the date on which (a) the Depositary notifies the ICAV of its desire to retire in accordance with the terms of the Depositary Agreement and has not withdrawn notice of its intention to so retire, (b) the appointment of the Depositary is terminated by the ICAV in accordance with the terms of the Depositary Agreement, or (c) the Depositary ceases to be approved by the Central Bank to act as a depositary; no new Depositary has been appointed, the Directors shall instruct the Secretary to forthwith convene an extraordinary general meeting of the ICAV at which there shall be proposed an ordinary resolution to wind up the ICAV. Notwithstanding anything set out above, the Depositary's appointment shall only terminate on revocation of the ICAV's authorisation by the Central Bank or on the appointment of a successor depositary;
  - (iii) In all cases other than those set out above, the Members may resolve to wind up the ICAV by Special Resolution in accordance with the summary approval procedure as provided for in the Act.
- (b) In the event of a winding up, the liquidator shall firstly apply the assets of the ICAV in such manner and order as he thinks fit in satisfaction of creditors' claims. The liquidator shall in relation to the assets available for distribution among Members make such transfers thereof to and from the Classes as may be necessary in order that the effective burden of creditors' claims may be shared between the Members of different Classes in such proportions as the liquidator in his discretion deems equitable.
- (c) The assets available for distribution among the Members shall be applied in the following priority:-
- (i) firstly, in the payment to the Shareholders of each Class or Fund of a sum in the Base Currency (or in any other currency selected and at such rate of exchange as determined by the liquidator) as nearly as possible equal to the Net Asset Value of the Shares of the relevant Class or Fund held by such Shareholders respectively as at the date of commencement of winding up;

- (ii) secondly, in the payment to the holders of Management Shares of sums up to the consideration paid in respect thereof provided that if there are insufficient assets to enable such payment in full to be made, no recourse shall be had to the assets comprised within any of the Funds;
  - (iii) thirdly, in the payment to the holders of Shares of each Class or Fund of any balance then remaining in the relevant Fund, such payment being made in proportion to the number of Shares held in the relevant Class or Fund; and
  - (iv) fourthly, any balance then remaining and not attributable to any Fund or Class shall be apportioned between the Funds and Classes pro-rata to the Net Asset Value of each Fund or Class immediately prior to any distribution to Shareholders and the amounts so apportioned shall be paid to Shareholders pro-rata to the number of Shares in that Fund or Class held by them.
- (d) The liquidator may, with the authority of a Special Resolution of the ICAV divide among the Shareholders (pro rata to the value of their respective shareholdings in the ICAV) in specie the whole or any part of the assets of the ICAV and whether or not the assets shall consist of property of a single kind provided that any Shareholder shall be entitled to request the sale of any asset or assets proposed to be so distributed and the distribution to such Shareholder of the cash proceeds of such sale. The costs of any such sale shall be borne by the relevant Shareholder.
- (e) Notwithstanding any other provision contained in the Instrument of the ICAV, should the Directors at any time and in their absolute discretion resolve that it would be in the best interests of the Shareholders to wind up the ICAV, then any such winding up shall be commenced in accordance with the summary approval procedure as provided for in the Act. Any liquidator appointed to wind up the ICAV shall distribute the assets of the ICAV in accordance with the Instrument of the ICAV.

### **Indemnities and Insurance**

Every person or body corporate who is or has been a Director or secretary of the ICAV or any person or body corporate who is or has acted as auditor of the ICAV and such person's heirs, administrators and executors, shall be indemnified and secured harmless out of the assets and profits of the ICAV from and against all actions, costs, charges, losses, damages and expenses, which they may incur or sustain by reason of any contract entered into or any act done, concurred in, or omitted in or about the execution of their duty or supposed duty in their respective offices or trusts, except such (if any) as they shall incur or sustain by or through their own negligence, default, breach of duty or breach of trust,

The Directors have the power to purchase and maintain for the benefit of any persons who are or were at any time Directors, secretary or Auditors of the ICAV insurance against any liability incurred by such persons in respect of any act or omission in the execution or discharge of their duties or in the exercise of their powers.

## Material Contracts

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

(a) *Investment Management and Distribution Agreement*

Pursuant to the Investment Management and Distribution Agreement between the ICAV and Ocean Dial Asset Management Limited, Ocean Dial Asset Management Limited has been appointed the Investment Manager to the ICAV and its wholly owned subsidiaries. The Investment Manager will be entitled to receive investment management fees as described in each Supplement. Pursuant to this agreement, Ocean Dial Asset Management Limited is also appointed as Distributor of the ICAV.

All activities engaged in by the Investment Manager shall at all times be subject to the supervision, direction and control of and review by the Directors and any specific or general direction given by the Directors shall override the general authorization given to the Investment Manager under the Investment Management and Distribution Agreement.

The Investment Manager shall be authorized to deal on behalf of the ICAV with the Depositary on an ongoing basis. The Investment Manager shall however be liable, and shall indemnify the ICAV for any loss suffered by the ICAV as a result of the Investment Manager failing to act in accordance with the relevant procedures set out in the Depositary Agreement between the Depositary and the ICAV or for failing to ensure compliance with such procedures by its employees.

The Investment Manager may, at its own expense and with the prior written consent of the ICAV, as appropriate, employ and pay an agent or delegate (including an associate) to perform or concur in performing any of the services required to be performed under the Investment Management and Distribution Agreement and may act or rely upon the opinion or advice or any information obtained from any investment adviser, broker, lawyer, valuer, surveyor, auctioneer or other expert whether reporting to the ICAV or not.

The ICAV shall indemnify and hold harmless the Investment Manager against all claims by third parties and any and all losses, liabilities, actions, proceedings, claims, costs, demands, damages and expenses (including legal fees) which may be made against the Investment Manager as a consequence of the performance of its duties under the Investment Management and Distribution Agreement except to the extent that the claim is due to the negligence, fraud or wilful default of or by the Investment Manager or to a breach of any law, regulation or any terms of the Investment Management and Distribution Agreement by the Investment Manager.

The Investment Management and Distribution Agreement may be terminated by either the Investment Manager or the ICAV by giving three calendar months written notice to the other party. The Investment Management and Distribution Agreement may be terminated by either party with immediate effect from the time at which such notice is given in certain circumstances including a resolution being passed for the liquidation of the other party, the other party entering into an arrangement with its creditors, or, in the case of the ICAV, the Investment Manager

ceasing to be regulated by the Financial Conduct Authority in the United Kingdom.

(b) *Administration Agreement*

Pursuant to the Administration Agreement the Administrator will provide certain administrative, registrar, transfer agency and company secretary services to the ICAV subject to the overall supervision of the ICAV.

The Administrator will be entitled to receive fees as described in "Fees and Expenses – Administrator and Depositary Fees".

The Administration Agreement between the Administrator and the ICAV shall continue in force until terminated by either party on 90 days' notice in writing to the other party or may be terminated by either party immediately in the event that the other party is 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; becomes the subject of any petition for the appointment of an examiner or similar officer to it; has a receiver appointed over all or any substantial part of its undertaking, assets or revenues or those of any Fund, becomes the subject of an effective resolution for its winding up except in relation to a voluntary winding up for the purposes of reconstruction or amalgamation upon terms previously approved in writing by the other party or be the subject of a court order for its winding up. The Administration Agreement may also be terminated by either party if the other party is in material breach of its obligations under the Administration Agreement and fails to remedy the breach within thirty days of being requested to do so or in the event that any authority of either party to the Agreement by the Central Bank is revoked.

The Administration Agreement provides that in the absence of negligence, bad faith, wilful default, fraud, recklessness or a material breach of the Administration Agreement on its part, the Administrator will not be liable for any loss arising out of or in connection with the performance of its obligations and duties under the Administration Agreement. The ICAV, out of the assets of the relevant Fund, shall indemnify the Administrator against any liabilities, damages, costs, claims or expenses suffered or incurred by the Administrator by reason of its performance of its obligations and duties, save in the case of the Administrator's negligence, wilful default, fraud, bad faith, recklessness or material breach of the Administration Agreement.

(c) *Depositary Agreement*

Pursuant to the Depositary Agreement, the Depositary will be liable to the ICAV and to the Shareholders for the loss by the Depositary or a duly appointed third party of any assets that are financial instruments required to be held in custody in accordance with paragraph 4(a) of Regulation 34 of the UCITS Regulations (the "Custody Assets") 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 in the absence of proof of the loss being caused by such an external event), the Depositary is required to return Custody Assets of an identical type to those lost or the corresponding amount to the ICAV without undue delay. The Depositary Agreement provides

that the Depositary will be liable to the ICAV and to the Shareholders in respect of all other losses suffered by them as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and the UCITS Regulations. In the event of a loss by the Depositary of assets which are not Custody Assets, the Depositary will only be liable to the extent the loss has occurred due to the negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and the UCITS Regulations. The ICAV out of the assets of the relevant Fund, shall indemnify and hold harmless the Depositary and each of its directors, officers, servants, employees and agents against all actions, proceedings, claims, demands, losses, damages, costs and expenses (including legal and professional fees and expenses) which may be brought against, suffered or incurred by the Depositary other than as a result of the Depositary's negligent or intentional failure to properly fulfil its obligations as set out in the Depositary Agreement and UCITS Regulations.

The Depositary Agreement also provides that the appointment of the Depositary will continue unless and until terminated by the ICAV or the Depositary giving to the other party not less than 90 days' written notice although in certain circumstances the Depositary Agreement may be terminated immediately by the ICAV or the Depositary provided that the appointment of the Depositary shall continue in force until a replacement Depositary approved in advance by the Central Bank has been appointed and provided further that if within a period of 90 days' from the date on which the Depositary notifies the ICAV of its desire to retire or from the date on which the ICAV notifies the Depositary of its intention to remove the Depositary, no replacement Depositary shall have been appointed, the ICAV shall convene an extraordinary general meeting of the Shareholders of the ICAV at which there shall be proposed an ordinary resolution to wind up the ICAV.

### **Documents Available for Inspection**

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

- (a) The Instrument of the ICAV (copies may be obtained free of charge from the Administrator).
- (b) The Act, the CBI UCITS Regulations and the UCITS Regulations.
- (c) Once published, the latest annual and half yearly reports of the ICAV (copies of which may be obtained from the Administrator free of charge).

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

**Appendix I**  
**Permitted Investments and Investment Restrictions**

<b>1</b>	<b>Permitted Investments</b>
	Investments of a UCITS are confined to:
<b>1.1</b>	Transferable securities and money market instruments, which are either admitted to official listing on a stock exchange in a Member State or non-Member State or which are dealt on a market which is regulated, operates regularly, is recognised and open to the public in a Member State or non-Member State.
<b>1.2</b>	Recently issued transferable securities which will be admitted to official listing on a stock exchange or other market (as described above) within a year.
<b>1.3</b>	Money market instruments, other than those dealt on a regulated market.
<b>1.4</b>	Units of UCITS.
<b>1.5</b>	Units of AIFs.
<b>1.6</b>	Deposits with credit institutions.
<b>1.7</b>	Financial derivative instruments.
<b>2</b>	<b>Investment Restrictions</b>
<b>2.1</b>	A UCITS may invest no more than 10% of net assets in transferable securities and money market instruments other than those referred to in paragraph 1.
<b>2.2</b>	<p>Recently Issued Transferable Securities</p> <ol style="list-style-type: none"> <li>1. Subject to paragraph (2) a responsible person shall not invest any more than 10% of assets of a UCITS in securities of the type to which Regulation 68(1)(d) of the UCITS Regulations apply.</li> <li>2. Paragraph (1) does not apply to an investment by a responsible person in US Securities known as “ Rule 144 A securities” provided that; <ul style="list-style-type: none"> <li>• the relevant securities have been issued with an undertaking to register the securities with the SEC within 1 year of issue; and</li> <li>• the securities are not illiquid securities i.e. they may be realised by the UCITS within 7 days at the price, or approximately at the price, which they are valued by the UCITS.</li> </ul> </li> </ol>
<b>2.3</b>	A UCITS may invest no more than 10% of net assets in transferable securities or money market instruments issued by the same body provided that the total value of transferable securities and money market instruments held in the issuing bodies in each of which it invests more than 5% is less than 40%.
<b>2.4</b>	The limit of 10% (in 2.3) may, with prior approval of the Central Bank, be 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. Subject to the prior approval of the Central Bank, if a UCITS invests more than 5% of its net

assets in these bonds issued by one issuer, the total value of these investments may not exceed 80% of the net asset value of the UCITS.

- 2.5** The limit of 10% (in 2.3) is raised to 35% if the transferable securities or money market instruments are issued or guaranteed by a Member State or its local authorities or by a non-Member State or public international body of which one or more Member States are members.
- 2.6** The transferable securities and money market instruments referred to in 2.4. and 2.5 shall not be taken into account for the purpose of applying the limit of 40% referred to in 2.3.
- 2.7** Deposits with any single credit institution other than a credit institution specified in Regulation 7 of the Central Bank UCITS Regulations held as ancillary liquidity shall not exceed:
- (a) 10% of the NAV of the UCITS; or
  - (b) where the deposit is made with the Depositary 20% of the net assets of the UCITS.
- 2.8** The risk exposure of a UCITS to a counterparty to an OTC derivative may not exceed 5% of net assets.
- This limit is raised to 10% in the case of a credit institution authorised in the EEA or a credit institution authorised within a signatory state (other than an EEA Member State) to the Basle Capital Convergence Agreement of July 1988; or a credit institution authorised in Jersey, Guernsey, the Isle of Man, Australia or New Zealand.
- 2.9** Notwithstanding paragraphs 2.3, 2.7 and 2.8 above, a combination of two or more of the following issued by, or made or undertaken with, the same body may not exceed 20% of net assets:
- investments in transferable securities or money market instruments;
  - deposits, and/or
  - counterparty risk exposures arising from OTC derivatives transactions.
- 2.10** The limits referred to in 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9 above may not be combined, so that exposure to a single body shall not exceed 35% of net assets.
- 2.11** Group companies are regarded as a single issuer for the purposes of 2.3, 2.4, 2.5, 2.7, 2.8 and 2.9. However, a limit of 20% of net assets may be applied to investment in transferable securities and money market instruments within the same group.
- 2.12** A UCITS may invest up to 100% of net assets in different transferable securities and money market instruments issued or guaranteed by any Member State, its local authorities, non-Member States or public international body of which one or more Member States are members,

**The individual issuers must be listed in the prospectus and may be drawn from the following list:**

OECD Governments (provided the relevant issues are investment grade), Government of the People's Republic of China, European Investment Bank, European Bank for Reconstruction

	<p>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, Government of Singapore, Straight A Funding LLC, Government of Brazil (provided the relevant issues are investment grade) and Government of India (provided the relevant issues are investment grade).</p> <p>The UCITS must hold securities from at least 6 different issues, with securities from any one issue not exceeding 30% of net assets.</p>
<b>3</b>	<b>Investment in Collective Investment Schemes (“CIS”)</b>
<b>3.1</b>	A UCITS may not invest more than 20% of net assets in any one CIS.
<b>3.2</b>	Investment in CIS that constitute AIFs may not, in aggregate, exceed 30% of net assets.
<b>3.3</b>	The CIS are prohibited from investing more than 10 per cent of net assets in other open-ended CIS.
<b>3.4</b>	When a UCITS invests in the units of other CIS that are managed, directly or by delegation, by the UCITS management company or by any other company with which the UCITS management company is linked by common management or control, or by a substantial direct or indirect holding, that management company or other company may not charge subscription, conversion or redemption fees on account of the UCITS investment in the units of such other CIS.
<b>3.5</b>	Where by virtue of investment in the units of another investment fund, a responsible person, an investment manager or an investment advisor receives a commission on behalf of the UCITS (including a rebated commission) , the responsible person shall ensure that the relevant commission is paid into the property of the UCITS.
<b>4</b>	<b>Index Tracking UCITS</b>
<b>4.1</b>	A UCITS may invest up to 20% of net assets in shares and/or debt securities issued by the same body where the investment policy of the UCITS is to replicate an index which satisfies the criteria set out in the CBI UCITS Regulations and is recognised by the Central Bank.
<b>4.2</b>	The limit in 4.1 may be raised to 35%, and applied to a single issuer, where this is justified by exceptional market conditions.
<b>5</b>	<b>General Provisions</b>
<b>5.1</b>	An investment company, ICAV or management company acting in connection with all of the

CIS it manages, may not acquire any shares carrying voting rights which would enable it to exercise significant influence over the management of an issuing body.

- 5.2** A UCITS may acquire no more than:
- (i) 10% of the non-voting shares of any single issuing body;
  - (ii) 10% of the debt securities of any single issuing body;
  - (iii) 25% of the units of any single CIS;
  - (iv) 10% of the money market instruments of any single issuing body.

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

- 5.3** 5.1 and 5.2 shall not be applicable to:
- (i) transferable securities and money market instruments issued or guaranteed by a Member State or its local authorities;
  - (ii) transferable securities and money market instruments issued or guaranteed by a non-Member State;
  - (iii) transferable securities and money market instruments issued by public international bodies of which one or more Member States are members;
  - (iv) shares held by a UCITS in the capital of a company incorporated in a non-member State which invests its assets mainly in the securities of issuing bodies having their registered offices in that State, where under the legislation of that State such a holding represents the only way in which the UCITS can invest in the securities of issuing bodies of that State. This waiver is applicable only if in its investment policies the company from the non-Member State complies with the limits laid down in 2.3 to 2.11, 3.1, 3.2, 5.1, 5.2, 5.4, 5.5 and 5.6, and provided that where these limits are exceeded, paragraphs 5.5 and 5.6 below are observed.
  - (v) Shares held by an investment company or investment companies or ICAV or ICAVs in the capital of subsidiary companies carrying on only the business of management, advice or marketing in the country where the subsidiary is located, in regard to the repurchase of units at unit-holders' request exclusively on their behalf.

- 5.4** UCITS need not comply with the investment restrictions herein when exercising subscription rights attaching to transferable securities or money market instruments which form part of their assets.

- 5.5** The Central Bank may allow recently authorised UCITS to derogate from the provisions of 2.3 to 2.12, 3.1, 3.2, 4.1 and 4.2 for six months following the date of their authorisation, provided they observe the principle of risk spreading.

- 5.6** If the limits laid down herein are exceeded for reasons beyond the control of a UCITS, or as a result of the exercise of subscription rights, the UCITS must adopt as a priority objective for its sales transactions the remedying of that situation, taking due account of the interests of its shareholders.

- 5.7** Neither an investment company, ICAV nor a management company or a trustee acting on

	<p>behalf of a unit trust or a management company of a common contractual fund, may carry out uncovered sales of:</p> <ul style="list-style-type: none"> <li>- transferable securities;</li> <li>- money market instruments<sup>1</sup>;</li> <li>- units of investment funds; or</li> <li>- financial derivative instruments.</li> </ul>
<b>5.8</b>	A UCITS may hold ancillary liquid assets.
<b>6</b>	Financial Derivative Instruments ('FDIs')
<b>6.1</b>	The UCITS global exposure relating to FDI must not exceed its total net asset value.
<b>6.2</b>	Position exposure to the underlying assets of FDI, including embedded FDI in transferable securities or money market instruments, when combined where relevant with positions resulting from direct investments, may not exceed the investment limits set out in the CBI UCITS Regulations/Guidance. (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 CBI UCITS Regulations.)
<b>6.3</b>	UCITS may invest in FDIs dealt in over-the-counter (OTC) provided that the counterparties to over-the-counter transactions (OTCs) are institutions subject to prudential supervision and belonging to categories approved by the Central Bank.
<b>6.4</b>	Investment in FDIs are subject to the conditions and limits laid down by the Central Bank
<b>7</b>	Restrictions on Borrowing and Lending
<b>(a)</b>	A Fund may borrow up to 10% of its Net Asset Value provided such borrowing is on a temporary basis. A Fund may charge its assets as security for such borrowings.
<b>(b)</b>	A Fund may acquire foreign currency by means of a "back to back" loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of the borrowing restrictions set out at (a) above provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

It is intended that the ICAV shall have the power (subject to the prior approval of the Central Bank and as disclosed in an updated Prospectus) to avail itself of any change in the investment and borrowing restrictions laid down in the UCITS Regulations which would permit investment by the ICAV in securities, derivative instruments or in any other forms of investment in which investment is at the date of this Prospectus restricted or prohibited under the UCITS Regulations. Any material change in the investment and borrowing restrictions requires shareholder approval. Shareholders will be notified in advance of any non-material changes.

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

## **Appendix II Recognised Exchanges**

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

(i) any stock exchange which is:-

- located in any Member State of the European Union; or
- located in any Member State of the OECD; or
- located in any Member State of the European Economic Area (European Union, Norway and Iceland); or
- located in any of the following countries:-

Australia  
Canada  
Hong Kong  
Japan  
New Zealand  
Switzerland  
United States of America

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

- |   |   |                                    |
|---|---|------------------------------------|
| Argentina                                 | - | Bolsa de Comercio de Buenos Aires  |
| Argentina                                 | - | Bolsa de Comercio de Cordoba       |
| Argentina                                 | - | Bolsa de Comercio de Rosario       |
| Bahrain                                   | - | Bahrain Stock Exchange             |
| Botswana                                  | - | Botswana Stock Exchange            |
| Brazil                                    | - | Bolsa de Valores do Rio de Janeiro |
| Brazil                                    | - | Bolsa de Mercadorias e Futuros     |
| Chile                                     | - | Bolsa de Comercio de Santiago      |
| Chile                                     | - | Bolsa Electronica de Chile         |
| China<br>(Peoples' Rep. of –<br>Shanghai) | - | Shanghai Stock Exchange            |
| China<br>(Peoples' Rep. of –              |   |                                    |

Shenzhen)	-	Shenzhen Stock Exchange
Colombia	-	Bolsa de Bogota
Colombia	-	Bolsa de Medellin
Colombia	-	Bolsa de Occidents
Croatia	-	Zagreb Stock Exchange
Egypt	-	Cairo and Alexandria Stock Exchange
Ghana	-	Ghana Stock Exchange
India	-	Ahmedabad Stock Exchange
India	-	Bangalore Stock Exchange
India	-	Bhubaneshwar Stock Exchange
India	-	Bombay Stock Exchange
India	-	Calcutta Stock Exchange
India	-	Cochin Stock Exchange
India	-	Delhi Stock Exchange
India	-	Gauhati Stock Exchange
India	-	Inter-connected Stock Exchange
India	-	Jaipur Stock Exchange
India	-	Ludhiana Stock Exchange
India	-	Madhya Pradesh Stock Exchange
India	-	Madras Stock Exchange
India	-	MCX Stock Exchange
India	-	Mumbai Stock Exchange
India	-	National Stock Exchange of India
India	-	OTC Exchange of India
India	-	Pune Stock Exchange
India	-	United Stock Exchange of India
India	-	Uttar Pradesh Stock Exchange
India	-	The Vadodara Stock Exchange
Indonesia	-	Indonesia Stock Exchange
Israel	-	Tel-Aviv Stock Exchange
Jordan	-	Amman Stock Exchange
Kenya	-	Nairobi Stock Exchange
Malaysia	-	Kuala Lumpur Stock Exchange
Mauritius	-	Stock Exchange of Mauritius
Mexico	-	Bolsa Mexicana de Valores
Morocco	-	Societe de la Bourse des Valeurs de Casablanca
Nigeria	-	Nigerian Stock Exchange
Peru	-	Bolsa de Valores de Lima
Philippines	-	Philippine Stock Exchange
Singapore	-	Singapore Stock Exchange
South Africa	-	JSE Securities Exchange
South Korea	-	Korean Stock Exchange

	-	KOSDAQ Market
Taiwan (Republic of China)	-	Taiwan Stock Exchange Corporation
Thailand	-	Stock Exchange of Thailand
Tunisia	-	Bourse des Valeurs Mobilières de Tunis
Turkey	-	Istanbul Stock Exchange
Ukraine	-	Ukrainian Stock Exchange
Vietnam	-	Ho Chi Minh City Securities Trading Center

(iii) any of the following markets:

MICEX;  
RTS;

the market organised by the International Securities Market Association;

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

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

JASDAQ in Japan;

NASDAQ in the United States;

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

The OTC market in the United States regulated by the Financial Industry Regulation Authority (also described as the OTC market in the United States conducted by primary and secondary dealers regulated by the Securities and Exchanges Commission and by the National Association of Securities Dealers (and by banking institutions regulated by the US Comptroller of the Currency, the Federal Reserve System or Federal Deposit Insurance Corporation);

The French market for Titres de Créances Négociables (OTC market in negotiable debt instruments);

The OTC market in Canadian Government Bonds, regulated by the Investment Industry Regulatory Organisation of Canada;

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

The market in Singapore corporate bonds settled through a recognized central depository

system (such as Euroclear or the Central Depository (Pte) Limited (“CDP”). The market is regulated by the Monetary Authority of Singapore.

- (iv) All stock exchanges listed in (i) and (ii) above on which permitted financial derivative instruments may be listed or traded and the following derivatives exchanges:

All derivatives exchanges in a Member State of the European Economic Area (European Union, Norway, Iceland, Liechtenstein) or a Member State of the OECD;

in the United States of America, the

- American Stock Exchange;
  - Chicago Stock Exchange;
  - Chicago Board of Trade;
  - Chicago Board Options Exchange;
  - Chicago Mercantile Exchange;
  - USFE (US Futures Exchange);
  - New York Futures Exchange;
  - New York Board of Trade;
  - New York Mercantile Exchange;
  - New York Stock Exchange;
  - Pacific Exchange;
  - Philadelphia Stock Exchange;
- SWX Swiss Exchange US;

in Canada, the

- Montreal Exchange;
- Toronto Stock Exchange;

in China, the Shanghai Futures Exchange;

in Hong Kong, the Hong Kong Futures Exchange;

in Japan, the

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

in Singapore, on the

- Singapore Exchange;
- Singapore Commodity Exchange;

In Switzerland, on the

- Swiss Options & Financial Futures Exchange;
- EUREX;

- the Taiwan Futures Exchange;
- Kuala Lumpur Options and Financial Futures Exchange;
- Jakarta Futures Exchange;
- Korea Futures Exchange;
- Osaka Mercantile Exchange;
- Tokyo International Financial Futures Exchange;
- Australian Stock Exchange;
- Sydney Futures Exchange;
- the Bolsa de Mercadorias & Futuros, Brazil;
- the Mexican Derivatives Exchange (MEXDER);
- the South African Futures Exchange.

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

## **Appendix III**

### **Financial Derivative Instruments and Efficient Portfolio Management Techniques**

#### **Efficient Portfolio Management**

Subject to disclosure in the relevant Supplement, a Fund may use certain techniques and instruments, such as financial derivative instruments and/or when issued/delayed delivery securities, for the purposes of efficient portfolio management where the objectives of such techniques and instruments are; (a) a reduction of risk (including currency exposure risk); (b) a reduction of cost (with no increase or minimal increase in risk); and (c) generation of additional capital or income for the Fund with a level of risk consistent with the risk profile of the Fund and the diversification requirements in accordance with the UCITS Regulations.

In relation to efficient portfolio management operations the Investment Manager will look to ensure that the techniques and instruments used are economically appropriate in that they will be realised in a cost-effective way. Such transactions may include foreign exchange transactions which alter the currency characteristics of transferable securities held by the Fund. Where specified in the relevant Supplement, such techniques and instruments may include but are not limited to futures, options, and when issued and/or delayed delivery securities which may be entered into by the Fund, subject to the conditions and limits set out in the CBI UCITS Regulations. Where specified in the relevant Supplement, a Fund may also purchase financial derivative instruments to gain exposure to currencies listed securities or indices.

#### **Investment in Financial Derivative Instruments**

Subject to disclosure in the relevant Supplement, a Fund may use financial derivative instruments for investment purposes and/or use financial derivative instruments traded on a Recognised Exchange to attempt to hedge or reduce the overall risk of its investments, enhance performance and/or to manage interest rate and exchange rate risk. A Fund's ability to invest in and use these instruments and strategies may be limited by market conditions, regulatory limits and tax considerations and these strategies may be used only in accordance with the investment objectives of the relevant Fund.

Unless otherwise disclosed in the relevant Supplement, the ICAV does not intend to enter into OTC FDI on behalf of a Fund.

The financial derivative instruments which the ICAV may invest in on behalf of each Fund, and the expected effect of investment in such financial derivative instruments on the risk profile of a Fund are set out in the relevant Supplement. In addition the attention of investors is drawn to the section of the Prospectus and the risks described under the headings "Derivatives and Techniques and Instruments Risk" and "Currency Risk" in the Risk Factors section of the Prospectus and, if applicable to a particular Fund, the relevant Supplement. Only derivative instruments which are provided for in the ICAV's or relevant Fund's risk management process, which has been approved by the Central Bank, may be used by a Fund.

### **When Issued/Delayed Delivery Securities**

Where specified in the relevant Supplement, a Fund may purchase or sell securities on a when-issued or delayed-delivery basis for the purposes of efficient portfolio management. In this instance payment for and delivery of securities takes place in the future at a stated price in order to secure what is considered to be an advantageous price and yield to the Fund at the time of entering into the transaction. Securities are considered “delayed delivery” securities when traded in the secondary market, or “when-issued” securities if they are an initial issuance of securities. Delayed delivery securities (which will not begin to accrue interest until the settlement date) and when-issued securities will be recorded as assets of the Fund and will be subject to risks of market value fluctuations. The purchase price of delayed delivery and when-issued securities will be recorded as a liability of the Fund until the settlement date and when issued or delivered, as the case may be, such securities will be taken into account when calculating the limits set out in Appendix I under the heading Investment Restrictions.

### **Collateral Policy**

Unless otherwise disclosed in the relevant Supplement, the ICAV does not intend to enter into repurchase agreements, reverse repurchase agreements, stock lending agreements and/or OTC FDI contracts on behalf of a Fund and therefore no collateral is required to be posted to the ICAV on behalf of a Fund.

**Appendix IV**  
**List of Sub-Custodial Agents Appointed by Société Générale S.A**

The Depositary has appointed the following entities as sub-delegates in each of the markets set forth below.

Country	Currency	Securities	Sub-Custodian
ARGENTINA	ARS	ALL	BANCO SANTANDER RIO S.A.
AUSTRALIA	AUD	ALL	CITICORP NOMINEES PTY LTD
AUSTRIA	EUR	EQUITIES & Domestic Funds	UNICREDIT BANK AUSTRIA AG
		DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
BAHRAIN	BHD	ALL	HSBC BANK MIDDLE EAST
BELGIUM	EUR	EQUITIES & Domestic Funds	SOCIETE GENERALE NANTES
		DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
BOTSWANA	BWP	ALL	STANDARD CHARTERED BANK Mauritius
BRAZIL	BRL	ALL	SANTANDER SECURITIES SERVICES Brasil DTVM S.A.
BULGARIA	BGN	ALL	SOCIETE GENERALE EXPRESSBANK
CANADA	CAD	ALL	ROYAL BANK OF CANADA
CHILE	CLP	ALL	BANCO SANTANDER CHILE
CHINA/SHANGHAI	USD	EQUITIES	HSBC BANK CHINA COMPANY LTD
CHINA/SHENZHEN	HKD	EQUITIES	HSBC BANK CHINA COMPANY LD
CHINA STOCK CONNECT	CNY	EQUITIES	DEUTSCHE BANK AG
	USD	EQUITIES	DEUTSCHE BANK AG
COLOMBIA	COP	ALL	CORPBANCA INV TRUST COLOMBIA S.A
CROATIA	HRK	ALL	SOCIETE GENERALE-SPLITSKA BANKA DD
CYPRUS	EUR	ALL	BNP PARIBAS SECURITIES SERVICES, GREECE
CZECH REPUBLIC	CZK	ALL	KOMERCNI BANKA
DENMARK	DKK	EQUITIES & Domestic Funds	NORDEA BANK DANMARK A/S
	DKK	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
EGYPT	EGP	ALL	QATAR NATIONAL BANK ALAHLI S.A.E
ESTONIA	EUR	ALL	NORDEA BANK FINLAND PLC
EUROCLEAR	Multi-ccy	EUROBONDS, REG'S,GDR; INTL ISSUE & AT/ BE/ DK/ FI/ IE/; NO/ NL/ PT / SE/ CH/ UK BONDS	EUROCLEAR BANK SA/NV
		ITALIAN ISSUER	EUROCLEAR BANK SA/NV

		IRISH ISSUER	EUROCLEAR BANK SA/NV
FINLAND	EUR	EQUITIES	NORDEA BANK FINLAND PLC
	EUR	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
France	EUR	EQUITIES, CORP BONDS; TREASURIES & DOMESTIC FUNDS	SOCIETE GENERALE NANTES
GERMANY	EUR	GERMAN EQUITIES & DOMESTIC FUNDS	EUROCLEAR BANK SA/NV
	EUR	NON GERMAN EQUITIES traded in Germany	DEUTSCHE BANK FRANKFURT
	EUR	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
GHANA	GHS	ALL	STANDARD CHARTERED BANK MAURITIUS
GREECE	EUR	ALL	BNP PARIBAS SECURITIES SERVICES, GREECE
HONG KONG	HKD	ALL	DEUTSCHE BANK AG
	USD	ALL	DEUTSCHE BANK AG
HUNGARY	HUF	ALL	KBC SECURITIES N.V.
ICELAND	ISK	ALL	LANDSBANKINN HF
INDIA	INR	ALL	SBI Custodial Services Private Ltd
INDONESIA	IDR	ALL	STANDARD CHARTERED BANK BUILDING
IRELAND	Multi-ccy	EQUITIES & Domestic Funds	EUROCLEAR BANK SA/NV
		DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
ISRAEL	ILS	ALL	BANK HAPOALIM B.M.
ITALY	EUR	EQUITIES & Domestic Funds	SGSS SPA
	EUR	DOMESTIC BONDS	SGSS SPA
IVORY COAST	XOF	ALL	SOCIETE GENERALE DE BANQUES EN COTE D'IVOIRE
JAPAN	JPY	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD
JORDAN	JOD	ALL	STANDARD CHARTERED BANK
KENYA	KES	ALL	STANDARD CHARTERED MAURITIUS
KUWAIT	KWD	ALL	HSBC BANK MIDDLE EAST
LATVIA	EUR	ALL	AS HANSABANKA
LITHUANIA	EUR	ALL	SEB VILNIAUS BANKAS AB
Luxembourg	Multi-ccy	DOMESTIC FUNDS	SOCIETE GENERALE BANK AND TRUST SA
		OFF-SHORE FUNDS	SOCIETE GENERALE BANK AND TRUST SA
		DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
MALAYSIA	MYR	ALL	HSBC BANK MALAYSIA BERHAD
MAURITIUS	MUR	ALL	HSBC BANK MAURITIUS
MEXICO	MXN	ALL	BANCO SANTANDER MEXICANO
MOROCCO	MAD	ALL	SOCIETE GENERALE MAROCAINE DE BANQUE

NETHERLANDS	EUR	EQUITIES & Domestic Funds	SOCIETE GENERALE NANTES
		DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
NEW ZEALAND	NZD	ALL	HONGKONG SHANGHAI BANKING CORP-AUCKLAND
NIGERIA	NGN	ALL	STANDARD CHARTERED BANK NIGERIA
NORWAY	NOK	EQUITIES & Domestic Funds	NORDEA BANK
	NOK	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
OMAN	OMR	ALL	HSBC BANK MIDDLE EAST
PERU	PEN	ALL	CITIBANK DEL PERU SA
PHILIPPINES	PHP	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD
POLAND	PLN	ALL	SOCIETE GENERALE SPOLSKA
Portugal	EUR	EQUITIES & Domestic Funds	BANCO COMERCIAL PORTUGUES
	EUR	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
QATAR	QAR	ALL	HSBC BANK MIDDLE EAST LIMITED
ROMANIA	RON	ALL	BRD - GROUPE SOCIETE GENERALE SA
RUSSIA	RUB	ALL	ROSBANK OAO
	USD	ALL	ROSBANK OAO
SAUDI ARABIA	SAR	BONDS & MUTUAL FUNDS	THE SAUDI BRITISH BANK
SERBIA	RSD	ALL	SOCIETE GENERALE BANKA SRBIJA AD BEOGRAD
SINGAPORE	SGD	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD
	USD	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD
SLOVAKIA	EUR	ALL	CESKOSLOVENSKA OBCHODNI BANKA A.S
SLOVENIA	EUR	EQUITIES & Domestic Funds	SKB BANKA D.D.
		DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
SOUTH AFRICA	ZAR	ALL	SOCIETE GENERALE JOHANNESBURG
SOUTH KOREA	KRW	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD
SPAIN	EUR	ALL	SOCIETE GENERALE MADRID
SWEDEN	SEK	EQUITIES & Domestic Funds	NORDEA BANK SWEDEN
	SEK	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
SWITZERLAND	Multi-ccy	EQUITIES & Domestic Funds	SOCIETE GENERALE PARIS ZURICH
	CHF	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
	EUR	DOMESTIC BONDS & GDR	EUROCLEAR BANK SA/NV
TAIWAN	TWD	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD
THAILAND	THB	ALL	THE HONGKONG AND SHANGHAI BANKING CORP LTD

TUNISIA	TND	ALL	UNION INTERNATIONALE DE BANQUE
TURKEY	TRY	ALL	TURK EKONOMI BANKASI A.S.
U.A.E. ABU DHABI ADX / DFM /DFX Markets	AED	ALL	NATIONAL BANK OF ABU DHABI
	USD	ALL	NATIONAL BANK OF ABU DHABI
UKRAINE	EUR	ALL	BANK AUSTRIA CREDITANSTALT
UNITED KINGDOM	Multi-ccy	EQUITIES, DOMESTIC FUNDS & CORPORATE BONDS	EUROCLEAR BANK SA/NV
		GILTS	EUROCLEAR BANK SA/NV
UNITED STATES	USD	EQUITIES, CORPORATE BONDS & ADR	BROWN BROTHERS HARRIMAN
		GOVERNMENT BONDS	BROWN BROTHERS HARRIMAN
UNITED STATES	USD	LOW PRICED SECURITIES	BNP PARIBAS U.S.A - NEW YORK BRANCH
VIETNAM	VND	ALL	HSBC

**SUPPLEMENT 1**  
**DATED 1 July 2020 to the Prospectus issued for**  
**Ocean Dial Investment Funds ICAV**

**OCEAN DIAL GATEWAY TO INDIA FUND**

**This Supplement dated 1 July 2020 replaces the Supplement dated 22 May 2019.**

This Supplement contains information relating specifically to Ocean Dial Gateway to India Fund (the “Fund”), a Sub-Fund of Ocean Dial Investment Funds ICAV (the “ICAV”), an open-ended umbrella fund with segregated liability between sub-funds authorised by the Central Bank as a UCITS pursuant to the UCITS Regulations.

**This Supplement forms part of and should be read in the context of and in conjunction with the Prospectus for the ICAV dated 22 May, 2019 (the “Prospectus”).**

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

Investors should read and consider the section of the Prospectus entitled “The ICAV; Risk Factors” before investing in the Fund.

**The Fund may use financial derivative instruments for investment purposes and/or efficient portfolio management purposes. In relation to the leveraged effect of investment in financial derivative instruments, see the fourth paragraph under the heading “Financial Derivative Instruments” below.**

**An investment in the Fund should not constitute a substantial proportion of an investment portfolio and may not be appropriate for all investors. The Fund is suitable for investors who are prepared to accept a higher level of volatility.**

Currently the Fund carries out its investment objective by investing substantially through its subsidiary, Ocean Dial Gateway to India (Mauritius) Limited (the “Mauritian Subsidiary”) However, it is the intention to invest directly through the Fund and phase out the use of the Mauritian Subsidiary for investing in India. This transition will be phased over time so as not to incur substantial additional costs.

## **1. Interpretation**

The expressions below shall have the following meanings:

“Base Currency”	means US Dollars.
“Business Day”	means any day (except Saturday or Sunday) on which the Bombay Stock Exchange or the National Stock Exchange of India Limited are generally open for business or such other day or days as may be determined by the Directors and notified to Shareholders.
“Dealing Day”	means each Business Day and/or such other day or days as may be determined by the Directors and notified to all Shareholders in advance provided that there shall be at least two Dealing Days per month which shall occur at regular intervals.
“Dealing Deadline”	means, with respect to each Dealing Day, 1.30 pm (Irish time) on the Business Day preceding the relevant Dealing Day or such other time for the relevant Dealing Day as the Directors may determine and notify Shareholders in advance provided always that the Dealing Deadline is no later than the Valuation Point.
“Initial Offer Period”	means the period determined by the Directors during which Shares in each unlaunched Class (being Class K US\$, Class L Euro, Class M GBP, Class N US\$, Class O Euro, Class P GBP, Class Q US\$, Class R Euro and Class S GBP) are offered for subscription at the Initial Offer Price which will commence at 9.00 a.m. (Dublin time) on the first Business Day subsequent to the date of this Supplement and will close at 5.00 p.m. (Dublin time) on 18 December 2020 in respect of each such Class.
“Initial Offer Price”	means US\$100, GBP 100 or EUR 100 depending on the designated currency of the relevant Class.
“Minimum Holding”	means US\$5,000 for all Classes or the equivalent in other currencies.
Minimum Initial Subscription”	means US\$5,000 for all Classes or the equivalent in other currencies.
“Minimum Transaction Size”	means US\$1,000 for all Classes or the equivalent in other currencies.
Multicap Strategy	means that the Fund can invest in a broad range of large, mid and small cap companies. The investment style is market cap agnostic

“Valuation Point” means 4.00 pm (Irish time) on the Business Day preceding the relevant Dealing Day.

All other defined terms used in this Supplement shall have the same meaning as in the Prospectus.

## **2. Investment Objective**

The investment objective of the Fund is to provide long term capital appreciation.

There can be no assurance that the Fund will achieve its investment objective.

## **3. Investment Policy**

### **Investment Policy**

The Fund intends to achieve its investment objective by investing primarily in a diversified portfolio of multi-cap equities and equity related securities of (i) companies that have their registered office in India and are listed on Recognised Exchanges worldwide, (ii) companies that exercise a preponderant part of their economic activity in India and are listed on Recognised Exchanges worldwide and/or (iii) companies whose equity and equity related securities are listed, traded or dealt in on Indian stock exchanges listed in Appendix II of the Prospectus.

Subject to the UCITS Regulations and the terms and conditions of the Central Bank relating to the use of such instruments as more fully described in Appendix I and Appendix III to the Prospectus, the Fund (either directly or through investment in the Mauritian Subsidiary) may use derivative instruments as set out below for investment purposes and/or efficient portfolio management purposes. Derivatives will be traded on Recognised Exchanges worldwide.

In relation to the equity related securities in which the Fund may invest, these may include, but are not limited to, preference shares, convertible bonds, convertible preference shares, American Depositary Receipts and Global Depositary Receipts.

The Fund has no restrictions as to the proportion of assets allocated to companies in any particular economic sector.

Investment may either be made directly or through the Mauritian Subsidiary.

The Fund will not invest (either directly or through investment in the Mauritian Subsidiary) in unlisted securities.

The Fund may also invest in government bonds which may be fixed rate and investment grade or below investment grade, as determined by Standard & Poor's Rating Group or Moody's Inc. No more than 20% of Net Asset Value of the Fund shall be invested in below investment grade securities. Investment in government bonds is not intended to be a primary part of the portfolio.

The Fund may also retain amounts in cash, cash equivalents and money market instruments

(including, but not limited to, cash deposits, commercial paper and certificates of deposit) in the appropriate circumstances. Such circumstances may include but are not limited to where market conditions may require a defensive investment strategy, the holding of cash on deposit pending reinvestment, the holding of cash in order to meet redemptions and payment of expenses and/or in order to support derivative exposure.

The Investment Manager may (either directly or through investment in Mauritian Subsidiary) also gain exposure to collective investment schemes established as money market funds. Any investment in such collective investment schemes shall not exceed in aggregate 10 per cent of the Net Asset Value of the Fund.

The Fund will measure its performance against the S&P BSE 500 (Bloomberg Ticker BSE500) (the "Index"). The Index is designed to be a broad representation of the Indian market. Consisting of the top 500 companies listed at BSE Ltd., the Index covers all major industries in the Indian economy. Further information in relation to the Index can be found at <https://www.asiaindex.co.in/indices/equity/sp-bse-500>

The Fund is considered to be actively managed in reference to the Index by virtue of the fact that it uses the Index for performance comparison purposes and the performance fees payable to the Investment Manager are calculated based on the performance of the Fund against the Index. However, the Index is not used to define the portfolio composition of the Fund.

### *Investment Strategy*

The strategy of the Investment Manager is based on security selection driven by a fundamental research process which identifies companies described above which are considered to be undervalued in relation to their historic price, industry competitors or the overall market, or to have prospects for above average earnings growth or which are in sectors which it is believed will experience above average growth.

The strategy is both market cap and style agnostic and seeks to deliver consistent outperformance that is repeatable on a long term basis by combining a blend of opportunity sets which may include, but not exclusively, an amalgamation of the following:-

- Companies which the Investment Manager views as consistent quality compounders. These businesses tend to operate in industries with structural tailwinds, and opportunities to grow both through gaining market share from less dynamic incumbents (often state-owned enterprises) and through expansion into an underpenetrated customer base; and
- Companies that are undergoing a journey where underlying business fundamentals are improving (or are set to improve) and this has not yet been recognised by the market. These opportunities often materialise through industry disruption where the Investment Manager aims to identify the winners and losers, or where a company announces or undergoes transformation initiatives that are viewed irrationally by its existing shareholder base thereby creating mispricing.

- Companies with strong capital efficiency that have been overlooked at a point during the economic cycle principally because other themes, sectors, or market capitalisation segments are more “in vogue”. The Investment Manager seeks to ensure that when exploiting these opportunities, a sufficient margin of safety is reflected in the share price at the point of entry.-
- Companies which display counter-cyclical element to their operations (i.e. companies whose market value has fallen because operational performance has been weak but which are expected to recover when their particular business cycle re-emerges). The Investment Manager will aim to capture opportunities to gain exposure to high quality businesses with a credible track record in long term value creation, but which have been forsaken by investors as a consequence of a period where business growth is experiencing a temporary slowdown. This can result in an opportunity to invest in a high quality business at a discount to the Investment Manager’s assumption of fair value.

The Fund will manage the portfolio on an active basis and may have a high turnover rate. There is not necessarily a relationship between a high turnover rate and performance.

#### *Borrowing Powers*

The Fund may only borrow on a temporary basis and the aggregate amount of such borrowings may not exceed 10% of the Net Asset Value of such Fund. Subject to this limit, the Directors may exercise all borrowing powers on behalf of the Fund.

The Fund may acquire foreign currency by means of a back-to-back loan agreement. Foreign currency obtained in this manner is not classified as borrowing for the purposes of the borrowing restrictions set out at above provided that the offsetting deposit equals or exceeds the value of the foreign currency loan outstanding.

In accordance with the provisions of the UCITS Regulations, the ICAV may charge the assets of the Fund as security for its borrowings.

#### ***Financial Derivative Instruments***

Subject to the UCITS Regulations and the terms and conditions of the Central Bank relating to the use of such instruments as more fully described in Appendix I and Appendix III to the Prospectus, the Fund (either directly or through investment in the Mauritian Subsidiary) may use the following derivative instruments for investment purposes and/or efficient portfolio management purposes. Derivatives will be traded on Recognised Exchanges worldwide.

#### *Futures*

The Fund may purchase various kinds of futures contracts, including single stock futures, currency futures and index futures which are traded on Recognised Exchanges worldwide as a means of providing a cost effective and efficient mechanism for taking positions in securities or in order to hedge against changes in securities prices or in order to hedge the currency exposure between the Base Currency and the currency of denomination of the underlying assets of the Fund. Any securities

to which exposure is obtained through futures will be consistent with the investment policies of the Fund.

### *Options*

The Fund may purchase call and put options on any security consistent with the investment policies of the Fund provided such options are traded on Recognised Exchanges Worldwide (i.e. index options and single stock options). Options may be used for hedging purposes in order to “lock in” gains and/or protect against future declines in value on the securities which the Fund holds or to provide an efficient, liquid and effective mechanism for taking position in securities. Currency options may also be used for hedging purposes.

The Fund may use financial derivative instruments described herein for both investment purposes and for the purposes of hedging. The leverage of the Fund as a result of the use of financial derivative instruments shall be calculated using the Commitment Approach and will not exceed 20% of the Net Asset Value of the Fund.

The Fund is expected to have a high volatility profile due to the nature of its investments.

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

The use of derivative instruments for the purposes outlined above may expose the Fund to the risks disclosed under the section of the Prospectus entitled “The ICAV; Risk Factors”.

### **Investment Advisor**

The Investment Manager has appointed Ocean Dial Asset Management India Private Limited as an investment advisor to the Fund (“ODAMIL”). This entity will provide investment analysis and non-binding investment advice to the Investment Manager. Any fee payable to ODAMIL shall be discharged by the Investment Manager.

ODAMIL, which is based in Mumbai, India, has a team of analysts headed by an experienced fund manager, Tridib Pathak. Tridib Pathak’s career in the Indian financial markets stretches back 30 years, originally appraising project finance and term lending for a public sector bank. He moved across to a research focused role initially as a Senior Credit Rating analyst, before joining UBS Securities (India) where he was responsible for Oil and Gas equity research pan Asia, a team which was industry ranked during his tenure. Tridib moved to the buy side in 1999, managing domestic equity portfolios for a local subsidiary of a large US mutual fund manager. Between 2004 & 2009 he was Chief Investment Officer of two domestic asset management companies, both of which were also

joint ventures with international managers, the latter being Fullerton Fund Management, a Government of Singapore-owned investment entity. Over his long career he has maintained a consistent investment style, based on a process orientated, bottom up, fundamental approach to stock picking and portfolio construction, regardless of benchmark considerations and with a long term outlook.

#### **4. Offer**

Shares in the Fund will be offered in the following Classes:

- Class A US\$
- Class B Euro
- Class C GBP
- Class G GBP
- Class K US\$
- Class L Euro
- Class M GBP
- Class N US\$
- Class O Euro
- Class P GBP
- Class Q US\$
- Class R Euro
- Class S GBP

The net proceeds of subscriptions into the Fund are converted to Indian Rupee. The Fund does not hedge against any fluctuations in the exchange rate of the Indian Rupee and as such the Fund (and therefore its Shareholders) face exposure to any adverse movements in the exchange rate of the Indian Rupee.

Class A US\$, Class B Euro, Class C GBP and Class G GBP are launched but closed to new investors. Holders of Shares in Class A US\$, Class B Euro, Class C GBP, and Class G GBP may still subscribe for further Shares at the current Net Asset Value per Share of the relevant Class.

Shares in each of the other Classes will initially be offered for subscription during the Initial Offer Period of each such Class at the Initial Offer Price and, subject to acceptance of applications for

Shares by the ICAV, will be issued for the first time on the first Business Day after expiry of the Initial Offer Period for each such Class.

The Initial Offer Period in respect of the unlaunched Classes may be shortened or extended by the Directors. The Central Bank will be notified in advance of any such shortening or extension if subscriptions for Shares have been received and otherwise on an annual basis. After the initial offer of Shares in any unlaunched Class, Shares in such Class will be issued at the Net Asset Value per Share.

## **5. Dealing in Shares**

Investors may subscribe for Shares, may make redemption requests and may make conversion requests in accordance with the provisions set out in the Prospectus provided in each case that the Minimum Holding, Minimum Initial Subscription and Minimum Transaction Size applicable to the relevant Class is complied with.

The Directors reserve the right to differentiate between Shareholders as to and waive or reduce the Minimum Initial Subscription, Minimum Holding and Minimum Transaction Size in accordance with the requirements of the Central Bank. Any change to the Minimum Holding or Minimum Transaction Size will be disclosed to Shareholders.

## **6. Suspension of Dealing**

Shares may not be issued, redeemed or converted during any period when the calculation of the Net Asset Value of the Fund is suspended in the manner described in the Prospectus under the heading "Suspension of Valuation of Assets". Applicants for Shares and Shareholders requesting redemption and/or conversion of Shares will be notified of such suspension and, unless withdrawn, applications for Shares will be considered and requests for redemption and/or conversion will be processed as at the next Dealing Day following the ending of such suspension.

## **7. Fees and Expenses**

Unless otherwise outlined below, the Fund shall bear its attributable portion of the fees and operating expenses of the ICAV. The fees and operating expenses of the ICAV are set out in detail under the heading "Fees and Expenses" in the Prospectus.

### ***Administrator and Depositary Fees***

In the case of each Class, the ICAV shall pay to the Administrator out of the assets of the Fund attributable to such Class an annual fee, accrued at each Valuation Point and payable monthly in arrears at a rate which will not exceed 0.07% per annum of the Net Asset Value of the Fund before Performance Fee accrual, attributable to such Classes, subject to a minimum annual fee of US\$60,000 (plus VAT, if any, thereon). The Administrator shall also be entitled to fees for the preparation of financial statements and provision of company secretary services and fees in respect of any other services as may be engaged in by agreement with the ICAV from time to time. Such fees shall be at normal commercial rates. The ICAV shall also pay the Administrator a fixed fee for transfer

agency services of US\$500 per month in respect of the Fund plus a transaction fee of \$10 per trade executed up to 150 trades per month and a transaction fee of \$5 per trade for each trade executed in excess of 150 trades per month.

In the case of each Class, the ICAV shall pay the Depositary out of the assets of the Fund attributable to each Class an annual trustee fee accrued at each Valuation Point and payable monthly in arrears at a rate which shall not exceed 0.015% per annum of the Net Asset Value of the Fund attributable to such Class subject to a minimum monthly trustee fee of US\$1,000 (plus VAT, if any, thereon) in respect of the Fund. The Depositary shall also be entitled to a yearly fixed fee of €1,500 to cover cash monitoring obligations.

The Depositary shall also be entitled to be repaid out of the assets of the Fund for all of its reasonable disbursements incurred on behalf of the Fund, including the safe-keeping fees and expenses of any sub-custodian (which shall be at normal commercial rates) and transaction charges (which shall also be at normal commercial rates) levied by the Depositary or any sub-custodian and any applicable taxes it incurs on behalf of the Fund. Such custody fees shall accrue and be payable monthly in arrears.

***Investment Management and Distribution Fee for Class A US\$, Class B Euro, Class C GBP and Class G GBP***

The Investment Manager shall be entitled to a maximum annual investment management and distribution fee equal to a percentage of the Net Asset Value of Class A US\$, Class B Euro, Class C GBP and Class G GBP as outlined in the table below. Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

<b>Class of Shares</b>	<b>Investment Management and Distribution Fee (Based on % per annum of NAV per Class)</b>
Class A US\$	1.25%
Class B Euro	1.25%
Class C GBP	1.25%
Class G GBP	0.95%

All fees payable to the Investment Manager in respect of Class A US\$, Class B Euro, Class C GBP and Class G GBP will be calculated in the designated currency of the relevant Class and payable in US Dollars. The Fund shall bear the cost of any value added tax applicable to any amount payable to the Investment Manager.

***Fee Cap for Class A US\$, Class B Euro, Class C GBP and Class G GBP***

Notwithstanding the above, in order to assist the Fund in minimising its ongoing expenses, it is the current intention that the fees and operating expenses which may be charged to Class A US\$, Class B Euro, Class C GBP and Class G GBP shall in aggregate be capped at 1.0% per annum of the Net Asset Value of the relevant Class for the foreseeable future (the “TER Cap”).

Such fees and operating expenses which are included in this TER Cap shall include (i) the Administrator's fees and expenses, (ii) the Depositary's fees and expenses and (iii) the Investment Manager's investment management and distribution fees and expenses, together with all other operational expenses as disclosed in the section of the Prospectus entitled "Operating Fees and Expenses".

The Investment Manager will either absorb or receive any difference between the actual fees and expenses as described above incurred by these Classes and this TER Cap. Fees payable to the Depositary, the Administrator and, if applicable, to the Investment Manager shall be accrued at each Valuation Point and shall be payable monthly in arrears.

The TER Cap will be reviewed on a periodic basis by the Investment Manager. Any increase or removal of the TER Cap in respect of any Class will be notified to Shareholders of that Class at least 3 months in advance.

***Investment Management and Distribution Fee for Class K US\$, Class L Euro, Class M GBP, Class N US\$, Class O Euro, Class P GBP, Class Q US\$, Class R Euro and Class S GBP***

The Investment Manager shall be entitled to a maximum annual investment management and distribution fee equal to a percentage of the Net Asset Value of Class K US\$, Class L Euro, Class M GBP, Class N US\$, Class O Euro, Class P GBP, Class Q US\$, Class R Euro and Class S GBP (before the accrual of any performance fees) as outlined in the table below. Such fee shall be calculated and accrued at each Valuation Point and payable monthly in arrears.

<b>Class of Shares</b>	<b>Investment Management and Distribution Fee (Based on % per annum of NAV per Class before accrual of any Performance Fees)</b>
Class K US\$	0.45%
Class L Euro	0.45%
Class M GBP	0.45%
Class N US\$	0.45%
Class O Euro	0.45%
Class P GBP	0.45%
Class Q US\$	0.90%
Class R Euro	0.90%
Class S GBP	0.90%

All fees (including any performance fees as detailed below) payable to the Investment Manager in respect of Class K US\$, Class L Euro, Class M GBP, Class N US\$, Class O Euro, Class P GBP, Class Q US\$, Class R Euro and Class S GBP will be calculated in the designated currency of the relevant Class and payable in US Dollars. The Fund shall bear the cost of any value added tax applicable to any amount payable to the Investment Manager.

***Performance Fees Applicable to Class K US\$, Class L Euro and Class M GBP***

In addition to the above fees, the ICAV will pay the Investment Manager a performance fee (the "Performance Fee") in relation to Class K US\$, Class L Euro and Class M GBP Shares in respect of each calendar year (the "Performance Period").

In the case of the first Performance Period, the Performance Period in respect of each Class will commence on the first Business Day after expiry of the Initial Offer Period of that Class and will end on the last Business Day of the calendar year in which such Business Day occurred. In the case of subsequent Performance Periods, it will commence on the first Business Day after the previous Performance Period and will end on the last Business Day of the calendar year in which such Business Day occurred. The last Performance Period in relation to Class K US\$, Class L Euro and Class M GBP will end on the earlier of the date of termination of Investment Management Agreement and the date of the termination of that Class of Shares.

The calculation of the Performance Fee shall be verified by the Depositary. For each of Class K US\$, Class L Euro and Class M GBP, a Performance Fee will be payable in respect of a Performance Period if the performance per Share of the relevant Class exceeds the performance of the Index (as detailed in Section 3 "Investment Policy" above), such excess performance, expressed as a percentage, being the percentage outperformance per Share of that Class of Shares (the "Net Percentage Outperformance").

The Performance Fee payable in respect of Class K US\$, Class L Euro and Class M GBP will be the relevant Net Asset Value of the relevant Class on the last Business Day of the relevant Performance Period multiplied by the Net Percentage Outperformance per Share multiplied by 20%. The total Performance Fee per Share payable in respect of each Performance Period will be equal to the Performance Fee as calculated divided by the number of Shares in issue in the relevant Class at the relevant Valuation Point.

The performance per Share of the relevant Class of Shares, in respect of the Performance Period is the difference, expressed as a percentage, between the Net Asset Value per Share on the first Business Day after the previous Performance Period and the Net Asset Value per Share on the last Business Day of the current Performance Period (the "Class Performance").

The performance of the Index in respect of the Performance Period is the difference between the level of the Index on the first Business Day after the previous Performance Period, and the level of the Index on the last Business Day of the current Performance Period, expressed as a percentage (the "Index Performance").

In the case of the first Performance Period, (i) the Index Performance shall be the difference between the level of the performance of the Index on the first Business Day after expiry of the Initial Offer Period and the last Business Day of that Performance Period, expressed as a percentage and (ii) the Class Performance shall be the difference between the initial offer price of the Class and the Net Asset Value per Share on the last Business Day of that Performance Period, expressed as a percentage.

The Net Percentage Outperformance in respect of Performance Periods where the Class

Performance is greater than Index Performance is the difference between Index Performance and Class Performance, expressed as a percentage.

If the performance per Share of the relevant Class of Shares for a Performance Period is less than the Index for the relevant Performance Period, such underperformance, expressed as a percentage (the "Net Percentage Underperformance"), will be carried forward. No Performance Fee will be payable with respect to the relevant Class of Shares in any Performance Period unless the Class Performance measured against the Index Performance has recovered any accumulated Net Percentage Underperformance for previous Performance Periods.

In the Performance Period in which any accumulated Net Percentage Underperformance is recovered, only that part of the Net Percentage Outperformance for such period as exceeds the accumulated Net Percentage Underperformance carried forward is taken into account for the purposes of calculating the Performance Fee payable for the period.

For the purposes of calculating the Performance Fee, the current Net Asset Value per Share shall be determined prior to the accrual of any Performance Fee applicable to such Shares, but after the deduction of all other Fund expenses, (including the Investment Manager's investment management and distribution fee, if any), and will have any relevant distributions attributable to the Class added back into the Net Asset Value.

The Performance Fee with respect to Class K US\$, Class L Euro and Class M GBP Shares accrues at each Valuation Point and is payable yearly (by reference to the relevant Performance Period) in arrears within 10 days of the end of that Performance Period out of the assets of the Fund attributable to the relevant Shares.

However, if a Shareholder redeems Shares of one of these Classes during a Performance Period on a Dealing Day in respect of which there is an accrued Performance Fee, the accrued Performance Fee attributable to the Shares being redeemed will be crystallised and payable to the Investment Manager.

The Performance Fee will be payable in situations where the Net Asset Value per Share declines over the Performance Period, provided that there has been a Net Percentage Outperformance of the Index over the Performance Period.

The Investment Manager may choose in its absolute discretion not to charge a Performance Fee in respect of a particular Performance Period.

In the event that the ICAV is liquidated, or the Fund or the Investment Management Agreement is terminated prior to the end of a Performance Period, the Performance Fee will be computed as though the effective date of the liquidation of the ICAV or termination of the Fund or the Investment Management Agreement, as appropriate, was the end of a Performance Period.

**Net realised and unrealised capital gains and net realised and unrealised capital losses will be included in the Performance Fee calculation as at the end of the relevant Performance Period. As a result, a Performance Fee may be paid on unrealised gains which may subsequently**

**never be realised.**

The Directors of the ICAV reserve the right to terminate Class K US\$, Class L Euro or Class M GBP on giving Shareholders of the relevant Class not less than four weeks' notice and not more than twelve weeks' notice expiring on a Dealing Day in accordance with the section of the Prospectus entitled "Total Redemption of Shares".

***Performance Fees Applicable to Class N US\$, Class O Euro and Class P GBP***

In addition to the above fees, the ICAV will pay the Investment Manager a performance fee (the "Performance Fee") in relation to Class N US\$, Class O Euro and Class P GBP in respect of each calendar year (the "Performance Period").

In the case of the first Performance Period, the Performance Period in respect of each Class will commence on the first Business Day after expiry of the Initial Offer Period of that Class and will end on the last Business Day of the calendar year in which such Business Day occurred. In the case of subsequent Performance Periods, it will commence on the first Business Day after the previous Performance Period and will end on the last Business Day of the calendar year in which such Business Day occurred. The last Performance Period in relation to Class N US\$, Class O Euro and Class P GBP will end on the earlier of the date of termination of Investment Management Agreement and the date of the termination of that Class of Shares.

The calculation of the Performance Fee shall be verified by the Depositary.

For each of Class N US\$, Class O Euro and Class P GBP a Performance Fee will be payable in respect of a Performance Period if the performance per Share of the relevant Class exceeds the Index (as detailed in Section 3 "Investment Policy" above), such performance, expressed as a percentage, being the percentage outperformance per Share of that Class of Shares (the "Net Percentage Outperformance").

The Performance Fee payable in respect of Class N US\$, Class O Euro and Class P GBP will be the relevant Net Asset Value of the relevant Class on the last Business Day of the relevant Performance Period multiplied by the Net Percentage Outperformance per Share multiplied by 20%. The total Performance Fee per Share payable in respect of each Performance Period will be an amount equal to the Performance Fee as calculated divided by the number of Shares in issue in the relevant Class at the relevant Valuation Point.

The performance per Share of the relevant Class of Shares in respect of the Performance Period is the difference, expressed as a percentage, between the Net Asset Value per Share on the first Business Day after the previous Performance Period and the Net Asset Value per Share on the last Business Day of the current Performance Period (the "Class Performance").

The performance of the Index in respect of the Performance Period is the difference between the level of the Index on the first Business Day after the previous Performance Period, and the level of the Index on the last Business Day of the current Performance Period, expressed as a percentage (the "Index Performance").

In the case of the first Performance Period, (i) the Index Performance shall be the difference between the level of the performance of the Index on the first Business Day after expiry of the Initial Offer Period and the last Business Day of that Performance Period, expressed as a percentage and (ii) the Class Performance shall be the difference between the initial offer price of the Class and the Net Asset Value per Share on the last Business Day of that Performance Period, expressed as a percentage.

The Net Percentage Outperformance in respect of Performance Periods where the Class Performance is greater than Index Performance is the difference between Index Performance and Class Performance, expressed as a percentage

If the performance per Share of the relevant Class of Shares for a Performance Period is less than the Index for the relevant Performance Period, such under performance, expressed as a percentage (the "Net Percentage Underperformance") will be carried forward. No Performance Fee will be payable with respect to the relevant Class of Shares in any Performance Period unless the Class Performance measured against the Index Performance has recovered any accumulated Net Percentage Underperformance for previous Performance Periods.

In the Performance Period in which any accumulated Net Percentage Underperformance is recovered, only that part of the Net Percentage Outperformance for such period as exceeds the accumulated Net Percentage Underperformance carried forward is taken into account for the purposes of calculating the Performance Fee payable for the period.

For the purposes of calculating the Performance Fee, the current Net Asset Value per Share shall be determined prior to the accrual of any Performance Fee applicable to such Shares, but after the deduction of all other Fund expenses, (including the Investment Manager's investment management fee, if any), and will have any relevant distributions attributable to the Class added back into the Net Asset Value.

### Equalisation

If an investor subscribes for Class N US\$, Class O Euro or Class P GBP Shares ("**Relevant Shares**") at a time when the Class Performance of the relevant Class calculated as at the date of subscription, outperforms or underperforms the Index Performance, calculated as at the date of subscription, certain adjustments (as outlined below) will be made to reduce inequalities that could otherwise result to the investor or to the Investment Manager. The Class Performance and Index Performance are defined above.

#### 1. Subscriptions at a time when the Class Performance is underperforming against the Index

If Shares are subscribed for where the Class Performance of that Class as at the date of subscription is underperforming vis-à-vis the Index Performance calculated as at the date of subscription, the

Shareholder will be required to pay a Performance Fee with respect to any subsequent appreciation in the value of those Shares. With respect to any increase of the Class Performance from the date of subscription to the end of the next Performance Period, the Performance Fee will be charged at the end of the Performance Period by redeeming such number of the Shareholder's Shares that aggregate to a Net Asset Value (after accrual for any Performance Fee) equal to twenty per cent (20%) of any such increase (a "Performance Fee Redemption"). The aggregate Net Asset Value of the relevant Shares so redeemed will be paid to the Investment Manager as a Performance Fee. Performance Fee Redemptions ensure that the Fund maintains a uniform Net Asset Value per Class. As regards the Shareholder's remaining Shares, a Performance Fee will be charged to the relevant Shares in the normal manner for Net Percentage Outperformance. In the event that a Shareholder redeems Shares midway through a Performance Period and an adjustment is required to such Shares, such adjustment shall be deducted from the redemption proceeds and shall be paid to the Investment Manager.

## 2. Subscription at a time when Class Performance is outperforming the Index Performance

If Shares are subscribed where the relevant Class Performance at the time of the subscription is outperforming the Index Performance at the time of subscription, the Shareholder will be required to pay an amount in respect of the then net outperformance per Share equal to twenty per cent (20%) of the Net Percentage Outperformance multiplied by the then Net Asset Value (before deduction of any accrued performance fee (an "Equalisation Credit"). At the date of subscription, the Equalisation Credit will equal the Performance Fee per Share accrued with respect to the other Shares in the relevant Class (the "Maximum Equalisation Credit"). The Equalisation Credit accounts for the fact that the Net Asset Value per Share has been reduced to reflect an accrued Performance Fee to be borne by the relevant Class of Shares and serves as a form of credit against the Performance Fee that might otherwise be payable by the Class of Shares but that should not, in fairness, be charged against the holder of the Shares in that Class making the subscription (because, in relation to the new Shares of that Class, no favourable performance has yet occurred). The Equalisation Credit mechanism seeks to ensure that all Shares in a Class have the same amount of capital at risk per Share.

The additional amount invested as the Equalisation Credit will be at risk in the Class and will therefore appreciate or depreciate based on the net outperformance of the relevant Class subsequent to the issue of the Shares (but will never exceed the Maximum Equalisation Credit). In the event of a decline as at any Dealing Day in the Net Percentage Outperformance per Share, the Equalisation Credit will also be reduced by an amount equal to twenty percent (20%) of difference of the Net Percentage Outperformance at the date of issue and as at that Dealing Day. Any subsequent increase in the Net Percentage Outperformance of the relevant Class will result in the recapture of any reduction in the Equalisation Credit but only to the extent of the previously reduced Equalisation Credit up to the Maximum Equalisation Credit.

At the end of each Performance Period, if the Net Percentage Outperformance per Share is greater than the Net Percentage Outperformance per Share at date of subscription, that portion of the Equalisation Credit equal to twenty percent (20%) of the excess, multiplied by the number of Shares subscribed for by the Shareholder, will be applied to subscribe for additional Shares of the relevant Class for the Shareholder.

Additional Shares will continue to be so subscribed for at the end of each Performance Period until the Equalisation Credit, as it may have appreciated or depreciated after the original subscription for Shares was made, has been fully applied. If the Shareholder redeems his Shares before the Equalisation Credit has been fully applied, the Shareholder will receive additional redemption proceeds equal to the Equalisation Credit then remaining multiplied by a fraction, the numerator of which is the number of Shares being redeemed and the denominator of which is the number of Shares held by the Shareholder immediately prior to the redemption (in respect of which an Equalisation Credit was paid on subscription).

The Performance Fee with respect to Class N US\$, Class O Euro and Class P GBP Shares accrues at each Valuation Point and is payable yearly (by reference to the relevant Performance Period) in arrears within 10 days of the end of that Performance Period out of the assets of the Fund attributable to the relevant Shares.

However, if a Shareholder redeems Shares of a Class during a the Performance Period on a Dealing Day in respect of which there is an accrued Performance Fee the accrued Performance Fee attributable to the Shares being redeemed will be crystallised and payable to the Investment Manager.

The Performance Fee will be payable in situations where the Net Asset Value per Share declines over the Performance Period, provided that there has been a Net Percentage Outperformance of the Index over the Performance Period.

The Investment Manager may choose in its absolute discretion not to charge a Performance Fee in respect of a particular Performance Period.

In the event that the ICAV is liquidated, or the Fund or the Investment Management Agreement is terminated prior to the end of a Performance Period, the Performance Fee will be computed as though the effective date of the liquidation of the ICAV or termination of the Fund or the Investment Management Agreement, as appropriate, was the end of a Performance Period.

**Net realised and unrealised capital gains and net realised and unrealised capital losses will be included in the Performance Fee calculation as at the end of the relevant Performance Period. As a result a Performance Fee may be paid on unrealised gains which may subsequently never be realised.**

The Directors of the ICAV reserve the right to terminate Class N US\$, Class O Euro or Class P GBP on giving not less than four weeks' notice and not more than twelve weeks' notice expiring on a Dealing Day to Shareholders in accordance with the section of the Prospectus entitled "Total Redemption of Shares".

### ***Sales Commission***

It is not current intention of the Directors to charge sales commission, If at any stage in the future it is proposed to charge sales commission, reasonable notice shall be given to Shareholders.

### ***Redemption Fee***

No redemption fee will be levied.

### ***Conversion Fee***

It is not the current intention of the Directors to charge a conversion fee. If at any stage in the future it is proposed to charge a conversion fee, reasonable notice shall be given to Shareholders.

## **8. Dividends and Distributions**

Dividends (if any) will normally be declared by the Fund on the next Business Day following 31 March in each year and will be paid to Shareholders appearing on the register of Shares of the relevant Class at the close of business on that date on or before 30 April in that year.

Payments of dividends to Shareholders will be made in the currency of denomination of the Class by telegraphic transfer to an account designated by the Shareholders in the Application Form. In the event that Shares are held in joint names, dividends may be sent to the first named Shareholder appearing on the register.

Dividends shall be paid out of the net income received by the ICAV in respect of the relevant Class (i.e. income less accrued expenses) (whether in the form of dividends, interest or otherwise) during the Accounting Period, subject to certain adjustments.

Shareholders may elect for dividends to be reinvested by the Investment Manager in payment for additional Shares of the same Class in the Fund. Such election may be made by completing the appropriate section of the Application Form.

The Directors may at any time determine to change the policy of the Fund with respect to distribution. If the Directors so determine full details of any such change will be disclosed in an updated prospectus or supplement and all shareholders will be notified in advance of such change becoming effective.

It is intended that the ICAV will apply annually to HM Revenue and Customs for approval of Class A, Class B, Class C, Class G, Class K, Class L, Class M, Class N, Class O, Class P, Class R and Class S of the Fund as “reporting funds”. The Directors intend to take all practicable steps, consistent with applicable laws, regulatory requirements and investment objectives and policies of the Fund to facilitate such approval.

Further details are set out under the headings “The ICAV-Dividend Policy” and “Taxation-UK Taxation” in the Prospectus.

## **9. The Mauritian Subsidiary**

### ***Mauritian Subsidiary Structure***

The Fund, in accordance with the requirements of the Central Bank, currently invests in Indian securities described above via Ocean Dial Gateway to India (Mauritius) Limited, which is a wholly owned subsidiary of the ICAV on account of the Fund, for efficient portfolio management purposes and due to locational advantage, time zone advantage and proximity to India (the “Mauritian Subsidiary”).

The Mauritian Subsidiary is registered with the Securities and Exchange Board of India (SEBI) as a foreign portfolio investor (“FPI”) with a Category I licence.

The Mauritian Subsidiary will pursue the same investment objective as the Fund and will be subject to the same investment policies, restrictions and guidelines of the Fund and the ICAV generally but subject at all times to any applicable law, regulations or guidelines applicable to the Mauritian Subsidiary. The Mauritian Subsidiary is and will continue, subject to the overall supervision of its board of directors, to be managed by the Investment Manager.

The registered address of the Mauritian Subsidiary is:

Ocean Dial Gateway to India (Mauritius) Limited  
C/o Apex Fund Services (Mauritius) Ltd.  
4th Floor, 19 Bank Street,  
Cybercity  
Ebene 722201, Mauritius

The Mauritian Subsidiary holds a Category 1 Global Business Corporations (GBC) Licence issued by the Mauritius Financial Services Commission (FSC) and is authorised to conduct business as an investment holding company.

### *Share Capital Structure*

The share capital of the Mauritian Subsidiary comprises ordinary shares of no par value. These shares shall carry the right to vote and following the share for share exchange described above, can be repurchased at any time by the Mauritian Subsidiary.

### *Management and Administration*

#### Directors

The Directors of the ICAV will form a majority of the board of the Mauritian Subsidiary and will maintain full control over the activities of the Mauritian Subsidiary. The board of the Mauritian Subsidiary shall at all times comprise of at least two Mauritius resident directors. Consequently given the board of the Mauritian Subsidiary comprises three directors, the Mauritian Subsidiary is controlled and managed from Mauritius.

#### Mauritius Administrator

Pursuant to an administration agreement entered into between Apex Fund Services (Mauritius) Ltd.

(the “Mauritius Administrator”), the ICAV and the Mauritian Subsidiary dated 27 September, 2013, the Mauritius Administrator has been appointed to act as the administrator of the Mauritian Subsidiary. The Mauritius Administrator is a licensed management company based in Mauritius and regulated by the FSC. It specializes in the provision of fund administration services, accounting, registrar, corporate secretarial and advisory services amongst others.

The Administrator will value the underlying assets of the Mauritian Subsidiary in compliance with the CBI UCITS Regulations.

The address of the Mauritius Administrator is 4<sup>th</sup> Floor, 19 Bank Street, Cybercity, Ebene 72201, Mauritius.

#### Depository

Pursuant to a depository agreement between the ICAV, the Mauritian Subsidiary and the Depository dated 12 December, 2016 as may be amended from time to time, the Depository has been appointed to custody the assets of the Mauritian Subsidiary in accordance with the requirements of the Central Bank.

#### Investment Manager

Pursuant to an investment management (subsidiary) agreement dated 7 September 2012 between the Investment Manager, the ICAV and the Mauritian Subsidiary, the Investment Manager was appointed by the ICAV as investment manager to the Mauritian Subsidiary.

#### Auditor

BDO Mauritius has been appointed as the auditor of the Mauritian Subsidiary.

#### *Ongoing Expenses*

Ongoing expenses, including the fees of service providers, of Ocean Dial Gateway to India (Mauritius) Limited will be borne by Ocean Dial Gateway to India (Mauritius) Limited with the exception of the fees payable to the Investment Advisor which shall be discharged by the Investment Manager.

#### *Base Currency*

The base and reporting currency of Ocean Dial Gateway to India (Mauritius) Limited shall be USD.

## **10 Taxation**

The taxation of income and capital gains of Ocean Dial Gateway to India (Mauritius) Limited and of the Fund is subject to the fiscal law and practice of India, Mauritius and Ireland. The following summary of certain relevant tax provisions is subject to change, and does not constitute legal or tax advice. Ocean Dial Gateway to India (Mauritius) Limited, the ICAV and the Fund and their advisers accept no responsibility for any loss suffered by a Shareholder as a result of current, or changes in,

taxation law and practice.

Additionally, in view of the number of different jurisdictions where local laws may apply to Shareholders, this Supplement does not discuss the local tax consequences to potential investors arising from the acquisition, holding or disposition of any Class of Shares.

Shareholders should consult their own professional advisers on the relevant taxation considerations applicable to the acquisition, holding and disposal of any Class of Shares and the receipt of distributions under the laws of the countries in which they are liable to taxation.

### Mauritius

The Mauritius Finance Act 2018 introduced certain changes to the tax framework in Mauritius, effective from 1 January 2019. With these changes, the deemed foreign tax credit of 80% which was available to entities holding a Category 1 Global Business Corporations Licence (“GBL1”) with respect to their foreign source income, was abolished and instead a partial exemption regime was introduced on specific types of income, subject to satisfaction of certain substance requirements. In addition, the tax exemption which was available to GBL1 companies on interest income derived from a bank in Mauritius was also removed. Nevertheless, the Finance Act 2018 provided for grandfathering of entities which had been issued with a GBL1 on or before 16 October 2017 such that they would continue to be eligible for the deemed foreign tax credit of 80% until 30 June 2021. The interest income derived by such entities from Mauritian banks shall also continue to be exempted until 30 June 2021.

The Mauritian Subsidiary holds a GBL1 licence which was issued on 01 June 2010 and will therefore be eligible for the grandfathering provisions until 30 June 2021. Accordingly, the Mauritius Subsidiary will be liable to income tax in Mauritius at the rate of 15% on its net income but will continue to be entitled to a foreign tax credit equivalent to the higher of the actual foreign tax suffered or deemed foreign tax credit of 80% of the Mauritian tax on its foreign source income until 30 June 2021, resulting into an effective tax rate of 3% in Mauritius. Any interest income to be derived by the Mauritius Subsidiary from Mauritian banks shall also continue to be exempt from income tax until 30 June 2021.

Under the new rules, which shall be applicable to the Mauritius Subsidiary as from 1 July 2021, a company shall be eligible for an 80% partial exemption on the following specific incomes derived:

1. Foreign source dividend – The exemption will be granted provided that the dividend has not been allowed as a deduction in the source country for tax purpose, complies with its filing obligations under the Financial Services Act 2007 and the Companies Act 2001, as amended from time to time, and has adequate resources for holding and managing share participation.
2. Interest Income - In order to avail of the partial exemption, the company should:
  - carry out its “core income generating activities” in Mauritius which includes agreeing funding terms, setting the terms and duration of any financing, monitoring and revising any agreements, and managing any risks

- employ directly or indirectly suitably qualified persons to conduct its core income generating activities and incur a minimum expenditure proportionate to its level of activities.
3. Income derived by a Collective Investment Scheme (CIS), Closed End Fund, CIS Manager, CIS Administrator, investment adviser or asset manager, as the case may be, licensed or approved by the Financial Services Commission (FSC) established under the Financial Services Act 2007, as amended from time to time. The partial exemption will be available provided that the company satisfies the substance requirements as prescribed by the FSC (detailed below).
  4. Income derived by companies engaged in ship and aircraft leasing; subject to meeting the substance requirements (detailed below) in terms of direct and/or indirect employment and minimum expenditure for carrying out its “core income generating activities” in Mauritius. The “core income generating activities” includes agreeing funding terms, setting the terms and duration of any financing, monitoring and revising any agreements, and managing any risks.
  5. Profit received or receivable from a Permanent Establishment (PE) which a Mauritian company has in a foreign country.

It is to be noted that if a company claims the partial exemption with respect to any of the specified above-mentioned income, it will not be eligible to claim credit for actual foreign taxes suffered on such income.

It should also be highlighted that the above first **FOUR** partial income exemption is conditional subject to the company satisfying the substance requirements as mentioned in the circular letter issued by the FSC on 12 October 2018. The effective date of that circular was 01 January 2019 with respect to companies licensed after 16 October 2017. Companies licensed on or before 16 October 2017 are required to meet the substance required set out in the FSC Circular as and from 1 July 2021 when the new rules become applicable.

On assessing the substance requirement, the FSC expects that the Mauritius Subsidiary carries out, at all times, its core income generating activities (strategic decision making, managing and bearing principal risks, setting and agreeing on the principal terms to agreements) in, or from, Mauritius by:

1. employing, either directly or indirectly, (e.g. employment by the Mauritian Administrator) a reasonable number of suitably qualified persons to carry out the core activities
2. having a minimum level of expenditure, which is proportionate to its level of activities. In doing so, the FSC will refer to the indicative guidelines as set out in the following table.

Category	Sub-Category	Minimum Annual Expenditure (USD)	Minimum Employment in Mauritius (Direct or Indirect)
Non-Financial	Investment Holding (excluding IP rights) <sup>1</sup>	12,000	No minimum employment specified
	Non-Investment Holding	15,000	If annual turnover is : Less than USD 100m : minimum 1 More than USD 100m : minimum 2
Financial	CIS Manager / Asset Manager	30,000	If assets under management are : Less than USD 100m : minimum 1 Between USD 100m and USD 500m : minimum 2 More than USD 500m : minimum 3
	Institutions <sup>2</sup>	100,000	If annual turnover is : Less than USD 50m : minimum 1 Between USD 50m and USD 100m : minimum 2 More than USD 100m : minimum 3  <u>For Insurers</u> If annual gross premium is : Less than USD 50m : minimum 1 Between USD 50m and USD 100m : minimum 2 More than USD 100m : minimum 3
	Intermediaries <sup>3</sup>	30,000	1
	Others	25,000	1

1 GBCs holding IP Rights will be required to demonstrate that they have incurred expenditure in Mauritius which is proportionate to the research and development of the relevant IP Rights.

2 E.g. Insurance, Leasing, Credit Finance

3 E.g. Investment Adviser, Insurance Broker, Insurance Agent

Should the company not meet the above substance requirements, it will then be taxed at 15% with the ability to claim foreign tax credit actually suffered on its foreign income.

On 13 November 2018, the OECD's Inclusive Framework on BEPS approved updates to the results of reviews carried out with respect to preferential regimes under BEPS Action 5. The updates confirm that the tax regime adopted by Mauritius following the Finance Act 2018, including the Partial Exemption Regime, is not harmful.

Under the Income Tax Act, 1995 as it stands at the date of this Supplement, the Mauritian Subsidiary

would not be subject to capital gains tax in Mauritius. There is no withholding tax in Mauritius on any distributions whether by way of dividend or redemption proceeds to a person who is not tax-resident in Mauritius.

The Mauritian Subsidiary has obtained a Mauritian Tax Residence Certificate (the "TRC") from the Mauritian authorities and such certification is expected to be determinative of its resident status for India-Mauritius Double Taxation Avoidance Agreement (the "DTAA") purposes. The TRC is renewable on an annual basis subject to the Mauritian Subsidiary complying with certain conditions. The TRC will help the Mauritian Subsidiary to evidence its tax residence in Mauritius for the purposes of the DTAA. On this basis, the Mauritian Subsidiary should be entitled to certain reliefs from Indian tax, subject to the terms of the DTAA, the current tax law in India and subject to the place of effective management and control of it being in Mauritius at all material times. Please refer to the risk factor headed "Reliance on India/Mauritius Double Tax Avoidance Agreement" in this Supplement.

## India

### Taxation of the Fund (being a shareholder of the Mauritian Subsidiary) in India

Income arising from the transfer of shares of a foreign company entered into outside of India between two non-residents should ordinarily not be taxable in India. Accordingly, where the securities in the Mauritian Subsidiary are transferred by the Fund and the consideration is received by the Fund outside of India, any capital gains should not be subject to tax in India. Additionally, any distributions made by the Mauritian Subsidiary to the Fund should not attract any tax in India.

The Finance Act, 2012 amended the Income-tax Act, 1961 (the "ITA") to provide, inter alia, that an asset or a capital asset being any share or interest in a company or entity registered or incorporated outside India shall be deemed to be situated in India if the share or interest derives, directly or indirectly, its value substantially from the assets located in India.

The Finance Act 2015 (the "FA 2015") clarified that shares or interests of a foreign entity will be deemed to derive their value substantially from the assets located in India, if on the specified date, value of Indian assets:

- exceeds the amount of INR 100 million;
- represents at least 50% of the value of all the assets owned by the company; and the transferor of foreign assets (at any time in twelve months preceding the transfer) holds management or control, or voting power, or total share capital or total interest exceeding 5%.

### Taxation of the Mauritian Subsidiary in India

The Indian tax implications for the income earned by the Mauritian Subsidiary from Indian portfolio companies are set out below. The Mauritian Subsidiary is expected to have income in the form of capital gains, dividends and interest.

a. Dividends paid by an Indian company on which Dividend Distribution Tax (the "DDT") has been

paid, are exempt from tax in the hands of the Shareholders. Thus, any dividend distributed by the Indian portfolio companies will not be subject to tax in India, provided DDT at an effective rate of 20.555% (this comprises 15% tax plus a 12% surcharge on the amount of tax plus a 4% health and education cess on income-tax (“cess”) on the total of the tax and surcharge) has been paid on the amount of dividend, to be computed as prescribed in the ITA. However, dividend income received by a resident individual, Hindu-Undivided Family or partnership firm from a domestic company in excess of INR 1 million will be taxable at the rate of 10% on a gross basis plus applicable surcharge and cess.

- b. Interest income received on foreign currency convertible bonds will be taxed at a maximum rate of 10.920% (on the basis that income will exceed Rs 100 million. A Tax rate of 10.608 % will apply if income exceeds Rs 10 million, otherwise a tax rate of 10.4% will apply). Interest received from debt incurred in foreign currency will be taxed at a maximum rate of 21.84% (on the basis that income will exceed Rs 100 million. A tax rate of 21.216% will apply if income exceeds Rs 10 million; otherwise a tax rate of 20.8% will apply). Otherwise, the interest will be taxed at a maximum rate of 43.68% (on the basis that income will exceed Rs 100 million. A tax rate of 42.432% will apply if income exceeds Rs 10 million; otherwise a tax rate of 41.6% will apply). Effective from April 1, 2017, tax applicable on interest income under the DTAA was reduced to 7.5% subject to compliance with anti-avoidance requirements under the DTAA and the ITA.

Interest income received by way of:

- (i) interest on infrastructure debt fund set up in accordance with the guidelines prescribed by the central government,
- (ii) income received by any unit holder being foreign company from business trust approved by Regulatory authorities in India by way of any income distributions, and
- (iii) interest income received from specified Indian company in respect of long term monies borrowed in foreign currency from a source outside India by way of long term bonds or loans including infrastructure bonds before July 01, 2020 as approved by Central Government,

will be taxed at a maximum rate of 5.460% (on the basis that income will exceed Rs 100 million. A Tax rate of 5.304% will apply if income exceeds Rs 10 million; otherwise a tax rate of 5.20% will apply).

#### Avoidance of tax

The ITA contains provisions for avoidance of tax which are as follows:

- Where the owner of any securities (owner) sells or transfers coupon bearing securities, and buys back or reacquires the securities, then, if the result of the transaction is that any interest becoming payable in respect of the securities is receivable otherwise than by the owner, the interest payable

as aforesaid shall, whether it would or would not have been chargeable to income-tax apart from the provisions of this sub-section, be deemed to be the income of the owner and not to be the income of any other person.

- Where any person has had at any time during any tax year any beneficial interest in any securities, and the result of any transaction relating to such securities or the income thereof is that, in respect of such securities within such year, either no income is received by him or the income received by him is less than the sum to which the income would have amounted if the income from such securities had accrued from day to day and been apportioned accordingly, then the income from such securities for such year shall be deemed to be the income of such person.

However, the ITA provides that there shall be no deemed avoidance of income-tax where the person proves to the satisfaction of the Revenue authorities that there has been no avoidance of income-tax or that the avoidance of income-tax was exceptional and not systematic and that there was not in his case in any of the three preceding years any avoidance of income-tax by a transaction of a similar nature.

### *Capital Gains*

The treatment of capital gains for Indian tax purposes depends on whether or not the Mauritian subsidiary qualifies for a Limitation of Benefits ('LoB') clause in the DTAA and GAAR under the ITA, and the nature of the capital gains.

Where the DTAA applies, capital gains resulting from the sale of shares in India (whether listed or unlisted) including shares on conversion of foreign currency convertible bonds, sale of shares underlying Global Depository Receipts (GDRs) issued by Indian companies are subject to tax in India under the DTAA for all investments made on or after April 1, 2017. On capital gains on other securities like debt or derivative securities, no tax in India should apply.

Also, the purchase and sale of equity shares, units of equity oriented funds and the sale of derivatives on a recognized stock exchange in India and the sale of units of equity oriented funds to the Mutual Fund will be subject to a Securities Transaction Tax ("**STT**") as discussed below.

Gains realised from the sale of investments held by the Mauritian Subsidiary will be liable to tax based on:

- a) the duration for which the corresponding investment was held prior to sale; and
- b) the manner in which the sale is affected.

The tax treatment for the Mauritian Subsidiary is as follows:

- a. Under the provisions of the ITA, listed shares, notified zero coupon bonds (ZCBs), units of SEBI registered equity oriented mutual fund and other securities listed on a recognized stock exchange (including listed derivatives but excluding units of debt mutual fund), held as capital assets, are

regarded as short-term capital assets if held for a period of 12 months or less. Other assets (including debt-oriented mutual funds) are regarded as short-term capital assets if held for a period of 36 months or less (this period is reduced to 24 months for unlisted equity shares of Indian companies). Capital assets held for a period of more than 12 / 24/ 36 months, as applicable, are treated as long-term capital assets.

- b. Gains earned by the Mauritian Subsidiary on transfer of short-term capital assets will be taxed as short-term capital gains at a maximum rate of 43.68% (on the basis that income will exceed Rs 100 million. A Tax rate of 42.432% will apply if income exceeds Rs 10 million; otherwise a tax rate of 41.6% will apply) to the Mauritian Subsidiary. If the Mauritian Subsidiary is registered as an FPI, these gains will be taxed at reduced tax rate of 30% plus applicable surcharge and cess.

However, if short-term capital gain arises on the sale of equity shares or units of equity oriented funds on a recognized stock exchange in India or sale of units of equity oriented fund to the Mutual Fund, it shall be taxable at 16.38% (on the basis that income will exceed Rs 100 million. A Tax rate of 15.912% will apply if income exceeds Rs 10 million, otherwise a tax rate of 15.6% will apply), provided Securities Transaction Tax (STT), as discussed below, has been paid on such a transfer.

- c. Gains earned by the Mauritian Subsidiary on transfer of long-term capital assets, being unlisted securities, will be taxed as long-term capital gains at an effective rate of 10.92% (on the basis that income will exceed Rs 100 million. A tax rate of 10.608% will apply if income exceeds Rs 10 million; otherwise a tax rate of 10.4% will apply) if benefits of currency fluctuations and indexation, as specified in ITA, are not considered. Otherwise, these long term capital gains on unlisted securities and otherwise long-term capital gains on any other security will be taxed at a maximum rate of 21.84% (on the basis that income will exceed Rs 100 million. A tax rate of 21.216% will apply if income exceeds Rs 10 million; otherwise a tax rate of 20.8% will apply). If the entity is registered as FPI, these gains will be taxed at reduced tax rate of 10% plus applicable surcharge and cess.
- d. Transfer of equity shares or units of equity-oriented funds, such long-term capital gains exceeding Rs. 0.1 million will be taxable at an effective rate of 10.92% (on the basis that income will exceed Rs 100 million. A tax rate of 10.608% will apply if income exceeds Rs 10 million; otherwise a tax rate of 10.4% will apply) provided STT, as discussed below, has been paid on acquisition and transfer of such an equity share or on transfer of such a unit of an equity oriented fund.

#### Taxation of other income

Any other income earned by the Mauritian Subsidiary on account of making an investment in India, except by way of dividends, interest and capital gains, will be taxable at maximum rate of 43.68% (on the basis that income will exceed Rs 100 million. A tax rate of 42.432% will apply if income exceeds Rs 10 million; otherwise a tax rate of 41.6% will apply)

### Minimum Alternate Tax

Under the provisions of the ITA, where the tax liability of a company is less than 18.5% of its book profits (including long-term capital gains arising on the sale of equity shares or units of equity oriented funds on a recognized stock exchange in India or sale of units of equity oriented fund to the Mutual Fund, on which STT has been paid), the company is liable to pay Minimum Alternate Tax (MAT) at a maximum rate of 20.202% (on the basis that income will exceed Rs 100 million. A tax rate of 19.6248% will apply if income exceeds Rs 10 million; otherwise tax rate of 19.24% will apply).

A new clause was inserted by FA 2015. According to Clause (iid) in explanation 1 to section 115JB of the ITA, MAT provisions will not be applicable to the income earned on capital gains arising on transactions in securities to overseas funds. This amendment was applicable from 01 April 2016.

### Securities Transaction Tax

The Mauritian Subsidiary will be liable to pay STT on the purchase and sale of equity shares, units of equity-oriented funds and on the sale of derivatives where such a transaction is entered on a recognized stock exchange in India and on the sale of units of equity oriented fund to the Mutual Fund. STT is levied on the transaction value at the following rates:

- a. 0.10% on the purchase of equity shares in a company on a recognized stock exchange in India;
- b. 0.10% on the sale of equity shares in a company on a recognized stock exchange in India;
- c. 0.025% on the sale of equity shares in a company or units of equity oriented funds on a recognized stock exchange in India where the contract for sale is settled otherwise than by the actual delivery or transfer of such shares or units;
- d. 0.05% on the sale of an option in securities (where the option is not exercised);
- e. 0.0170.125% on the sale of an option in securities, where the option is exercised (payable by the purchaser);
- f. 0.01% on sale of a futures in securities;
- g. 0.001% on the sale of unit of an equity oriented fund to the Mutual Fund.
- h. 0.001% on the sale of a unit of an equity oriented fund, on a recognised stock exchange in India, settled by actual delivery.

STT is not allowable as a deduction in computation of capital gains.

### Characterisation of income

There have been judicial pronouncements on whether gains from transactions in securities should be taxed as “business profits” or as “capital gains”. However, these pronouncements, while laying down certain guiding principles have largely been driven by the facts and circumstances of each case. Historically, private equity investors and FIIs/FPIs have ordinarily prepared their tax returns on the

basis that sale proceeds from their investments in Indian securities are treated for tax purposes as giving rise to capital gains. There have been a few instances where funds have approached and received a confirmation from the Indian revenue authorities in the form of advance rulings that income from the sale of Indian securities, including exchange traded derivatives, is in the nature of business income. Advance rulings being private rulings are binding only in the case of the applicant. The tax laws have been recently clarified to state that gains by registered FPIs should be regarded as capital gains.

If gains realized on the sale of shares are taxed as “business profits” by tax authorities and the Mauritian Subsidiary is held to have a permanent establishment in India with such gains being attributable to the permanent establishment the gains will be taxable at a maximum rate of 43.68% (on basis that income will exceed Rs 100 million. A tax rate of 42.432% will apply if income exceeds Rs 10 million; otherwise a tax rate of 41.6% will apply). The amount of STT paid will be allowed as a deduction while computing business profits of the Mauritian Subsidiary.

#### General Anti-Avoidance Rule ('GAAR')

The GAAR provisions have been implemented in India with effect from 01 April 2017.

If the main purpose of an arrangement (or any step in or any part thereof) is to obtain a tax benefit and the arrangement (or any step in or part thereof) satisfies at least one of the following four specified tests:

- (i) it creates rights and obligations, which are not normally created between parties dealing at arm's length;
- (ii) it results in misuse or abuse of the provisions of the tax law;
- (iii) it lacks commercial substance;
- (iv) it is entered into or carried out, by means, or in a manner, which are not ordinarily employed for bona fide purposes;

then, the arrangement can be declared to be an “impermissible avoidance arrangement.”

Further, it has been explained that an arrangement shall be deemed to lack commercial substance if, inter alia,

- a. the substance or effect of the arrangement as a whole, is inconsistent with, or differs significantly from, the form of its individual steps or a part thereof; or
- b. it involves or includes round trip financing, an accommodating party, or elements that have the effect of offsetting or cancelling each other or a transaction which is conducted through one or more persons and disguises the value, location, source, ownership or control of funds which is the subject matter of such transaction; or
- c. it involves the location of an asset or of a transaction or of the place of residence of any party which is without any substantial commercial purpose other than obtaining a tax benefit for a party; or

- d. It does not have a significant effect upon the business risks or net cash flows of any party to the arrangement apart from any effect attributable to the tax benefit that would be obtained.

#### Tax consequences of invoking GAAR

Once an arrangement is held to be an impermissible avoidance arrangement, then the consequences in relation to taxation of the arrangement, including denial of tax benefits or a benefit under a tax treaty, will be determined keeping in view the circumstances of the case.

#### Stamp Duty

The Shares of the Mauritian Subsidiary would not be liable to stamp duty in India. The shares of the Indian companies purchased by the Mauritian Subsidiary may be liable to applicable stamp duty in India (i.e. on the share certificates) if the same are not in dematerialized form. However, most of the equity shares of Indian companies can be traded on the stock exchanges only in dematerialized form, so this implication is minimal.

**Prospective investors are urged to consult their own tax advisors with respect to their own tax situations and the tax consequences in respect of their investment in the Funds.**

#### **11. Profile of a Typical Investor**

It is anticipated that the typical investor in the Fund will be a sophisticated investor with a medium to long investment time horizon who understands, and is able to tolerate, the risks associated with investment in the emerging markets. The typical investor is likely to be either a professional investor or be professionally advised on investment matters. The Fund is expected to have a high volatility.

#### **12. Risk Factors**

Potential investors should be aware of the following risks which are associated with investing in the Fund:

##### **Tax Risks**

##### *The Fund's tax position*

Any change in the Indian companies' tax status or in taxation legislation in India could affect the value of the assets held by the Mauritian Subsidiary or affect the Fund's ability to achieve its investment objectives or provide favourable returns to Shareholders. Any such change could also adversely affect the net amount of any dividends payable to Mauritian Subsidiary if it is one of the shareholders of such a company.

While the Mauritian Subsidiary is incorporated in Mauritius and all of its directors are resident outside India, continued attention must be paid to ensure that major decisions by the Mauritian Subsidiary are not made in India to avoid the risk that the Mauritian Subsidiary may lose its non-Indian resident status. Management errors could potentially lead to the Mauritian Subsidiary being considered an

Indian tax resident which would negatively affect its financial and operating results and returns to Shareholders.

Since the Mauritian Subsidiary is incorporated in Mauritius and majority of the directors / managers are resident outside India, it has obtained a Mauritian Tax Residency Certificate from the Mauritius Commissioner of Income Tax.

The TRC is, in certain jurisdictions like India, conclusive of the Mauritius tax residence of its beneficiary. Applications for a TRC must be made on an annual basis to the Mauritius Revenue Authority ("MRA") through the Financial Services Commission ("FSC").

The FSC will recommend the issuance of a TRC to the MRA if it is satisfied that the Mauritian Subsidiary is centrally managed and controlled in Mauritius. The FSC will make this determination by considering whether the Mauritius Subsidiary:

- a. has two directors, of sufficient calibre to exercise independence of mind and judgment, who must be resident in Mauritius;
- b. maintains at all times its principal bank account in Mauritius;
- c. maintains at all times its accounting records at its registered office in Mauritius;
- d. prepares its statutory financial statements and has such financial statements be audited in Mauritius; and
- e. Provides for meetings of directors to include at least two directors from Mauritius.

Additionally, since 1 January 2015, when determining the issue of management and control, the FSC also considers (in addition to existing substance requirements set out above) whether the Mauritian Subsidiary meets at least one of the following criteria ("**additional criteria**"):

- a. it has or shall have office premises in Mauritius; or
- b. it employs or shall employ on a full time basis at administrative/technical level, at least one person who shall be resident in Mauritius; or
- c. its constitution contains a clause whereby all disputes arising out of the constitution shall be resolved by way of arbitration in Mauritius; or
- d. it holds or is expected to hold within the next 12 months, assets (excluding cash held in bank account or shares/interests in another corporation holding a Global Business Licence) which are worth at least USD 100,000 in Mauritius; or
- e. its shares are listed on a securities exchange licensed by the FSC; or
- f. it has or is expected to have a yearly expenditure in Mauritius which can be reasonably expected from any similar corporation which is controlled and managed from Mauritius.

The onus is on the Mauritian Subsidiary to satisfy the FSC that its level of expenditure in Mauritius is reasonable. Reasonableness of expenditure would be judged in the light of circumstances of each case and the factors to be considered to decide whether the level of expenditure of a GBC1 is reasonable include the type of activity, its average turnover, the country(ies) in which it is conducting business, and the value of its net assets and the industry average to name but a few.

Given that the TRC is renewable on an annual basis, the Mauritian Subsidiary will have to ensure that it complies with all the above requirements at all times. This TRC makes the Mauritian Subsidiary eligible for the benefits under the India-Mauritius DTAA. If the Mauritian Subsidiary is treated as having a permanent establishment, or as otherwise being engaged in a trade or business, in India under the DTAA, then it may be subject to additional tax on capital gains.

The Mauritius legal framework under which the Mauritian Subsidiary will invest in Asian countries may undergo changes in the future, which could impose additional costs or burdens on the Mauritian Subsidiary's operations. Future changes to Mauritian Law, or the jurisdictions in which the Mauritian Subsidiary invests, or the DTAA, or the interpretations given to them by regulatory authorities could impose additional costs or obligations on the Mauritian Subsidiary's activities and status in Mauritius. Adverse tax consequences would result if the Mauritian Subsidiary does not qualify for the benefits under the DTAA. There can be no assurance that the Mauritian Subsidiary will continue to qualify for or receive the benefits of the DTAA or that the terms of the DTAA will not be changed.

#### Amendment to the DTAA

According to the protocol signed by India and Mauritius on May 10, 2016 (the "**Protocol**") amending the DTAA, India has the right to tax capital gains which arise from alienation of shares of a company resident in India acquired by a Mauritian tax resident on or after April 01, 2017. Prior to the Protocol coming into effect, in light of the relief available under the DTAA, capital gains were not subject to tax in India, provided the Mauritian Subsidiary had no PE in India. If the Mauritian Subsidiary was held to have a PE in India, it could opt to be taxed under the domestic law provisions, in which case its gains from transfer of securities would be taxable as capital gains. Alternatively, it could also opt to be taxed under the Mauritius Treaty, in which case income from such transfer (net of expenses) would be taxable at 40% (plus applicable surcharge and cess) to the extent attributable to the PE. The Protocol provides for grandfathering of investments made before April 01, 2017, i.e. all investments made prior to April 01, 2017 and any exits / share transfers from such investments will not be subject to capital gains tax in India subject to the Mauritian Subsidiary not having a PE in India.

#### **Risks in Relation to Mauritius**

There can be no assurance that Mauritius will continue to remain politically and economically stable and thus there may be political risks associated with the Fund investing in a Mauritian entity such as Ocean Dial Gateway to India (Mauritius) Limited (and so indirectly to the Shareholders investing in the Fund).

#### **Reliance on India-Mauritius Double Tax Avoidance Treaty**

Ocean Dial Gateway to India (Mauritius) Limited will continue to be incorporated under the laws of Mauritius and as a holder of a Category 1 Global Business Corporations Licence, issued by the FSC. Ocean Dial Gateway to India (Mauritius) Limited expects to maintain its TRC and to evidence its residency in Mauritius for tax treaty purposes. Ocean Dial Gateway to India (Mauritius) Limited, with its TRC and its status as domiciled in Mauritius expects to continue to be governed by the provisions of the DTAA, which includes an exemption from Indian capital gains tax in respect of certain securities such as debt or derivative securities.

The DTAA has been amended by way of a protocol between the Government of India and the Government of Mauritius which was effective as and from 19 July 2016.

Pursuant to the above, under the new paragraph 3A of Article 13 of the DTAA, India is entitled to tax capital gains arising from the disposition on or after April 1, 2017 of shares in a company resident in India. A protection to investments has been granted to shares acquired before April 1, 2017.

To the extent that the Mauritian Subsidiary does not hold any immovable property in Mauritius, no capital gains tax should be payable in Mauritius. Income or gains realised by the Mauritian Subsidiary on disposal of investments are exempt from income tax in Mauritius. Dividends (as defined under Mauritius Income Tax Act 1995) paid by the Mauritian Subsidiary to any corporation or any individual not resident in Mauritius will not be subject to any Mauritian withholding tax. A gain or profit derived from the sale of the Shares by a Shareholder who is non-resident in Mauritius would be exempt in Mauritius from any withholding tax.

In addition, the attention of investors is drawn to the section of the Prospectus entitled "The ICAV; Risk Factors".

## **Additional Information For Investors In Switzerland**

This supplement is dated 10<sup>th</sup> July 2020, forms an integral part of and should be read in conjunction with the prospectus of Ocean Dial Investment Funds ICAV (the “Company”) dated 22<sup>nd</sup> May 2019 as amended from time to time (the “Prospectus”). Capitalised terms in this Supplement have the same meaning as those used in the Prospectus.

### **1. Representative in Switzerland**

OLIGO SWISS FUND SERVICES S.A., 17, avenue Villamont, 1005 Lausanne, Suisse, Tél.: +41 21 311 17 77, Email : info@oligofunds.ch

### **2. Paying Agent in Switzerland:**

BANQUE CANTONALE DE GENÈVE, 17, quai de l’Ile, 1204 Geneva, Switzerland, Tel.: + 41 22 317 27 27, Fax: + 41 22 317 27 37.

### **3. Location where the relevant documents may be obtained**

The Prospectus, the Key Investor Information Documents, the Articles of Association as well as the annual and semi-annual reports of the Company may be obtained free of charge from the Representative in Switzerland.

### **4. Publications**

4.1 Publications in respect of the Company shall be made in Switzerland on [www.fundinfo.com](http://www.fundinfo.com).

4.2 The issue and redemption prices, respectively the Net Asset Value of the Shares of the Sub-Fund, together with an indication “commissions excluded” will be published at each issue and redemption on [www.fundinfo.com](http://www.fundinfo.com). The prices are published every day.

### **5. Payment of retrocessions and rebates**

#### **5.1 Retrocessions**

The Fund Company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund Shares in and from Switzerland. This remuneration may be deemed payment for the following services in particular:

Sales promotions and introductions with potential clients, the organization of road shows and/or fund fairs, assistance in making applications, forwarding of subscription, conversion and redemption orders, providing investors with the Company’s documents, verification of identification documents and the performance of due diligence tasks as well as keeping documentary records.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for distribution.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

## 5.2 Rebates

In respect of distribution in and from Switzerland the Fund Company and its agents do not pay any rebates directly to investors to reduce the fees or costs incurred by the investor and charges to the fund.

## **6. Place of performance and Place of jurisdiction**

In respect of the Shares distributed in and from Switzerland, the place of performance and place of jurisdiction are at the registered office of the Representative in Switzerland.

Dated: 10 July 2020